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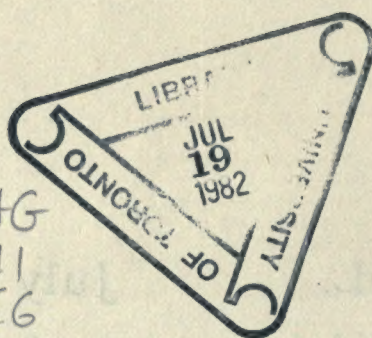
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INDEX TO VOL. XL.

Critical Index to New Issues indicated by *.

A

Adams, Thos., 165
 Admiralty Changes, 147
 Advice, Muddle-headed, and Sugar, 553
 Aerated Bread Co., 472
 Aircraft, Compensation for Damage by, 637
 Aircraft Manufacturing Co., 426
 Alexandria Water, 22
 Allied Labour Conference, 225
 Allies and Alsace, 368
 Amalgamated Press, 630
 America, Kaiser's Peace Terms in, 667
 American Agricultural Chemical, 335
 American Cyanamid, 241
 American Liberty Loan, 20
 American Locomotive Co., 334
 American Smelting and Refining, 419
 American, The, and the German Confederacies—A parallel, 228
 Anchor Line (Henderson Bros.), 54
 Anglo-British Columbia Packing, 433
 Anglo-Continental Supply, 396
 Anglo-French Society, 472
 Anglo-Persian Oil, 538, 562
 Argentina, News from, 174
 Argentine Internal Loan, 232
 Argentine Navigation (Mihanovich), 203, 394
 Argentine Notes, 322
 Argentine Railway Position, 369, 395
 Argentine Southern Land, 616
 Argentine State Bank Project, 454
 Army and Navy Investment Trust, 670
 Ash, Claudius, 176
 Asquith, Mr., on a "Clean Peace," 600
 Assam Oil, 68
 Assam Railways and Trading, 344
 Associated Newspapers, 30
 Associated Portland Cement Manufacturers, 322
 Austin, S. P., 190
 Australasia, Life Assurance Business in, in 1915-16, 73, 425
 Australasian Banking Statistics, 148, 520
 Australia and Conscription, 656
 Australian Agriculture, 122
 Australian Commonwealth's War Burden, 525
 Australian Estates and Mortgage, 54
 Australian Liberty Loan, 208, 481
 Australian Mercantile Land and Finance, 524
 Australian War Time Profits Tax Assessment Bill, 121, 369
 Avery, W. and T., 31

B

Bahia Specie Payments Resumed, 557
 Baldwin's, 416
 Bank of England, Impending Changes at the, 256, 304
 Banking Amalgamations, 530
 Banking Half-Year, 59
 Banking Profits, 12
 Banking Results, Forecast of, 662
 Bankruptcy Returns in the United Kingdom, 321
 Banks, State Borrowing and the National Credit, 56
 Banks :—
 Anglo-Egyptian, 522
 Anglo-South American, 417, 530
 Australasia, 320
 Australian of Commerce, 530
 Austro-Hungarian State, 662
 Banque de Commerce de Siberie, 563
 Barclay's, 29
 Belfast, 344
 British Commercial, 454
 British for Foreign Trade, 370
 Capital and Counties, 86
 City of Sydney, 530
 Colonial, 426
 Commercial of Australia, 320
 Commercial of London, 455
 Commercial of Scotland, 601
 Commercial of Spanish America, 481, 530
 Commercial of Sydney, 297
 Cox and Co., 522
 Dominion, 175
 English, Scottish and Australian, 497
 Glyn, Mills, Currie, 29
 Hibernian, 86
 Liverpool, 29, 59
 Lloyds, 60
 Lloyds (France) and National Provincial (France), 304
 London and Provincial, 578
 London and River Plate, 573
 London and South-Western, 29, 578
 London City and Midland, 29
 London County and Westminster, 85, 394
 Manchester and County, 60
 Manchester and Liverpool District, 47, 122
 National, 60
 National of Australasia, 226
 National of India, 343
 National of New Zealand, 7
 National of Scotland, 600
 National of South Africa, 121

Banks—continued.

National Provincial, 631
 Netherlands, 446
 New South Wales, 30, 86
 New Zealand, 175
 North of Scotland and Town and County, 417
 Northern of Belfast, 370
 Queensland National, 218
 Royal of Australia, 7
 Royal of Ireland, 321
 Royal of Scotland, 548
 Russian and English, 344
 Russian Commercial and Industrial, 176
 Standard of South Africa, 393
 Taiwan, 549
 Tata Industrial, 504
 Ulster, 321, 394
 Union of Australia, 61
 Union of London and Smiths, 631
 Union of Manchester, 43, 60
 Victoria, 343
 Yokohama Specie, 454, 472
 Bath and Portland Stone Firms, 360
 Bell Bros., 574
 Benson, J. W., 31
 Berlin, Hubhub in, 32
 Bethlehem Steel, 239
 Birmingham Small Arms, 371
 Birth-rate Falling, 521
 Blockade, The, 5
 Board of Agriculture, 223, 248
 Bolckow, Vaughan, 273
 Bolivian Affairs, 573
 Boots Cash Chemists (Eastern), 298
 Bovril Australian Estates, 651
 Brazil, News from, 174
 Brazilian Note Issue, 328
 Bretts' Stamping, 433
 Breweries :—
 Allsopp, Samuel, and Sons, 629
 Ansell's, 473
 Barclay, Perkins, 9
 Bass, Ratcliff and Gretton, 177
 Bristol United, 447
 Brown, Matthew, 447
 Clarkson's (Barnsley), 217
 Commercial, 42
 Crosswell's Cardiff, 273
 Dartford, 473
 Denver United, 407
 Forest Hill, 165
 Guinness, Arthur, 122
 Hall's Oxford, 538
 Hammond's Bradford, 462
 Hancock, Wm., 165
 Hey, J., 538

Breweries—continued.

- Hoare, 43
 Hodgson's Kingston, 395
 Ind, Coope, 575
 Kenward and Court, 539
 Leeds and Batley, 360
 McEwan, Wm., 177
 Mitchell's and Butler's, 176
 Ohlsson's Cape, 346
 Parker's Burslem, 136
 Royal Brentford, 346
 Salt, Thos., 550
 Tamplin and Sons, 22
 Threlfall's, 123
 Watney, Combe, Reid, 149
 Watney, D., and Sons, 75
 Whitbread, 150
 Worthington, 629
 Younger, Robert, 651
 Brewing Industry, The, Recovery in, 237, 273
 Brewing Orders, 416
 Briggs, Henry, 308
 British Bank of South America Circular, 174, 522
 British Canadian Trust, 462
 British Dyes, 418
 British Empire Land Mortgage and Loan, 669
 British Foreign Trade, 69, 178, 276, 396, 501, 526, 632
 British, French, and German State Banks, Direction of, 177
 British Guiana, Position of, 550
 British Manufacturers' Corporation, Proposed, 656
 British Motor Cab, 446
 British North Borneo Co., 54
 British Portland Cement Manufacturers, 136
 British Steamship Investment, 123
 British Treasury Bill Sales in New York, 209
 Brooke, Bond, 55
 Brown, John, 298
 Brownlee, 42
 Brunner, Mond, 497
 Bulloch, Lade, 203

C

- Calico Printers' Association, 273
 Cambridge Magazine, 225
 Canada Life Assurance, Business in, 104, 311
 Canada's Majority for Conscription, 636
 Canadian Car and Foundry, 53
 Canadian Dominion, National Debt of the, 6
 Canadian Northern Prairie Lands, 190
 Canadian "Victory" Loan, 480
 Canadian Western Lumber, 8
 Capital and Labour, Lords on, 471
 Capital? No Levy on, 299
 Cargo Fleet Iron, 201
 Cassel Cyanide, 616
 Castner-Kellner Alkali, 550
 Ceylon, Mineral Developments in, 231
 Chaplin, W. H., 218
 Chartered Co., 638
 China, Finances of, 179
 Chinese Republic Re-established, 52
 Civil Departments, Obstructive, 120
 Clemenceau, M., 521
 Clydesdale Investment Co., 462
 Coal Conservation, 656
 Coal, Dear, 473
 Coal Industry, 272
 Coal Trade, Newcastle, 392
 Coats, J. and P., 574
 Colorado Nitrate, 539
 Commonwealth Loan, 233
 Companies (Particulars as to Directors) Act, 182
 Company Meetings:—
 Aerated Bread, 542
 Amalgamated Press, 671
 Anglo-Dutch Plantations of Java, 291
 Anglo-Egyptian Bank, 543
 Anglo-Persian Oil, 590
 Anglo-South American Bank, 434
 Ansell's Brewery, 542
 Argentine Great Western Railway, 594
 Argentine Iron and Steel, 267
 Ashanti Goldfields, 619

Company Meetings—continued.

- Assam Oil, 77
 Assam Railways and Trading, 387
 Associated Tea Estates of Ceylon, 515
 Auckland Electric Tramways, 542
 Australian Estates and Mortgage, 112
 Australian Mercantile Land and Finance, 565
 Bahia Blanca and North-Western Railway, 566
 Baldwins, 463
 Bank of Liverpool, 108
 Bantam (Java) Rubber Estates, 671
 Bengal-Nagpur Railway, 593
 Birmingham Small Arms, 386
 "Bodega," The, 78
 Boots Cash Chemists (Eastern), 363
 British Dyes, 436, 464
 British North Borneo Co., 114
 Broomhill Collieries, 564
 Brown, John, 338
 Buenos Ayres and Pacific Railway, 565
 Buenos Ayres Great Southern Railway, 489
 Buenos Ayres Western Railway, 489
 Bukit Cloh Rubber, 167
 Burma Corporation, 142
 Cape Copper, 619
 Cargo Fleet Iron, 243
 Central Argentine Railway, 514
 Charron, 291
 Clerical, Medical, and General Life Assurance, 464
 Clergy Mutual Assurance, 138
 Commercial Bank of Scotland, 649
 Dalgety and Co., 565
 Darracq, A., 463
 Dick, Kerr, 465
 Distillers, 114
 Dorman, Long, 139, 648
 Eastern Extension Telegraph, 437
 Eastern Telegraph, 437
 Ebbw Vale Steel, Iron, and Coal, 109
 Edison Swan Electric, 650
 Electric Supply Corporation, 23
 Empire of India and Ceylon Tea, 46
 English, Scottish, and Australian Bank, 489
 Fanti Consolidated Mines, 594
 Farrow's Bank, 166
 Forum River (Nigeria) Tin, 670
 Furness, Withy, 141
 General Electric, 76
 Gloucester Railway Carriage and Wagon, 140
 Harrisons and Crosfield, 410
 Henderson's Transvaal Estate, 77
 Hudson's Bay, 195
 Ind, Coope, 650
 Institute of Bankers, 512
 Irtys Corporation, 621
 Java Para Rubber, 46
 Kinta Kellas Rubber Estates, 387
 Kyshtim Corporation, 622
 Leach's Argentine Estates, 363
 Liebig's Extract of Meat, 219
 Lobitos Oilfields, 115
 London-American Maritime Trading, 595
 London and River Plate Bank, 650
 Madras Electric Supply, 22
 Marconi International Marine Communication, 22
 Marconi's Wireless Telegraph, 166
 Middleburg Steam, Coal, and Coke, 620
 Minerals Separation, 646
 Molassine, 243
 Mount Yagahong Exploration and Finance, 620
 National Bank of New Zealand, 76
 National Bank of Scotland, 670
 Niger Co., 411
 Pahang Consolidated, 651
 Pears, A. and F., 465
 Pearson and Knowles Coal and Iron, 362
 Pekin Syndicate, 648
 P. and O. Steam Navigation, 617
 Prince Line, 362
 Raphael Tuck and Sons, 267
 Renong Tin Dredging, 339
 Roebourne Finance and Investment, 115
 Roneo, 465
 Royal Bank of Scotland, 564

Company Meetings—continued.

- Rubber Plantations Investment Trust, 513
 Russo-Asiatic Corporation, 622
 Sengat Rubber Estate, 622
 Sheepbridge Coal and Iron, 338
 Smith, S. and Sons (Motor Accessories), 514
 South American Stores, 649
 South Metropolitan Gas, 194
 South-West Africa Co., 47
 Spies Petroleum, 620
 Spillers and Bakers, 142
 Sumatra Para Rubber Plantations, 594
 Tanalyk Corporation, 621
 Tandjong Rubber, 647
 Threlfall's Brewery, 143
 Union Bank of Australia, 141
 Union Bank of Manchester, 137
 Union Cold Storage, 339
 United Dairies, 386
 Watney, Combe, Reid, 194
 Welsbach Light, 114
 Western Canada Investment, 651
 Western Telegraph, 543
 Workington Iron and Steel, 242
 Company Registrations, 321
 Constantine's, King, Betrayal, 225
 Constantinople, Position of, 201
 Consular Service, The, 262
 Co-operation, Real, 527
 Cope Bros, 487
 Corn Production Bill, 28, 85, 147, 173, 199
 Cotton Crop, 395
 Cotton Production and Consumption, 334
 Cotton Spinning Companies, Lancashire, 550, 574
 Cotton Trade, 123
 Council of Foreign Bondholders v. Speyer's, 226
 Credit, Smudging the Nation's, 603
 Credit, Vote of, 415
 Crop Prospects, 200
 Cuban Loan, 36
 Cuban Ports Co., 74, 248, 369
 Cuban War Bonds, 406
 Cunliffe, Lord, Retirement of, 475

D

- Dailuaine-Talisker Distilleries, 217
 Darracq, A., 446
 Davy Bros., 42
 Debt and Waste, 495
 Decimal Coinage and the Metric System, 298
 Dick, Kerr, 429
 Direct West India Cable, 345
 Distillers Co., 30
 Dollar Securities, 256
 Dorman, Long, 498, 574
 Drake and Gorham, 487
 Dumont Coffee, 9
 Dunlop Rubber, 207
 Dutch Ships, Stoppage of, 128

E

- Eastern Co. of Petrograd, 68
 Eastern Extension Telegraph, 394
 Eastern Telegraph, 394
 Ebbw Vale Steel, Iron, and Coal, 55
 Edinburgh Evening News, 43
 Egyptian Cotton Crop, 369
 Egyptian Markets, 106
 Egyptian Salt and Soda, 630
 Eley Bros., 207
 "Empire," Not, But Confraternity, 187
 English Sewing Cotton, 32, 54
 Ericsson Shipping, 395
 Excess Profits Tax, 4
 Excess Profits Tax, Abolition of, in Canada—New Zealand, 226
 Exchequer Bonds, 280, 305
 Expenditure, National, Select Committee to Control, 27
 Explosive Manufacturing Companies' Fusion, 248
 Exports in 1916, 323

F

Famine, To Avert, 275
 Far Eastern Rand Tenders, 346, 448, 487
 Federal Reserve Banking Amendments, 72, 95, 163, 376
 Federation of Labour "Stipulations," 608
 Field, J. C. and J., 75
 Fire and Marine Insurance in the U.S., 154
 Fire Losses During November, 609
 Food and Shipping Problems, Mr. Lloyd George on, 171
 Food Consumption, Economy in, 368
 Food Control, 84, 148, 301, 320, 368, 391, 444, 573, 629
 Food Position, World's, 555
 Food Prices, Rise in, 604
 Food Problems Discussion, 521
 Food Rations Scale, New, 496
 Foreign Trade, Direction of, 205, 526
 Fowler, D. and J., 298
 France, Vital Problems in, 372
 Free Nations, Fellowship of, 152
 Freedom of the Seas, True, 392
 French Defence Loan, 557
 French Ministry, 271
 French Moratorium Renewed, 13
 French Tax on Retail Purchases, 4
 French Taxes, New, 182
 French Treasury Bills Renewal, 328
 French War Loan, 319, 426
 Furness, Withy, 86, 122, 247

G

Gas and Electric Lighting:—
 Alliance and Dublin Consumers', 313
 British Thomson Houston, 88
 Commercial 164
 Consolidated Light and Power, 344
 Croydon, 217
 Edmundson's, 43
 Electric Supply of Victoria, 433
 General Electric, 30
 Power Corporation, 657
 South Metropolitan, 182
 South Suburban, 218
 Tottenham District Light, Heat, and Power, 190
 Welsbach, 86
 Gas Industry and the Sliding Scale, 606
 Geological Survey Report, 310
 George, Mr. Lloyd, in Glasgow, 3
 George, Mr. Lloyd, on Food and Shipping Problems, 171
 Gerard's, Mr., Narrative, 175, 297
 German Banks' Bluff, 480
 German Colonies, 373
 German Debt Methods—and Our Own, 419
 German Foreign Trade, How to Control, 552
 German Loan, Another, 582
 German Loan, Seventh, 276
 German Loss of Gold, 130
 German Parliamentary Reform, 272
 German Plotters, 52
 German Property, Confiscation of, 430
 German Vessels in S. American Ports, 370
 "Germany Richer than Before the War," 91
 Glasgow Corporation Bills, 328
 Glenboig Union Fire-Clay, 380
 Gold Production, World's, 384
 Gold? What Has Become of the, 61
 Goode, Darrant, 510
 Gordon Hotels, 123
 Government and General Investment, 670
 Government Areas Tenders' Results, 448
 Government Largesse, 548
 Government Life Annuities, 480, 503
 Government Securities, Marketing of, 520
 Gramophone Co., 550
 Grand Canal, 241
 Greece, A United, 5
 Greek White Book, 297
 Greenwood and Batley, 176
 Guatemala Prosperity, 99
 Guest, Keen, and Nettlefolds, 226

H

Halifax and Bermudas Cable, 345
 Handford Greatrex, 332
 Hardinge, Lord, and Mesopotamia, 4
 Harrisons and Crosfield, 384
 Harrod's (Buenos Aires), 551
 Harrod's Founders' Scheme, 229
 Hazel, Watson, and Viney, 24
 Henderson, David and William, 106
 Hepworth, J., and Son, 360
 Herald's, The, Dream, 31
 Highland Distilleries, 433
 Hill, Richard, 616
 Hill's Dry Docks and Engineering, 407
 Hoffnug, S., 106
 Home Railway Dividends, 149
 Horses, Loss of, 83
 Howard and Bullough, 75
 Hudson's Bay, 149, 344
 Hulett, Sir J. L., and Sons, 419
 Humber, Ltd., 523
 Hurst, Nelson, 447

I

Ibbotson Bros., 291
 Idris, 670
 Ilford, 563
 Imperial Tobacco of Canada, 400
 Imports in 1916, 253
 India-Rubber, Gutta-Percha, and Telegraph Works, 670
 India Requisitions Gold Imports, 12
 India, Self-Government for, 201
 India, Treasury Bills in, 504
 Indian Companies Financing, 280
 Indian Prohibition of Silver Imports and Exports, 256
 India's Arrangements with the U.S., 64
 Indo-European Telegraph, 150
 Insurance and Insolvency, 577
 Insurance News (every week)
 Insurance Results in 1915, 404
 Insurance:—
 Atlas, 561
 Australian Mutual Provident, 129, 288
 British and South African, 609
 British Commonwealth, 265
 British Law Fire, 637, 667
 City Life, 216
 City Underwriters, 154
 Clergy Mutual, 104
 Clerical, Medical and General, 453
 Colonial Mutual Life of Australia, 327
 Commercial Union, 288, 327
 Co-operative, 637
 Eagle and British Dominions, 11, 104, 288, 358, 404, 453, 587
 Empire of India Life, 311
 Equity and Law Life, 503
 Etoile du Nord, 588
 Horse Carriage General, 503
 Indemnity Mutual Marine, 311
 Irish United Collecting Society, 265
 Law Guarantee Trust and Accident, 637, 658
 Legal and General, 536
 Licences, 104
 Licences Corporation and Guarantee Fund, 404
 Life Association of Scotland, 41
 London, 637, 667
 London and Lancashire Fire, 73, 128, 189, 327, 358
 London and Midland, 189
 London Life Association, 425
 Marine, 73, 128, 189, 265, 311
 National, 288
 National of Great Britain, 327
 Norske Lloyd, 231
 North British and Mercantile, 41
 Northern, 265
 Northern Maritime, 609
 Pearl, 425
 Planet Friendly, 637
 Provident Accident and Guarantee, 154, 189, 265
 Prudential, 231, 383
 Queensland, 588
 Royal, 561
 Salamandra, 311
 Sceptre Life, 104

Insurance—continued.

Scottish Widows', 609
 South British, 609
 Star, 265, 288, 358, 404, 587
 Trustees, Executors, and Securities, 41
 Union Marine, 609
 Volga, 231
 Warden, 503
 Wesleyan and General, 383
 Western Australian, 72
 Wheel and Wings, 41
 International Financial Society, 510
 International Mercantile Marine, 20, 188
 International Tea Co.'s Stores, 87
 International Trade Union and Socialist Conference, 343
 Investment Corporation of Canada, 165
 Italian Finance and Trade, 99, 496
 Italian Revenue Returns, 248
 Italian War Loans, 36
 Italy, Notes from, 422, 634
 Italy's Claims, 85
 Italy's War Expenditure, 173

J

"J'Accuse," Aeroplane Distribution of, 174
 Japan and the U.S., 163
 Japanese Bond Purchases, 232
 Japanese Debt Redemption, 99
 Japanese Finances, 163
 Johnson, Jabez, Hodgkinson, and Pearson, 488

K

Kahn, Mr. Otto H., on German Aggression, 459
 Kayser, Ellison, 433
 Kent, Mr. F., on the Sterling Exchange, 382
 Khedivial Mail Steamship, 601

L

Lagunas Syndicate, 588
 Lanarkshire Steel, 150
 Lancashire Power Construction, 75
 Land, The One Safe Basis of Public Income, 124
 Lane's, Mr., Indictment, 320
 Law, Mr. Bonar, and Scaremongers, 416
 Law, Mr. Bonar, on America's Aid to the Allies, 272
 Law, Mr. Bonar, on Conscription of Wealth, 655
 Leach's Argentine Estates, 346
 Leather Companies, 445
 Leigh Mills, 290
 Letters to the Editor:—
 Agriculturist's Protest, An, 609
 Australian Borrowings, 357
 Blinded Soldiers' Children, 333
 Churchill, Mr. Winston, on Democracy, 104
 Crown Colonies and Increased Production, 668
 Farmers and Fixed Prices, 74
 Food Economy and the Nation, 485
 New South Wales' Borrowings, 309, 333
 Pastoral Industry in Australia, 399
 Patriotism, Applied, 587
 Privilege and "Pull" in Being, 357
 Wool Industry of Australia, 381, 399
 Lever Bros., 7
 Liebig's Extract of Meat, 227
 Life Assurance Business in Canada, 104, 311
 Liverpool Nitrate, 510
 Lobitos Oilfields, 43
 Lochgelly Iron and Coal, 218
 London and South-Western and London and Provincial Bank's Amalgamation, 578
 Lovell and Christmas, 42
 Lysaght, John, 8

M

Manufacturers, Amalgamations of, 299
 Marconi's Wireless Telegraph, 125
 Market Garden Produce, Supply of, 28
 Maynards, 416
 Maypole Dairy, 498
 McKenna, Mr., on Currency Inflation, 83
 Meat Prices, 367
 Mercantile Marine, 150
 Merchants' Association of New York, 20
 Mersey Docks and Harbour Board, 446
 Mesopotamia, Lord Hardinge and, 4
 Metric System and the Institute of Bankers, 8
 Metropolitan Industrial Dwellings, 539
 Mexican Finance, President Carranza on, 263
 Mexico, Position in, 13, 182, 226
 Michaelis, Dr., 52
 Millars' Timber and Trading, 177
 Mines:—

Abbottiakoon, 433
 Abosso, 563
 African Land and Investment, 217
 Amalgamated Properties of Rhodesia, 17
 Amalgamated Zinc, 461
 Anglo-American Corporation, 322
 Anglo-American Rhodesian Exploration, 251
 Anglo-French Matabeleland, 461
 Antelope Gold, 17
 Arizona Copper, 42, 129
 Arniston Coal, 615
 Ashanti Goldfields, 589
 Banties Consolidated, 151
 Bechuanaland Exploration, 105
 Benue Tin, 642
 Blackwater, 42
 Briseis Tin and General, 42
 British Broken Hill Proprietary, 562
 Broken Hill Proprietary, Block 10, 200, 510
 Broken Hill Proprietary, Block 14, 200, 510
 Broken Hill Silver, 240
 Broomhill Collieries, 510, 524
 Buena Tierra, 200
 Butters Salvador, 266
 Camp Bird, 487
 Cape Copper, 589
 Casey Cobalt, 129
 Chaffers, 203, 274
 Champion Reef Gold, 630
 Chenderiang Tin Dredging, 74
 Chillarce Railway, 615
 Consolidated Gold Fields of N.Z., 42
 Consolidated Gold Fields of S.A., 474
 Consolidated Main Reef and Estates, 250, 447, 461
 De Beers Consolidated, 551, 589
 Dolcoath, 240
 Durban Navigation Collieries, 155
 East Indian Coal, 105
 East Rand Proprietary, 274, 474
 Eileen Alannah, 510
 Eldorado Ranket, 105
 El Oro, 346, 396
 Esperanza, 17
 Fanti Consolidated, 551
 Forum River Tin, 642
 Frontino and Bolivia, 615
 Gaika Gold, 563
 General Mining and Finance, 55
 Giant, 669
 Glynn's Lydenburg, 536
 Gold Fields Rhodesian Development, 299, 360
 Gold Mines Investment, 642
 Great Boulder Perseverance, 433
 Great Fingall, 105
 Hampden-Cloncurry Copper, 266, 615
 Henderson's Transvaal Estates, 74
 Horden Collieries, 537
 International Coal, 336
 Irtysk Corporation, 602, 615
 Jantar Nigeria Tin, 615
 Johannesburg Consolidated Investment, 346, 589
 Jupiter, 17
 Kalgurli, 563, 614
 Kamunting Tin, 487
 Knight Central, 9
 Koffyfontein, 615
 Kyshtim, 589, 602
 Lake View and Oroya, 487

Mines—continued.

Lake View and Star, 105
 London, Australian and General Exploration, 407
 Luipaard's Vlei, 614
 Main Reef West, 447, 461
 Malayan Tin Dredging, 642
 Middleburg Steam Coal, 614
 Minerals Separation, 642, 658
 Mining Corporation of Canada, 155, 312
 Mashonaland Agency, 510
 Mason and Barry, 407
 Mount Lyell, 510, 536
 Mount Morgan, 74
 Mowchi, 16
 Naraguta Tin, 614
 Natomas of California, 191
 New Modderfontein Gold, 396, 576
 New Moncton Collieries, 240
 Newport Abercarn Steam Coal, 105
 New Vaal River Diamond, 74, 336
 Nigerian Tin, 312
 North Anantapur, 407
 North Broken Hill, 266
 Nourse, 407
 Oceana Consolidated, 474
 Oroville Dredging, 42
 Orsk Goldfields, 360
 Pigg's Peak Development, 615
 Poderosa, 42
 Premier Diamond, 419
 Prestea Block "A," 371
 Progress of New Zealand, 42
 Rand, 17
 Rand Collieries, 217
 Rayfield (Cornwall) Tin, 589
 Renong Tin Dredging, 312
 Rezende, 16
 Rhodesia Exploration, 191
 Rhodesian Copper and General Exploration, 155
 Rooiberg Minerals, 536
 Ropp Tin, 74
 Russian Corporation, 669
 Russo-Asiatic Corporation, 602
 St. John del Rey, 615
 San Miguel Copper, 433
 Santa Gertrudis, 487
 Selukwe Columbia, 563
 Selukwe Gold, 461
 Shanva, 289
 Sheba Gold, 642
 Simmer and Jack Proprietary, 642
 Sneyd Collieries, 384
 South Kalgurli, 266
 Springs, 498
 Sub-Nigel, 589, 642
 Tanalyk Corporation, 602
 Tanganyika Concessions, 575
 Taquah, 537
 Tekka, 17
 Tolima, 615
 Tomboy Gold, 433
 Transvaal and Rhodesian Estates, 615
 Transvaal Gold, 155
 Van Ryn Gold, 575
 Waihi Grand Junction, 17
 Wanderer (Selukwe) Gold, 155
 Wealth of Nations, 42
 West Rand Central, 129
 Willoughby's Consolidated, 432
 Wilson's and Clyde Coal, 384
 Witbank Colliery, 642
 Witwatersrand Deep, 474

Ministerial Changes, 51
 Molassine, 227
 Mond Nickel, 123
 Money and Credit Notes (every week)
 "Money Pool" in New York, 351, 352
 Montevideo Telephone, 488
 Moscow, City of, Treasury Bills, 13
 Moscow Conference, 224

N

Naoroji, Mr. Dadabhai, the late, 6
 National and Foreign Securities Trust, 360
 National Expenditure, Report on, 633
 National Health Insurance Bill, 404
 National Insurance Scheme, 561
 National Party, 249
 National Provincial and Union of London Amalgamation, 631

National Service Bureau, 85
 National War Bond Sweepstake, 402
 National War Bonds, 328, 348, 391, 519, 557, 571, 573, 627, 655
 Native Labour Returns, 42, 191, 290, 384, 510, 614
 Neuchatel Asphalte, 151
 New Darvel Bay (Borneo) Tobacco Plantations, 22
 New Hudson Cycle, 488
 New London Borneo Tobacco, 360
 New South Wales Loan, 233, 530
 New South Wales Railways and Tramways, 105, 520
 New York State Insurance Department's Report, 637
 New Zealand Budget, 127
 New Zealand Loan and Mercantile Agency, 657
 New Zealand, Penal Taxation in, 656
 New Zealand's Internal Loan, 208
 Next Time! No, 151
 Nicaraguan Debt Settlement, 455, 582, 610
 Niger Co., 371
 Nitrate Position, 7
 Non-Ferrous Metal Industry Bill, 571, 600, 628
 Normanby Iron Works, 218
 North Central Wagon, 190

Notes on Books:—

Book Monthly, 602
Britons v. Germans in China, 381
Chamber's Income-tax Guide, 168
How to Claim Repayment of Income-tax, 274
La Question de L'Alcool, 431
Our Money and the State, 263
Rubber Producing Companies, 1917, 158
Stock Exchanges Ten-Year Record, 158

O

Offices, Impulsive Creation of, 499
 Ontario's Crops, 268

P

Pacific Phosphate, 106
 Pacifist Betrayer of Humanity, 475
 Pacifists, 119
 Pahang Consolidated, 602
 Paine and Co., 291
 Painlevé's, M., Policy, 295
 Palmer's Shipbuilding and Iron, 370
 Pan de Azucar Nitrate, 670
 Paper, Diplomatic Deal in, 120
 Patent Tyre, 630
 Paris Bankers' Clearing House, 156
 Partington Steel and Iron, 380
 Passing Events (every week)
 Peace, Impossibility of Patching up a, 576
 Pears, A. and F., 395
 Pearson and Knowles Coal and Iron, 332
 Peebles, A. M., 322
 Peek Bros. and Winch, 670
 Pekin Syndicate, 175, 659
 P. and O. Steam Navigation, 574
 Perkins, Joshua and Sons (1909), 360
 Peruvian Corporation, 578
 Petroleum, Amount and Value of, 351
 Piccadilly Hotel, 408
 Port of Bahia Bonds, 130
 Port of London Authority, 278
 Premium Bonds and Unpatriotic Extravagance, 476
 Premium Bonds, Those Wicked, 261, 372, 627
 Prince Line, 321
 Prussian Peace Terms as Interpreted by M. Morel and His Eleven, 10
 Prussia's "Peace Terms," Mr. Gerard's Disclosures of, 204
 Public Accounts Committee's Report, 224
 Pullin, Thomas, and Slade, 22

R

Railway Dividends, Home, 149
 Railway Strike Averted, 203
 Railwaymen's Demands, 548

Railways:—

Alabama Great Southern, 535
 Argentine Great Western, 549
 Argentine North-Eastern, 630
 Argentine Transandine, 616
 Assam Bengal, 433
 Atchison, Topeka and Santa Fé, 535
 Bahia-Blanca and North-Western, 524
 Baltimore and Ohio, 264
 Barsi Light, 380
 Beira, 418
 Beira Junction, 601
 Bengal Nagpur, 616
 Bolivar, 488
 Bombay, Baroda and Central, 616
 Brazil, 206
 British Columbia, 24
 Buenos Ayres and Pacific, 527
 Buenos Ayres Great Southern, 417, 451
 Buenos Ayres Western, 420
 Burma, 657
 Canadian Northern, 430
 Central Argentine, 156, 477
 Central Uruguay, 418
 Central Uruguay Eastern Extension, 418
 Central Uruguay Northern Extension, 418
 Central Uruguay Western Extension, 418
 Chicago, Rock Island and Pacific, 128
 Cordoba Central, 658
 Costa Rica, 106
 Demerara, 447
 Egyptian Delta Light, 88
 Entre Rios, 524
 Grand Trunk, 344, 582
 Interborough Rapid Transit, 351
 Louisville and Nashville, 351
 Madras and Southern Mahratta, 651
 Mexican, 601
 New York Central, 535
 Nizam's, H.H. the, Guaranteed State, 488
 Peking-Hankow, 455
 Pondichere, 488
 Seaboard Air Line, 608
 Shahdara (Delhi) Saharanpur Light, 241
 South Indian, 638
 Southern Brazilian, 106
 Taltal, 658
 United of the Havana, 549

Rand Mine Dividends, 9
 Raphael Tuck, 241
 Realisation and Debenture Corporation of Scotland, 539
 Regent's Canal and Dock, 313
 Retail Prices, Course of, 1914-17, 660
 Retail Purchases, French Tax on, 4
 Revenue and Expenditure, Six Months', 347
 Revenue Statement, Quarter's, 18
 Revenue, The (every week)
 Rhodesian Mineral Output, 105, 240, 336, 433, 563
 Rhodesian Railway System, 33
 Rhondda's, Lord, Programme, 84
 Richardsons Westgarth, 658
 Riga "Free"—as Poland is, 285
 Romano's, 266
 Root, Mr. Elihu, on Russia, 279
 Rosario Drainage, 418
 Rouble, Further Depreciation of, 64
 Rover, 523
 Royal Dutch Petroleum, 104, 153, 522
 Rubber Consumption in the U.S., 486
 Rubber Share Valuations, 398
 Rumania and the Jews, 32
 Rumanian Senate and the Land Monopoly, 125
 Russia, Financial Position of, 581
 Russia, Government of, 521
 Russia, Position of, 572, 628
 Russia, Mr. C. Birch Crisp on, 498
 Russian Armistice, 628
 Russian Corporation, 588
 Russian Directorate, 296
 Russian Events, 272
 Russian Exchange Controlled, 208
 Russian Offensive, 5
 Russian Regulation of Capital Exports, 156
 Russian Rouble, Fall in, 99, 232, 280
 Russia's Debts, 256
 Rylands and Sons, 176

S

Sadler and Co., 538
 St. Ermin's Hotel, 84
 San Paulo Treasury Notes, 610
 Scandinavian Exchanges, 130, 156
 Scott, Walter, 251
 Scottish-American Mortgage, 136
 Scottish Malt Distillers, 380
 Second Edinburgh Investment Trust, 462
 Second Scottish Investment Trust, 510
 Self-Sealing Rubber, 488
 Serbian Aims, 121
 Services, Parliament's Tribute to the, 443
 Sheepbridge Coal and Iron, 298
 "Shell" Transport and Trading, 21
 Shipowners Handicapped, 473
 Shipping Controller's Powers, 521
 Shipping Profits, Debate on, 3
 Shipping Situation, 499
 Silver and Bronze Coins, Mint Output of, 424
 Singer, 227
 Slater's, 630
 Soldiers and Sailors, Increased Pay for, 548
 South African Revenue, 609, 661
 South Africa's New Iron Industry, 284
 South Durham Steel and Iron, 202
 Spanish Chamber of Commerce, 557
 Spanish Exchange, 232
 Spencer, John, 290
 Spillers and Bakers, 87, 122
 Star Paper Mill, 488
 Steiner, F., 251
 Stockbrokers' Commissions, 274
 Stockholm Conference, 172, 200, 247
 Stock Markets (every week)
 Strand Hotel, 588
 Sugar-Card Muddle, 572
 Sugar Commission Report, 324
 Sugar Purchases in Java, 582
 Sulphide Corporation, 631
 Sunbeam Motor, 523
 Swan, Hunter and Wigham Richardson, 202
 Sweden's Double Dealing, 296
 Swedish $\frac{3}{4}$ per cents., 369
 Swift Cycle, 523
 Swiss Finance, 52

T

Tank War Savings Bank, 547
 Tate, Henry, and Sons, 602
 Taxation, Revenue from, 4

Tea and Rubber:—
 Aboyne-Clyde, 460
 Anglo-Dutch Plantations of Java, 289
 Bantam (Java), 669
 Banteng (Selangor), 359
 Batavia Plantation Investments, 239
 Batu Matang, 509
 Beau Sejour (Ceylon), 486
 Bernam-Perak, 538
 Bukit-Kajang, 669
 Bukit Lintang, 432
 Bukit Rajah, 136
 Cicely, 239, 312
 Eastern International Trust, 335
 Inch Kenneth, 432
 Java Para, 43
 Jeram, 190
 Jong-Landor, 616
 Jugra Land, 217
 Kali Glagah, 509
 Kamuning (Perak), 616
 Kawie (Java), 335
 Kinta Kellas, 359
 Kuala Lumpur, 538
 North Labis (Johore), 486
 Pahang Para, 509
 Perak, 164
 Port Dickson-Lukut, 164
 Prye, 164
 Rubana, 312
 Rubber Growers' Association, 588
 Rubber Plantations Investment Trust, 478
 Rubber Securities, 105
 Serport, 407
 Sempah, 460
 Sialang, 43

Tea and Rubber—continued.

Singapore Para, 588
 Straits Plantations, 588
 Sumatra Consolidated, 265
 Sumatra Para, 616
 Sumatra Proprietary, 265
 Sungei Buaya (Sumatra), 486
 Sungei Dangar (Malay), 487
 Tali Ayer, 509
 Tandjong, 669
 Tandjong Malim, 486
 Tebolang, 487
 Tremelbye (Selangor), 538
 Victoria (Malaya), 509
 Way-Halin, 538

Tea Control, 320, 367, 391, 481
 Tea, Position of, 190
 Tecka (Argentina) Land, 563
 Tennant Bros, 313
 Texas Co., Houston, 334
 Thornycroft, John L., 602
 Tonnage Losses, British, 172
 Tootal Broadhurst Lee, 202
 Trade After the War, 58
 Trafford Park Estates, 563

Tramways and Omnibus:—
 Auckland Electric, 523
 Brazilian Traction, Light and Power, 92
 Cape Town, 524
 Cape Town Consolidated and Land, 313
 Manaos, 345
 United Electric of Caracas, 539
 United Electric of Montevideo, 22

Transvaal Gold Production, 42, 191, 290, 384, 510, 614
 Trustee and Post Office Savings Banks, 36
 Turkish Budget, 393
 Tyne Tees Steam Shipping, 248

U

U.S. and Canada, Fire Losses in, 216
 U.S. and Japan, 163
 U.S. and Japanese Agreement, 479
 U.S. Air Fleet, 72
 U.S., Attitude of Labour in, 264
 U.S. Bank Clearings, 351
 U.S. Ban on Gold Exports, 280
 U.S. Blockade of Germany, 40
 U.S. Budget Estimates, 128
 U.S., Cheaper Cost of Munitions in the, 320
 U.S. Control of Exports, 238
 U.S. Crop Prospects, 40, 162
 U.S., Currency Expansion in, 264
 U.S. Embargo on Exports, 40
 U.S. Exports, 351, 508
 U.S. Financial Help to the Allies, 41
 U.S., Fire and Marine Insurance in the, 154
 U.S., Food Control in the, 20, 162, 188
 U.S. Foreign Trade, 128, 215, 310, 555
 U.S. Gold, Increase in, 264
 U.S., India's Arrangement with the, 64
 U.S. Intervention in the War, 188
 U.S., Marine Insurance Business in the, 667
 U.S., Money Circulation in the, 264, 535
 U.S. Railroad Freight Problem, 535, 581, 636
 U.S. Railroads, 215
 U.S. Reason for War, 128
 U.S. Reply to the Pope, 238
 U.S. Revenue, 383
 U.S., Rubber Consumption in the, 486
 U.S. Second Liberty Loan, 406, 430, 458, 480
 U.S. Senate, 383
 U.S. Shipping Board, 95
 U.S. Shipyards Strike Settlement, 459
 U.S. Soldiers' Insurance Bill, 383
 U.S. Steel Corporation, 128, 215, 555
 U.S., Stock of Money in, 608
 U.S. Treasury Estimates, 580
 U.S. Trust Companies, 188
 U.S. War Budget, 95
 U.S. War Revenue Bill, 508
 U.S. War Taxation, 162, 214
 Union Cold Storage, 322
 United Dairies, 371
 United Indigo and Chemical, 368

United Wire Works, 563
Unpatriotic Extravagance and Premium Bonds, 476
Ural Caspian Oil Corporation, 68

V

Vassar-Smith, Sir Richard, at the Institute of Bankers, 472
Victoria Falls and Transvaal Power, 250
Vote of Credit, A £650,000,000, 88, 448
Vote of Credit, Last, for the Year, 1917-18, 603

W

Walker, Edwin, 332
War, Another Winter of, 89
War Council, 525
War Loan, 5 per cent., Composition of, 599

War Loan, 251
War Savings Certificates Figures, 12
War, The—And Some Thoughts on the True Peace, 659
War, Wasteful Finance of the, 450
Ward's, Sir Joseph, Triumph, 656
Warner, 106
Warner's, Mr. S. G., Presidential Address, 588
Wealth, Conscription of, Mr. Bonar Law on, 655
Weardale Steel, Coal, and Coke, 538
Weddel and Co., 226
West African Gold Output, 105, 290, 360, 461, 563
Western and Hawaiian Investment, 313
Western Canada Investment, 657
Western Telegraph, 497
Western Union Telegraph, 87
Wetterlé's, Abbé, Reminiscences, 250
Wheat, Compressed, 393
Wheat Production, Cost of, in Western Canada, 417
White, A. J., 22
"White Coal," 224
Whyte, Andrew, and Son, 291
Wilson's and Clyde Coal, 392

Wilson's, President, Address to Congress, 580
Windsor, Royal House of, 51
Wolseley Sheep Shearing Machine, 291
Wool (Restriction of Consumption) Order, 248
Woolley, Sanders, 266
Working Classes, New Houses for the, 120
Workington Iron and Steel, 227
Workmen's Compensation Insurance, 503
Workmen's Compensation (War Addition) Bill, 216
Wright and Greig, 563
Wright, Bindley and Gill, 266

Y

Yorkshire Dyeware and Chemicals, 248
York Street Flax Spinning, 165

Z

Zionism, 445



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CONTENTS.

Passing Events:—Mr. Lloyd George in Glasgow—Shipping Profits Debate—Excess Profits Tax—Revenue from Taxation—Lord Hardinge and Mesopotamia—French Tax on Retail Purchases—Russian Offensive—United Greece—The Blockade—Canadian Dominion—The Late Mr. Dadabhai Naoroji—Bank of New Zealand—Royal Bank of Australia—Nitrate Position—Lever Bros.—John Lysaght—Canadian Western Lumber—Metric System and the Institute of Bankers—Dumont Coffee—Barclay, Perkins—Rand Mine Dividends—Knight Central (pp. 3-10).

Leading Articles:—The Prussian Peace Terms as Interpreted by Monsieur Morel and His Eleven—The Quarter's Revenue Statement—By-the-Way War Notes (pp. 10-11 and 18-20.)

Money and Credit Notes:—Higher Discount Rates—Bank Return—Banking Profits—India Requisitions Gold Imports—War Savings Certificates Figures—French Moratorium Renewed—City of Moscow Treasury Bills—Position in Mexico—Silver (pp. 12-4).

Insurance News (p. 11).
Answers to Correspondents (p. 11).
The Week's Stock Markets (pp. 15).
London Produce Markets (p. 16).
The Week in Mines (p. 16).

Mining News:—Rezende—Mowchi Mines—Rand Mines Meeting—The Extra-Lateral Rights Case—Jupiter—Waihi Grand Junction—Esperanza—Antelope Gold—Tekka (pp. 16-7).

American Business Notes:—Success of the "Liberty" Loan—Merchants' Association of New York—Food Administration and Mr. H. C. Hoover—International Mercantile Marine (pp. 20-1).

Tea, Oil and Rubber:—Rubber Market—"Shell" Transport and Trading Co.—Mincing Lane Tea Sale (pp. 21-2).

What Balance Sheets Tell:—New Darvel Bay (Borneo) Tobacco Plantations—A. J. White—Pullin, Thomas and Slade—Alexandria Water—United Electric Tramways of Montevideo—Tamplin and Sons Brewery (Brighton) (p. 22).

Company Meetings:—Marconi International Marine Communication—Madras Electric Supply Corporation—Electric Supply Corporation (p. 23).

Balance Sheet Facts:—Hazell, Watson and Viney (p. 24).

Oilfields Items (p. 17).
Dividends Announced (p. 17).
Revenue Returns (p. 18).
Traffic Returns (p. 24).

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Passing Events.

Whether or not Mr. Lloyd George's brief electioneering trip to Scotland has done much to alter the feeling of that part of the United Kingdom towards him we have not heard. Hostility against him would appear to have been still keen in Glasgow at the date of his meeting, for it was altered from Saturday to Friday, so that working men should be kept away from the streets by their duties. But his presence and speech may have changed all that; and after all, these phases of sentiment are of small importance in view of the mighty problem now being worked out on land and sea; and whether Mr. George succeeds in forming a party in Scotland or elsewhere that will make him leader of the democracy after the war, or whether he fails, is probably of no great consequence. At any rate, we were much more concerned to observe the effect of his speeches upon our Allies abroad than at home, and it was a relief to find that his attitude and language were alike excellent towards every one of our comrades. For him to express faith in Russia in the hour of her greatest perplexity and chagrin must have been most helpful to all the forces working for order and liberty there, and his loyal words to France and Italy, as well as his uncompromising attitude towards the enemy, have obviously had an excellent effect. In blowing up German hate to white heat, and moving them to fulminate all kinds of savageries against us, Mr. George also did good. For the fury seems to betray a consciousness that the end is not far off. Only at one point did a doubt arise. The Prime Minister said that our peace negotiations attitude towards the German democracy would probably be very different from the one we should maintain against the military faction which is bent on ruining the Empire and the Teutonic race. These were not his words, but they represent the idea he wished to express. Now, will not the wisdom, or the reverse, of this distinction depend on the attitude of the German democracy itself? What motive has it given us to treat it differently from its *Junker* tyrants in anything that it has said or done since the war began? Is there a newspaper in Germany possessed of any influence that has ever expressed sentiments in harmony with those of our common humanity, or deprecated in the slightest degree efforts to fulfil the extravagant ambitions of the Prussian masters of the Empire? We cannot recollect a single example, and as the defeat and ruin of the

Hohenzollern Empire draws nearer, the truculence, morbid vanity, and vapourings of the German Press, professors and politicians of all hues become more outrageously blatant than ever. We cannot afford to be sentimental with a people so uncivilised, ignorant, and vanitous as the Germans proclaim themselves to be, and we trust that the Prime Minister will put sentimentality aside when he comes down to the practical business of settling terms of peace. And in quite another direction we likewise hope that he will make good his promise of cheaper food for the people, and that his success in making provision for continuing the war to its proper conclusion will in no way abate. More power to him, in short. Yet around the lobby of the Commons they gossip about his approaching fall.

There was a rather lively debate about shipping profits in the House of Commons the other night, when Mr. Bonar Law turned the tables very neatly on Mr. R. P. Houston and other shipping representatives by relating his own experience in the matter. He had invested £8,110 in 16 different shipping companies under the management of seven different owners, and he said he would have been content with 5 per cent. on the money, or about £405 a year. But for 1915 he received £3,624, and for 1916 his dividends were £3,847. Not only so; but in respect of one ship in which he had £300 invested, and which was sunk or lost, he received a cheque for over £1,000, and in respect of another ship, in which he had £350 invested, he got £1,050. Consequently in two years he received £9,520, or the whole of his capital back plus 17 per cent. interest, and his investments still stand at £7,460. These intimate details naturally created a profound impression, and completely demolished the case which the shipping representatives sought to establish, namely, that the shipping industry was being so harshly treated that it would not be able to compete with neutral rivals after the war. On the contrary, the general feeling was that the Government ought never to have allowed shipowners to make these excessive profits. Of course, the big lines whose steamers were immediately requisitioned by the Government on the outbreak of the war did not make anything like such large profits relatively, but, as we have had frequent occasion to point out in dealing with their reports, they have all done remarkably well, and we have no fear

about their being able to keep their flags flying when peace is restored. At the same time, it may be admitted that the belief that high freights are mainly responsible for the rise in prices is merely a popular fallacy. They have contributed to the advance, but it is probably true that on the average they are not responsible for raising the price of the quartern loaf by more than $\frac{3}{4}$ d., of sugar by more than $\frac{1}{2}$ d. per lb., and of meat by more than 1d. per lb. But at every stage of handling between the producer and the consumer there have been other profiteers demanding their toll, and it is no consolation to the consumer to be told that Codlin is his friend, not Short. He has to foot the bill all the time.

In resisting the demand for some modification in the heavy taxation now borne by rubber companies and others, Mr. Bonar Law displayed a loyalty to his sense of public duty which cannot be too highly praised. His sympathies were with those who plead for something like equity, both in dealing with the rubber industry and in regard to the doubled or much augmented income-tax which British investors in Colonial securities are forced to pay; but his position as guardian of the public purse barred him from surrendering to his generous impulses. We are not sure, however, that he did well, because it cannot be questioned either that the juvenile companies in the rubber-producing industry are at present very harshly treated, or that the double income-tax is having now, and is certain in the future to have still more, restrictive effects on the flow of capital to the Colonies and an injurious influence on the price of Colonial securities. And nothing can be more certain than that these influences will in the long run diminish, if they do not altogether dry up, sources of revenue now prolific. It would surely have been better to display a little originality and energy of resourcefulness in a sincere effort to light upon some equitable readjustment of burdens, so that the very acute sense of unfair treatment now existing might have been at least abated.

Some interesting statistics were given by the Chancellor of the Exchequer with regard to the revenue from taxation on various articles received in the last pre-war and subsequent years, and the following figures are worth putting on record:—

	1913-14.	1916-17.
	£	£
Beer.....	13,654,614	31,573,742
Tobacco.....	18,283,657	27,375,266
Sugar.....	3,328,535	18,328,931
Cocoa.....	341,489	1,580,732
Coffee.....	177,730	550,351
Table waters and cyder.....	—	1,241,175
Matches.....	—	1,029,056

As to the balance between direct and indirect taxation, Mr. Bonar Law stated before the war direct taxes brought in £93,000,000, or 57 per cent. of the total, and indirect taxes £69,000,000, or 43 per cent. Now the direct taxes have risen to £466,000,000, or 82 per cent., and the indirect to £102,000,000, or 18 per cent., so that the direct taxpayer is certainly bearing his full share of the burden. Nevertheless, it has been decided to reduce the increase of 1s. 10d. per lb. in the tobacco duty imposed by the Budget to 11d. per lb. as from the 16th inst., so that the increased price to the consumer will work out at 1d. instead of 2d. per oz. The concession is ostensibly made for the benefit of soldiers on leave, who buy four-fifths of their tobacco in shops, but it is probable that the dissatisfaction among the working classes at the advance in prices had something to do with the decision. In defending the entertainment tax on lower-priced seats, the Chancellor made the interesting statement that 80 per cent. of the revenue came from seats at 6d. and below, and if he let off the 6d. seats free he might as well abandon the tax altogether. However, he has reduced the tax on 4d. tickets from 2d. to 1d., on 7s. 6d. to 10s. 6d. tickets it is reduced from 2s. to 1s. 6d., and on 10s. 6d. to 15s. tickets from 3s. to 2s., with 6d. extra for every

additional 5s. or part of 5s. We doubt if the tax has been felt as a serious burden either by places of entertainment or their patrons, and the concessions mentioned seem to be somewhat unnecessary.

As usual when what is called a scandal of mal-administration comes to light the Press has gone tearing hot foot after the wrong criminals in this Mesopotamia affair. Like a pack of beagles pursuing a false scent it noisily pounds away after the least guilty, and strives to make scapegoats of irresponsible political figureheads or transitory office-holders, and lets the real culprits go unmolested. Its wrong-headed raging is well illustrated in the treatment meted out by it to Lord Hardinge. All that he did for India, his sympathetic attitude towards its peoples, his exertions directed to the enlargement of their share and influence in India's government, and the other proofs he gave when Governor-General there of a liberal and enlightened mind are clean forgotten or ignored, and he is girded at as if he were the prime criminal in the Mesopotamia bungle. He was really nothing of the sort, and in one sense neither were any of the other men now most persistently subjected to abuse. As we said last week, the failure in Mesopotamia lay more in the inherent flabbiness of the Anglo-Indian bureaucratic system of government than in the misdeeds or proved incompetence of any individual. Doubtless if it be true that the doctor who remonstrated about the inadequacy of the medical appointments was treated with vulgar abuse by his superior, and if General Beauchamp Duff displayed the petty arrogance of mind unfitting him for the position official routine had brought him into, then men like these ought to be punished, not as criminals by habit and repute are but by dismissal, and, if need be, by degradation in status. Yet if we make allowance for the defective character of the elements making up the supreme Government of India, and take into account India's always restricted means, as well as her many preoccupations on her frontier and in other directions alluded to by Lord Hardinge, the conclusion we shall be driven towards is that none of the men who contributed to the failure in Mesopotamia deserve to be court-martialled and shot, by way of encouragement to the rest. They but betrayed the cramping influence of chronic hardupness on commonplace minds. What ought to be insisted upon is a renovation of the present system of government, and an extension of the share of the natives of India therein. Let the Indian peoples, therefore, press their point of view, and avoid being drawn into a street mob scrimmage of ignorant Pressmen, whose only capacity often seems to be to throw missiles in indiscriminate profusion at those they are called upon for the moment to hound down. Has a twelvemonth elapsed yet since the Harmsworth newsheets were yelling "Balfour must go" with reference to that gentleman's acceptance of the Foreign Office in Mr. George's Cabinet? Not much more, and look at the same Press on the same man to-day!

The other week we mentioned the proposal of the French Minister of Finance to put a tax upon retail purchases. M. Joseph Thierry hopes to raise £20,000,000 per annum by levying one sou in the franc on all private personal expenditure except absolute necessities. That is to say, apart from food, fuel, lodging, and lighting the consumer will pay 5 per cent. extra by way of tax on everything he buys, and on luxurious expenditure the tax is to be 10 per cent. This is undoubtedly an ingenious expedient, and we see no reason as things stand why it should not be put in operation without much difficulty or friction. A good deal will depend upon prices. If living continues to be excessively dear for the masses of the people in France, then it may prove to be impossible to impose this additional levy. On the other hand, if prices can be brought down and kept down it may prove a prolific and permanent source of national income. The Minister also intends to extend the inheritance tax so that it

will strike nett values over £80. In its new form this tax will be "an annual contribution at the rate of 30 per cent. until the death of the heir, legatee, or beneficiary, whether the estate gains or loses in value." We should want details and examples before comprehending what this actually means. In the brief summary quoted from the message of the *Daily Telegraph* Paris correspondent it looks as if a complete exhaustion of the inheritance might be aimed at, but that is impossible, and we can only suppose that the limit of the levy is 30 per cent. of the value in all payable over a term of years. All foreigners residing in France are to be subjected to a special graduated scale of tax regulated by their age, but it is the tax on daily purchases which interests us most.

Russia has resumed the offensive in Galicia under Brusiloff, a general whose masterly campaign of last year was arrested on the way to complete triumph by the reactionary influences within the then Empire. Soon the fighting will probably extend south to Rumania, and north into Volhynia, and everywhere we believe the Russian armies will once more show to the world of what dogged and courageous fighters they are composed. But already Brusiloff's first victories have changed the atmosphere of the Russian capital like the breath of mountain air sweeping over a stagnant plain. Last week the news from Russia was calculated to make people here doubtful, and was perhaps shaped with that end in view. The Government allowed all manner of cranks and political impossibilities to come into the open and "manifest" for or against this and that. Black flags even were allowed to parade the streets of Petrograd, surrounded by their anarchist levellers, and simple-minded native pacifists of all hues in red, as well as squads led by German suborners and cheats, made such a clamour and demonstrated so unrestrainedly against pretty well everything as to convey to onlookers both in Petrograd and from afar a notion that the whole country was about to subside into a hopeless welter of internal convulsions. But we never believed that. Making all allowance for the ignorance of an uneducated people, we still felt that the instinct of order was stronger in the race than any revolutionary doctrine or impulse whatever, and, moreover, that those guiding its affairs were gradually getting the effervescences better in hand. The mere fact that it could permit such ebullitions as those of the manifestants was proof, not that the Government was getting weaker but that it was already strong enough to prevent the demonstrations from passing the borderline of permissible opposition into revolt and anarchy. And it has proved to be so. No sooner did the news that at last the army was on its feet and, under its great leader, defeating the enemy reach Petrograd than all the dank vapours of discontent vanished like magic. Petrograd became loyal to the Government and enthusiastic for the war. It only needs, we are persuaded, a continuance of successes in the field to ensure such a solid body of support behind the Government and the army—or behind the constituent assembly when it can be summoned—to set Russia forward, strong, resolute, and faithful to her Allies, on the path of social progress. It was never possible for us to imagine the Russians succumbing to the allurements of the Prussian autocrat. The Slav conception of freedom is wholly antithetic to the German one. It is so different as to put upon the authorities an almost impossible task; the task of curbing its pronounced individualism and persuading the citizen to abandon defiance of all authority for the co-operation of neighbourly citizenship. To the German the highest liberty is the liberty to obey, to be a slave to the will of a superior; to the Slav there is no master but his God. A victorious war, however, may modify many a wild programme, and intercourse with their Allies will open Russian minds to Western ideals, and broaden the popular outlook. We trust the race; it has endured too much oppression and come out happy-hearted to be other than essentially good.

And Greece, too, is pulling out of the slough into which Constantine and his Teutons had plunged it. Mr. Venizelos has only had to appear in Athens to cow sedition and to bring the country round to his side. No harsh measures have been meted out to the betrayers of Greece, but they have been deprived of all power to do evil, and some among their leaders will, we hope, be compelled to atone in an exemplary fashion for their crimes. But Greece is now united, free, and able to give, if not a large, at any rate a loyal support to Serbia. This means many things which we have no space now to indicate or dwell upon; but one thing is obvious—the return of Greece to her true allegiance, alike to her own destinies and to the duty laid upon the Allies who have helped her so often in the past—if too often less efficiently than cross-currents of other interests allowed—will seal the fate of Bulgaria. That misguided country must be in a state of exhaustion such as the worst districts of Germany could even to-day hardly parallel; but the language of its King and his Press clique is almost as insolently aggressive as ever. We take this, too, as an indication of fear, as proof that the end is not far off, and no great amount of fighting in the Balkans should be now necessary to reach it. With Rumania on the north and the Allies on the south, basing their operations there on a Greece solidly loyal, what can Bulgaria do? Neither men nor money can now come to her aid from either of the Central Empires. She may still play trapped wolf, hunger-mad, but might do better to make her peace with the Allies pressing in upon her, if they will let her, at the earliest possible moment; lest these Allies should find it expedient to send the Bulgar out of Europe along with his partner in trachery, the Turk, so that the land may be clear for occupation by a manly and civilised race.

An interesting debate took place in the House of Lords last Wednesday on the blockade. The old stock complaint of its ineffectiveness crops up every now and again, and was laid hold of by Lord Portsmouth once more to raise a discussion. It did good in drawing a most interesting review of the facts from Lord Milner, and an equally valuable statement of the previous Government's efforts to stop goods going into Germany from Lord Lansdowne. No doubt, as Lord Milner admitted, things were rather slack at the outset, but the assailants of the then Government, like the grumblers now, made little or no allowance for the difficulties which lay in our way by reason of the fact that neutral countries hold the seaboard and are on the land side neighbours to Germany. Short of taking a

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high-handed course, which might very likely, in the early months of the war especially, have driven Holland and Denmark, if not Sweden also, into the arms of Germany, we could do little more than was done, because it was, and is, impossible for us to order any of these countries to cease exporting their products to Germany in the ordinary course of trade to whatever extent they pleased or profited by. All we could do was to prevent the produce of other countries from reaching Germany through these neutral channels, either by way of ordinary business or through fraud. But even that was a most difficult undertaking, because of the facility with which the ultimate destination of many consignments of goods really shipped for the German consumer could be hidden. We have had examples of this difficulty in our own Prize Court quite recently, where revelation was made of a multiplicity of names of bogus consignees in order to baffle our officials, and let the coffee Germany wanted through the blockade. Moreover, as Lord Milner stated, in the early months of the war a powerful German combination of buyers was able to anticipate any action of ours and to secure for Germany all that Holland and Denmark could spare. But gradually German brutality did the work of conversion more thoroughly than any diplomacy could, and more and more inclined the small neighbours on the sea to dread German encroachments. Their fears gave them courage to lean to our side, and as at the same time our blockade became more strict, as well as our experience in detecting fraud more exercised, we have got the isolation of Germany pretty well in hand. She still trades much with Denmark and Holland, as the fall in the exchange value of the mark proves, although her power to do so grows less, but she can buy less and less of anything, except their domestic products. Nobody alluded in the debate to the powerful help which the United States is now going to give us in rendering our blockade definitely effective. Its Government is going to stop altogether or else severely regulate exports to neutral countries, there being no question of exports direct to the enemy, and will so direct and control all supplies as to put the Allies in Europe in the preferential position, given a little time. So if the derelict empires are determined to continue the struggle through another winter, the Allies will probably be able to afford them a first-class opportunity of illustrating how long a people may be able to live on half or quarter rations or on no food at all.

Various troubles of race, creed and condition afflict or threaten to embarrass Canada at the beginning of this second half-century of her independence as a free Dominion of the Great British Confederation of States, and we fear the financial difficulties may prove the most fertile in producing many new worries, some of which may try severely the stability of the union between East and West, between Frenchmen and Anglo-Saxon. But with goodwill and a wise fiscal policy, the economic troubles will surely be surmounted. An Ottawa authority has stated that the National Debt of the Dominion will amount to well over £240,000,000 in another year. To this will have to be added the pension charges and other augmentations of expenditure, product of the war, so that it is probable that the extra revenue required will amount to more than £32,000,000 a year, a sum in excess of the total revenue of the Dominion in times of peace. To successfully provide for such an additional charge will not be easy, no matter how the problem is approached; but we think that it can only threaten to become impossible if the bar-the-door-to-the-foreigner policy of Sir Robert Borden's administration is adhered to. Even the United States has become more inclined to doubt the wisdom of putting obstructions in the way of purchases of foreign goods, because its people have begun to realise that such obstructions mean in the long run injury to the export trade far more than benefit to the native monopolist. Canada has already knocked off some of the obstructive imposts which prevented free intercourse between her and her next-door neighbour, but she will

have to go further, much further, if trouble is to be avoided. There is but one clear course for all the countries involved on the side of the *Entente* in this horrible war. They must work together, and work as one living organism. Every barrier obstructing their interchange of commodities must be struck down, and recourse had to direct taxation to meet the wants of their Governments. To attempt to impose high and ever higher Customs duties in the hope of disguising the burden on the individual by mixing it up with the price of the commodities he buys and at the same time to increase the revenue is to try to commit national suicide, for the higher the tax levied at the frontier the smaller the imports, and the smaller the imports the less the revenue. It may, however, be possible if trade is set free to obtain a large revenue from its profits by means of the excess profits tax, or some modification thereof, but the capitalists will have to be educated in this matter if they are to become reconciled to the idea of working and taking risks without hope of getting more than a fixed maximum return upon their capital. Land and other rents may also have to be levied upon, and perhaps the French method of direct taxation by stamps upon the small purchaser may have to be in some form fallen back upon. In these ways, however, the needed money may be forthcoming. One thing is sure, a spirit of self-denial and of comradeship in adversity must be earnestly cultivated and come to animate both administrators and administered in the Canadian Dominion, as in other outlying portions of what is called the British Empire, if they are all going to surmount their afflictions and remain free, loyal and independent, as they deserve to be.

The death of Mr. Dadabhai Naoroji stirs in the mind memories of long ago. His age was ripe, 92, and his public life was long. This writer first came against his name in the early 'seventies, when compiling for *Fraser's Magazine* those articles which were subsequently collected in two volumes and published under the title of "The Resources of Modern Countries." Sundry of Mr. Naoroji's publications came into his hands at that time, and struck him as being both able and compiled with an accuracy and transparent honesty of purpose which invited confidence. Afterwards, when Mr. Naoroji, faithful to his mission of procuring self-government for his native country, came to London to endeavour to get into Parliament, we met him on many occasions, and personal contact only confirmed the impression made by his writings. His earnestness was beyond suspicion, and he displayed a perseverance, a consistency of aim, and an intelligence and unselfishness in furthering the interests of India which won respect and admiration. In illustration we may give one amusing incident. Some wag of a Scot gave Mr. Naoroji to understand that this writer had influence with the election authorities in Kincardineshire, and might be able to procure his adoption as Liberal candidate for that constituency. Immediately Mr. Naoroji hastened to us and detailed his purpose and hope. It was with the keenest disappointment that, after long exposition, he went away reluctantly convinced that, first of all, we did not possess the influence and authority alleged on our behalf, and, secondly, that the hard Scotch Calvinism of those days would probably be irreconcilable with the tenets, whatever they were, of an Indian Parsee. "I can live in the constituency and learn all about local feeling," he urged. This was after Mr. Naoroji lost his seat for Finsbury, and he never got into Parliament again; but throughout his remaining years in this country he never ceased to further with his means and his pen the struggle of enlightened and business India towards liberty to share effectively in governing herself. In his early days here Mr. Naoroji was himself in business, and his firm went through the severe trial of the 1866 panic. Many years after, when his character and attitude happened to come up in the Bank of England Discount Office, its chief, while as a Conservative pooh-poohing or sneering at Mr. Naoroji's utterances, told us that he knew him

to be a man of strict integrity in business, and as proof added, "he met all his engagements in 1866, a thing comparatively few in the East were able to do." It is no mean son, therefore, whose loss India mourns to-day, but there is no reason for sorrow. Civil liberty has been winning its way, and must come in India now, no matter how the ranks of the early fighters may be thinning.

Substantial progress is shown in the report of the National Bank of New Zealand for the year to March 31. Gross profits were £33,000 larger at £329,270, but expenses and taxes ran away with most of the increase, and the nett profit is only £10,000 up at £153,640. As £6,000 less was brought in, the available balance is £4,000 higher at £195,750, out of which £20,000 against nil is written off premises, but the reserve for depreciation of investments gets only £8,000, against £25,000, so that, after repeating the dividend and bonus of 13 per cent., and paying the staff a bonus of £8,500, or £500 more, the carry forward is only a trifle larger at £42,750. Reserve fund again gets £15,000, raising it to £715,000, and £4,000 is, as usual, placed to pension and gratuity fund. Notes in circulation increased £380,000 to £918,000, and current, &c., accounts are £170,000 up at £5,472,000, but bills payable and other liabilities, including provision for doubtful debts and depreciation of investments, are £9,000 down at £832,000. Coin and cash at call or short notice have increased £320,000 to £1,616,000, investments £300,000 to £1,460,000, and advances £750,000 to £4,553,000, but bills discounted have fallen £197,000 to £590,000, and bills receivable £690,000 to £405,000. There is some evidence here of a slackening in trade, but on the whole the conditions appear to have been fairly favourable, and the balance-sheet totals at £5,787,000, an increase of £560,000.

In the six months ended March 31 last the Royal Bank of Australia, Ltd., made a profit £4,992 larger at £42,873, and as the balance of £7,991 brought forward was £75 up, the total of £50,864 showed an increase of £5,067. Of this additional revenue £2,313 was absorbed by the increased cost of administration, rent, taxes, &c., which amounted to £20,709, leaving £2,755 more at £30,156 to be dealt with, but the sum brought into the report as nett profit, "after providing a bonus for the staff," shows a decrease of £5,237 at £22,164, and no indication is given as to how or why this came about. The sum, however, is ample to pay the usual dividend at the rate of 8 per cent. per annum, and to give the reserve fund £10,000, raising it to £270,000. A year ago it only got £7,500, and two years ago £5,000, so the bank seems to be modestly becoming better off. Its accounts show progress measured by the liabilities. Bills in circulation are £107,588 up at £250,770, and deposits upwards of £100,000 up, Government and private together, at £2,671,000. The coin and other moneys held show an increase of £82,000 at £829,839, and the smaller items regarded as assets within reach, make with the cash total £1,478,000, which show an aggregate increase of £299,000; but bills discounted, advances, &c., are down £101,000 at £1,963,000. Acceptances, on the other hand, are £95,577 up at £360,000, and the total of the balance-sheet shows an increase of £291,000 at £3,885,000.

Both the leading authorities on the nitrate market, Mr. Thomson Aikman and Messrs. Montgomery and Co., have issued their half-yearly reports, and they agree in stating that the statistical position of the product is so uncertain that no definite conclusions can be drawn as to the future. In the year to June 30 the production amounted to 63,200,000 quintals, and the actual shipments to 62,200,000 quintals, these figures being a little higher than those for 1913-14, nearly double those for 1914-15, and considerably in excess of those for 1915-16. Some new nitrate grounds were

sold by the Chilean Government in April last, and further sales are advertised to take place in September, so that prospects rather favour an increase in the rate of production. The chief problem, however, is principally one of tonnage, regarding which the trade has been particularly fortunate up to the present, but it is impossible to prophesy whether vessels will still be found to ship the quantity available. Freights, of course, have been very high, and although sailing tonnage was offered at 140s., it was practically neglected owing to insurance difficulties, while steam rates advanced to 190s. per ton. Costs of production continue to advance owing to increased prices for fuel and other necessities, an extra duty of about 2½d. per quintal, dearer bags and higher wages, while every 1d. rise in the Chilean exchange adds about 2d. per quintal to the cost of production. Present f.o.b. prices, however, leave a remunerative margin, especially for the better placed oficinas. Stocks in Chile amount to 20,300,000 quintals against 19,894,000 last year, but consumption for agricultural, munition, and other purposes fairly keeps pace with the output. Producers are showing increased anxiety about the competition of synthetic nitrate, the manufacture of which has made great strides recently, but it is said that the artificial article is more friable, does not keep so well, and is not generally so effective for agricultural purposes as the natural product. On the whole the outlook for the producing companies appears to be fairly encouraging, and the agricultural demands after the war are likely to compensate fully for the present wastage on munitions.

Lever Brothers are bringing forward proposals for the sub-division of all the £10 preference shares into shares of a denomination of £1, the consolidation of certain classes of the preference shares, and the increase of the capital by £10,000,000 to £40,000,000. In order that the different classes of shares shall not become unduly numerous, it is considered desirable that the preference shares already issued, and which bear the same rate of interest, should be consolidated. The first preference and "A" preference are therefore to be put into one class with equal rights, and in place of the existing 200,000 5 per cent. first preference and 200,000 "A" preference of £10 each there is to be 4,000,000 shares of £1 each, to be known as 5 per cent. cumulative first preference shares. Further, the 100,000 6 per cent. "B" preference shares of £10 each and the 5,000,000 of 6 per cent. "C" preference shares of £1 each are to be put into one class with equal rights, and called 6 per cent. cumulative "A" shares of £1 each. The continued expansion of the business necessitates the employment of additional capital, to provide which it is intended to create 10,000,000 new cumulative "B" preference shares of £1 each, ranking for dividend and capital immediately after the consolidated "A" preference shares. These new shares will be issued from time to time as occasion requires at such rate of interest and on such terms as the directors may determine. It is proposed to make immediately after the creation of the new shares an issue of £1,000,000, to be offered, in the first instance, at par to the holders of the ordinary shares, as far as practicable to the number of ordinary shares held. As there is a slight difference in the quoted prices of the existing first preference and "A" shares and of the existing "B" and "C" preference, it is proposed, in consideration of the consolidation of various classes, to make a cash payment out of profits available for dividend on the ordinary shares of 2s. 6d. per £10 share to the existing first preference and "B"

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HEAD OFFICE: 18, CHARLOTTE SQ., EDINBURGH.

London Office: 27, Queen Victoria Street, E.C.

preference shareholders. The proposed consolidation will require the sanction of the Court.

We must say that the achievements of John Lysaght, Ltd., the well-known manufacturers of corrugated iron and steel, iron buildings, bridges, &c., always excite our admiration. The company has a truly remarkable record. Since 1907 dividends have risen from 20 per cent. to 25 per cent., and in spite of the great disorganisation of industry in 1914 nett profits, which had displayed an uninterrupted increase since 1909, only exhibited a comparatively trifling shrinkage. This week brings another remarkably fine report. Profit, after providing for depreciation and bad and doubtful debts, has risen by £217,050 to £631,810. A portion of this, as the report frankly tells us, is attributable to the realisation of stocks at inflated prices, but there is no doubt that the results from manufacturing and trading are exceedingly satisfactory, and that if the amount deducted from the carry forward of the previous year in respect of stock reinstatement, excess profit, &c., is any criterion, the nett profit represents a very substantial advance. No increase is made on the rate of distribution on the ordinary shares, which is again 25 per cent., free of tax, but in addition to the £90,000 allocated to reserve and steel works redemption account £200,000 is set aside as a reserve for capital outlay under agreements with the Ministry of Munitions. After bringing in the carry forward from the previous year there remains a balance of £700,600 subject to income-tax, excess profits tax, and directors' fees. Turning to the balance-sheet, we find that liquid assets, excluding stock, which is £125,340 down at £632,460, have risen by £172,800 to £1,059,000. Current liabilities, apart from excess profit, are £269,010 more at £831,850. These changes, however, are more than accounted for by investments, which have gone up £441,380 to £987,000, and by the additional amount spent on freehold and leasehold property, plant, &c., which is returned at £1,183,000, £97,650 more than a year ago. The general reserve fund now amounts to £800,000. Altogether a strong position.

The report of the Canadian Western Lumber Co., Ltd., states that as a result of the larger volume of lumber sold and the higher prices obtained the company's profits from operations were substantially better in 1916 than in 1915. The company sold 26,391,965 ft. more of lumber, and although the cost of manufacture advanced \$2.11 per 1,000 ft. the average selling price rose \$2.45 per 1,000 ft. The Fraser Mills made a profit on operations of \$189,302, an increase of \$111,612, and the Golden a profit of \$81,640, an increase of \$22,052. Whatever degree of encouragement may be derived from this statement, however, it is greatly damped by a further perusal of the report. It goes on to tell us that the deficit has increased from \$2,572,330 at December 31, 1915, to \$2,997,729 at December 31, 1916. The company, as is generally known, owns all the debentures and shares of the Columbia River Lumber Co., Ltd., who in turn have a large investment in Columbia Western Lumber Yards, the payment of whose preference dividend is guaranteed by the Canadian Western and Columbia River Companies. Both the Columbia River Co. and the Columbia Western Lumber Yards made losses, and these losses are reflected in the profit and loss account of the Canadian Western Co. in the form of depreciation on investments. The increase in the deficit of the Columbia Western Lumber Yards, which is \$72,620 larger at \$477,680, is attributable to depreciation of investments. In the case of the Columbia River Co. the growth in the profit and loss debit balance, which is \$446,368 more at \$1,583,811, is chiefly due to interest charges and guaranteed preference dividend largely exceeding profit earned. The balance-sheet of the Canadian Western Co. shows that logs, lumber, and mill supplies have been reduced \$122,163 to \$640,897. On the other hand, debtors have gone up \$249,570 to \$629,780, while bills payable have shrunk \$206,580 to \$860,000. We note, however, that deposits of subsidiaries have increased

\$238,040 to \$1,220,420, and debenture interest liability continues, of course, to increase. The report states that up to the present the quantity of lumber sold and the price obtained show a further improvement over the results of the corresponding period of 1916, but costs are high and the demand for timber cannot be expected to continue to show great expansion under existing conditions. It is to be hoped that the company will be able to keep afloat until more propitious times return.

It cannot be said that the Committee of the Institute of Bankers which has been investigating the metric system of weights and measures, and its advisability for adoption here, carries the dispute much further in its report. We are told that in the committee's opinion "the existing system of weights and measures in this country is an obstacle in the way of the extension of our foreign trade, and more especially in our export trade," and we should really like proof of that. The facts of our export trade and its expansion seem to us always to give this stock assertion the lie. Whose fault is it if our currency blocks the expansion of our trade? Is there any difficulty in practice that cannot be surmounted by capacity, energy, and goodwill? We know of none, and when the committee goes on to convey to the public its conviction that "no decimal system of coinage which is not based on the pound sterling can possibly be accepted by the bankers of this country," and that "the present pound sterling, unchanged in weight and fineness, must remain the unit of value," it seems to cut away the ground on which it would like to stand. The fact that the pound sterling must be the monetary unit means that the whole coinage system of the country must remain outside the magic circle of the other decimal systems now in vogue. No decimal coinage in existence, so far as we have discovered, is based upon a coin of high exchangeable value, and the fact that we choose the pound would involve, as we have always said, hardships upon the poor. Our subsidiary currencies do not fit into any decimal series, and cannot be made to fit, patch and pinch as the tinkers may. The Committee of the Institute of Bankers gives us examples that emphasise the impracticability. The pound sterling in decimalisation is divided into a thousand parts—"mils." The half-sovereign is therefore 500 mils. Then, instead of the quarter-pound or crown, the five-shilling piece, there is suggested the revival of that abomination, the four-shilling piece, or "double florin," to be followed by the florin, the shilling, and the sixpence—the 50 and 25 mils pieces. These all can be decimalised without difficulty and kept at their present nominal value, but when we come to the shillings and pence it is otherwise.

Instead of the half-florin, or shilling, being divisible into 12 pence, as now, it can only be divisible into 10 and, presumably, five, although that is not stated, and there the sequence is broken. It is proposed to form a bronze coinage of 4 mil, 2 mil, and 1 mil pieces, which would correspond with nothing in our existing money. The committee, indeed, admits that as regards the proposed bronze coinage a change in the value of the coins is necessary, and that "some disturbance in the small, everyday monetary transactions is inevitable." Quite so, and is it worth while creating this disturbance to the hurt, as we contend, of the poorest and largest section of the community in order to gratify what is, after all, more of a sentimental fad than a measure of practical business? "The sovereign," the reporters go on, "is at present divided into 960 farthings, and under the decimal revolution it will be divided into 1,000 mils," or one-thousand parts of a pound. But instead of having a 5 mil piece in strict sequence, the committee would have a 4 mil piece, because it is nearest to the penny in exchange value. "If, therefore," they go on, "a 4 mil bronze piece is coined to take the place of the penny, the wage-earner will obtain ten more of these pieces for every sovereign in his weekly wages," but if a 5 mil piece were coined, as it should be if the decimal system is to be faithfully adhered to, the wage-earner would for every sovereign obtain

"only 200 of such pieces as against 240 pennies"—and so on. We are sorry to see the able and experienced bankers who have formed this committee getting into confusion in this way. It appears to be a decimal system without logic or coherence which they put forward, and it will give facilities for the unscrupulous to rob the poor. An easier way would surely be to retain our coinage as near as possible in its present form, and to devote the energies of experts in calculation to making it intelligible to the foreigner, easily convertible. In doing that, no opportunity will be offered for the dishonest trader to cheat the said foreigner, such as there would be for the small shopkeeper to get the best of it in dealing with the working classes at home.

Few undertakings found themselves so favourably situated as the Dumont Coffee Co., Ltd., in 1916. Not only did the company's product realise a much better price, but Fazenda charges, largely owing to the depreciation of the milreis, instead of rising, actually exhibited a slight decline. Freights and war risk insurance were heavier, but after allowing for London expenses the laying down cost was only 42s. 8½d. per cwt. compared with 41s. 8½d. per cwt. in 1915. The gross average price realised was equivalent to 60s. per cwt., London terms, an improvement of 9s. 5d. per cwt., and the crop amounted to 86,244 cwt., an increase of 711 cwt. on that of the previous year. Nett proceeds of coffee sales amounted to £146,810, an increase of £29,620, and total gross revenue comes out at £150,410, an improvement of £27,450. Fazenda charges are £7,050 lower at £78,160, and after adding sundry revenue items and providing for London expenses and interest charges the nett profit exhibits an increase of £35,850 at £56,400. This is nearly four times the amount required to pay the debenture interest and almost double the preference disbursement, which takes £30,000. The ordinary shareholders receive 4 per cent., the first distribution since 1913, and the carry forward is raised £10,400 to £48,920. The improvement in the company's earnings is reflected in the balance-sheet. Fazenda current account has gone up £68,780 to £166,680, and total trading assets exceed those of 1915 by about £70,600. Sundry creditors are £40,820 more at £48,200, but after allowing for the dividend disbursement of £16,000 the excess of trading assets over current liabilities comes out at £116,600, an increase of £13,760 on the excess of the previous year. The reserve fund amounts to £130,000, and on the credit side of the balance-sheet Dumont debentures, purchased at cost, appear at £44,446, an increase of £3,460. The total debentures outstanding amount to £382,200, and they mature in 1920. The bulk of last year's crop was shipped prior to February 23 last, when the Proclamation prohibiting imports came into effect. Efforts are being made by those interested to obtain some modification of the restriction. It is said that negotiations are progressing favourably, and the revocation of neutrality by Brazil has materially improved the prospect of a resumption of shipments. Stocks, however, are very large here, tonnage is scarce, and the outlook is obscure.

Owing to the compulsory restriction of output the sales of Barclay, Perkins and Co., Ltd., in the year to March 31 fell to 402,620 barrels, a decrease of 13,000 following a decline of 71,600 in 1915-16 and of 62,700 in 1914-15. Nevertheless the gross profits showed an increase of £46,000 at £191,000, and the nett profit comes out £48,000 higher at £150,000. With £34,000 more brought in the disposable balance is £230,700, and after paying debenture interest, it is proposed to pay a dividend of 10 per cent. on the preference shares, equivalent to 4 per cent. on the original preference capital, and even so the carry forward is increased by £21,000 to £101,600. Beer duty, licences, &c., absorbed £453,600, or 75 per cent. of the profits, but last year the amount was £30,000 larger, and the proportion 82 per cent., and this accounts for nearly two-

thirds of the increased profits. It should be remembered, however, that the effect of the more severe restrictions on output were scarcely felt up to the end of March and the concession of a larger barrelage for the summer months will not help greatly, but the much higher prices will doubtless make good the margin of profit. During the past year £38,130 of 5 per cent. debenture stock was redeemed, and liabilities on mortgages were reduced by £32,000. Debtors are £37,000 higher, stocks, &c., £22,000, and cash balances £38,000, but investments have been reduced by £70,000. The position has improved very materially since the capital was reorganised a few years ago.

The dividend declarations of the Rand mining companies for the past half-year are now complete, and it must be admitted that, owing to the higher cost of production, they are not very satisfactory. The total amount to be distributed is £3,270,000, as compared with £3,460,000 in the first half of 1916. If these figures are maintained for the second half of the year the total for the year will show a reduction of about £500,000 on 1916, which in turn showed a reduction of £400,000 on 1915, in spite of a larger output. In the subjoined table a comparison is made of the distributions of the companies for the past three half-years:—

Company.	First Half of 1917.	Second Half of 1916.	First Half of 1916.
	%	%	%
Apex	5	5	5
Bantjes	nil	nil	nil
Brakpan	22½	22½	22½
Central Mining	2½†	5†	—
City and Suburban	6½	6½	6½
City Deep	22½	22½	22½
Consolidated Langlaagte	10	10	12½
Consolidated Main Reef	5	5	6½
Crown Mines	20	25	25
Durban Deep	2½	nil	2½
East Rand Proprietary	nil	nil	2½
Geduld	5	5	5
Geldenhuis Deep	12½	12½	12½
Ginsberg	5	7½	7½
Johannesburg Cons. Investment	5*†	—	5*†
Jupiter	3½	3½	5
Knights Deep	5	10	7½
Langlaagte Estate	5	nil	5
Meyer and Charlton	50	55	45
Modder "B"	40	40	37½
Modder Deep	40	37½	30
New Goch	5	5	5
New Kleinfontein	nil	nil	5
New Modderfontein	16½	16½	16½
New Primrose	nil	5	5
New United	7½	10	10
Nourse	6½	6½	5
Rand Mines	75	75	75
Randfontein Central	nil	nil	nil
Randfontein Estates	nil	nil	nil
Robinson	3½	4	4
Rose Deep	12½	11½	15
Rand Selection	12½	15	12½
Simmer and Jack	3½	3½	3½
Sub-Nigel	7½	5	5
Van Ryn	17½	17½	17½
Van Ryn Deep	20	20	20
Village Main Reef	10†	15†	10†
Village Deep	7½	10	8½
Witwatersrand	20	25	25
Wit Deep	5	10	12½
Wolhuter	6½	7½	7½

* For year.

† Tax free.

‡ Less tax.

It will be observed that in 17 cases the dividends are the same as for the second half of 1916, while 12 companies have reduced their distributions. Only five companies record increases, and this number includes the Langlaagte Estates, which have resumed payment of dividends. The seven principal Eastern Rand companies distribute among them nearly 40 per cent. of the aggregate. The Government Areas, Ltd., has yet to declare its first dividend, but this is expected at the end of the year.

The Knight Central seems to be approaching the end of its long, albeit unsuccessful, career. Development of the area south of the Simmer Dyke has resulted in the discovery of only 56,300 tons of payable ore out of

a total of 760,700 tons exposed, or about 7 per cent. The cost of obtaining this disappointment was £184,692. In the five months to May 31 the company has made a loss on working of £1,007, whilst capital expenditure has absorbed £14,873, thus seriously reducing the balance of cash available. In view of this and the disappointing results already achieved by development, together with the extreme improbability of any improvement in the future, it has been decided to suspend all shaft-sinking and to limit development work to the few payable points in the mine. The payable ore will be stoped and milled as long as it is possible to do so profitably, and then operations will be suspended. This is the culminating point of the unfortunate experience of the shareholders, for the future of the mine depended upon development south of the dyke, which divides the property into two parts, that running south of the dyke forming the greater part of the mining area. Formed 22 years ago, the company, which has a capital of £900,000, has only paid one dividend—5 per cent. in 1910.

The Prussian Peace Terms as Interpreted by Monsieur Morel and His Eleven.

Whatever may be thought about that alien zealot Monsieur E. D. Morel's motives, there can be no two opinions regarding his assiduity. The Germans themselves have nowhere displayed a more unrelenting activity, and rarely half as much adroitness, as this man in furthering—an *entente*, shall we say? with the aggressors in this diabolical conflict. His latest manifestation of zeal in the cause of inhumanity seems to be "suggestions for terms of a peace settlement issued by the executive committee of the Union of Democratic Control." It has been sent to the Press with a covering letter signed by the indefatigable Monsieur Morel himself, in which the recipient journalist is graciously informed that the document "is now available for public comment." So we read the paper through, and then began to try and guess what was behind it. The names of the "committee of the Union of Democratic Control" appended did not help us much. Here they are for readers to make what of them they can:—Norman Angell, Charles Roden Buxton, J. A. Hobson, F. W. Jowett, M.P., F. W. Pethick Lawrence, J. Ramsay MacDonald, M.P., E. D. Morel, Arthur Ponsonby, M.P., Philip Snowden, M.P., H. M. Swanwick, Charles Trevelyan, M.P., and I. Cooper-Willis. Not a very impressive array of political sagacity is it? Except that they are all busybodies in many directions, faddist à l'outrance in some, and usually devoted to self-worship after the now well-understood Teuton model, there does not appear to be any reason why they should intervene at the present critical moment with their "suggestions" for a peace, and almost as little, apart from the desirability of keeping themselves before the public as beings apart whom future generations are surely destined to revere, why their exercises should be thrust under the eyes of pressmen.

For light, therefore, we turned again to the paper itself; and when we had re-read it we fell to admiring it. Monsieur Morel and his committee beat the mere Teuton all to fits; decidedly, there is no doubt about it. He presents us with far more moderate "terms of peace" than Bethmann Hollweg's tame Socialists in Germany have ever done, whether at Stockholm or elsewhere; and if the cowed Junkers are really prepared to go as far as he adumbrates—it will be but a very short while now until they are prepared to go further. After quoting Lord Robert Cecil and President Wilson on the aims and aspirations of the Allies of liberty fighting in this war, it looks smart to tack on Chancellor Bethmann Hollweg's falsehood—"we did not go to war and we are not fighting now against almost the whole world in order to make conquests, but only to secure our existence and firmly to establish the future of our nation"—and treat all three as alike

nonest and trustworthy. That is a German trick in dialectics now become stale abroad, but still hugged as worthy tactics by Morel and his eleven, and it gives the keynote to the entire effusion, which is nothing less than a dishonest and heartless *plaidoyer* in favour of letting Germany down easy. To perform the trick with any chance of getting a hearing among us it has been deemed advisable to appear liberal, to "restore Belgium to complete independence," and to indicate that the Germans may be willing to evacuate France, Serbia, Montenegro, and Rumania, which would again become "independent." At this point the liberality, as is natural to a reluctant aggressor, becomes restricted. Alsace and Lorraine must be parted with, but only after a "plebiscite" to arrange their fate—was ever mere ignorance more wilful and insolent displayed by any body of volunteer political tinkers?—and Trentino too the magician Morel cannot see his way to give up like a man. But Poland shall be free? Yes and no, not quite. The "Polish districts of Prussia" should be allowed to decide whether they should become part of the resuscitated Polish State, which is limited grace.

All this is but political scum rather cunningly frothed up to enshroud the real aim and object of this effusion. The great Morel is still anxious to hand back to Germany the African "empire" whose inhabitants have been mercifully delivered from a worse than Phœnician oppression, and so the Committee obediently demand that "Great Britain should repudiate definitely any claim to annex German colonies by right of conquest"—repudiate in whose favour? Morel does not straight out say, but he gets eleven Englishmen to join him in making his "cheeky" demand—at least, we presume they are all Englishmen, and of some of them we know enough to say that, whether English or not, they have had sufficient education to know better—unless the education was Prussian. Further word flummery follows, pitiful enough, and often dishonest enough, and leads us up to the bold assertion that "the principle of 'no annexation' requires a frank recognition, that, in the interests of a lasting peace, Germany is not less entitled than the other Great Powers to organise and develop overseas dependencies." After what has happened during the past three years a hardihood worthy of a Wilhelmstrasse press hack was required to say that. Monsieur Morel has a practical object in view quite Prussian in its maladroitness. The "Great Zone of Tropical Africa" is to be "neutralised," if you please, under "an international guarantee, and absolute freedom of trade and enterprise established there." And the same faithful eleven endorse that too. We shall charitably assume that they are probably not aware of the figure they cut.

This is the great peace bomb the busy Morel explodes. There are others, but they are of small importance beside this bold Prussian bid for a restoration of equatorial Africa to the white savages of Berlin. Having delivered himself of this effort, the amazing Morel proceeds to babble of "guarantees," repeating most of the familiar catchwords, "a League of Nations"—to include Germany, of course—have not the Austro-Hungarian and German Governments "accepted in principle" the same remedy as President Wilson and the rest of us?—"open diplomacy," disarmament, "the freedom of the seas," and, wedged in between, "the open door," are all trotted out and manipulated with some deftness and no small obliquity of vision, to serve Prussia. Finally, "Reparation" gets a special "cross heading" to itself, and under it we are informed that Belgium is, "owing to the circumstances under which she was forced into the war"—Morel is, we believe, himself a Belgian—"entitled to special relief from Germany." And the eleven endorse that nauseous hypocrisy likewise, looking round for admiration and applause. It represents, indeed, in a word, a great concession made for Germany is innocent, and no indemnities are to be paid to any one else for the damage done. Instead, "a common fund is to be provided by all the belligerent nations."—including the two robber Empires, of course

—to assist in the recovery of the parts of the world most seriously devastated by the war." Here is the wisdom of the dry-hearted, in whom no plain dealing nor feelings common to mere humanity receive the least recognition. It would, indeed, be a relief to the Germans to be put on the same plane as their victims in the matter of liability to pay for the infinite and infamous depredations they have committed. But "a burglar's indemnification law" of this type is not in contemplation just yet, however much it might soothe the apprehensions of thieves like that son of William Hohenzollern, who "burgled" the château near Liège in which he and his fellow-thieves had been hospitably entertained at the outset of the war. The criminals carried off everything, down even to the dainty dresses of their hostess and her family, which they found in the wardrobes they had forced open. All was packed up and sent to Berlin. Long ere now the wine stolen is probably consumed, and the dresses may have come down to be bandages, or clothes for the slaves. But—Prince Eitel, was it not? yes, the honourable and trustworthy M. Pierre Northcomb says so—Prince Eitel, Fritz, his brother-in-law, the Duke of Brunswick, and Baron Mirbach were the thieves, and it might perhaps annoy them, if still above ground at the peace, to have to hand back the burgled property and pay damages. Our own burglars here would doubtless like to live under a "mutual making good the damage" law like that; so would their reseters and pawnbrokers; why not Prince Eitel and pals?

Really a wonderful effusion, this, of Monsieur Morel and his eleven, don't you think—wonderful and of such peculiar morals? And the solemnity of the Morel troop, masquerading as Democrats morally disembowelled, would be excruciatingly diverting in ordinary circumstances; but as things are, it tends to make one melancholy at beholding the depths of heartless insincerity to which men of presumed education can descend when taken in hand by an expert capable of leading them whither he pleases.

[The *Evening Standard* of Wednesday states that "the U.D.C. terms were practically identical with those agreed upon at the 'International' Conference at Berne on June 16, 17, and 18," and adds that "there is no doubt about the German origin of this Conference, equally little as to the identity of 'Morel's' terms and the Conference's," and goes on to ask, "Could there be more conclusive proof that 'Morel' is moved by wires manipulated in Berlin, and in turn converts all the dupes and sentimentals of the U.D.C. and kindred bodies into German agents?" Here assuredly is matter for thorough investigation.]

Insurance News.

No insurance company occupies a more prominent position in the eyes of the public at the present moment with regard to new propositions for insurance than the Eagle and British Dominions Insurance Co. The directors have now brought forward a scheme in order to meet the wishes of a large number of employers who desire to cover what may be termed their moral responsibility in the event of death, loss of limbs or eyes, or other injuries resulting to members of their staff as a result of air raids. Special personal injury aircraft policies are now being issued, under which an employer can insure the whole of his staff under one policy. The policies are of a specially comprehensive character, covering all contingencies, even those arising from what may be described as indirect causes, such as falling material or other matter. Where the policy is only required to cover the staff in respect of injuries happening at the insured premises, or while the injured person is engaged upon the insured's work, the premium is only 5s. per cent., and for 7s. 6d. per cent. cover is provided anywhere and always, the rates being payable on the total annual salaries and wages paid by the insured. It is not necessary to give the names of the individual members of the staff to be insured, the policy applying to the whole of the staff without any distinction as to occupation, age, or sex.

The Government, it is announced, has decided to relieve approved societies of the burden imposed on their funds by the payment of sickness and disablement benefits to sailors and soldiers discharged during the war on account of wounds and illness, so far as it is estimated to be attributable to war service. This is as it should be. It is clearly impracticable for societies to analyse all benefit payments to discharged men and distinguish those due to war service from those due to ordinary causes, and it is therefore proposed to assess the proportion of the total payments to invalided men which is to be regarded as due to war service. This assessment will be made after an actuarial investigation into the sickness claims of a large sample of discharged men of all ages and occupations spread over all parts of the United Kingdom.

The position of American life offices with respect to their policyholders in Germany is an interesting one, and much curiosity is being expressed by these policyholders with respect to the attitude which will be taken towards them by the companies. The American companies were rapidly expanding this class of business when the war broke out, but none of them, either life, fire, or accident, was doing any new business in Germany just before America came into the war. The offices kept large reserve funds on deposit in Germany, and two English and two French companies had, up to the commencement of hostilities, policies outstanding amounting to some 30 millions of marks.

Answers to Correspondents.

*** A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.**

Deposits against future queries may be lodged with the Publisher.

Senex.—As a mere gamble No. 1 might, but it has no intrinsic attraction. No. 2. Yes.

Algiers.—Perhaps there may be concerns whose shares would gratify your risk, but it is too late, we think, for us to recommend any. The tendency of the market is not at present strong either way.

Malt.—Plenty. Arnold Perrett debenture or preference, Brampton ordinary, or Daniell's "C" debenture.

Inch By Inch.—(1) and (2) Yes, good enough. The prices you quote are quite full enough. Offer less.

X. Y. Z.—There is no rise in them, but neither is any fall to be feared. We have no pronounced opinion.

Gurth a Swineherd.—We do not think it would be wise to sell now. The coming season promises to be better, and you may yet see your loss wiped out, though not immediately. This still leaves rs. to your credit.

J. M. G.—It is in respectable hands, and from the published figures the shares appear a fair speculation. Its product is valuable, but in ordinary times liable to sharp fluctuation.

R. E. C.—We know nothing beyond what has appeared in the Press, but think you should hold on, as the Government must settle the dispute before long.

Mark.—We think you should.

T. R. M.—It is quite a good debenture, and we see no reason to disturb the investment.

D. H. L.—There has been a sudden move in them to-day. The shares are speculative, but we think you might hold still, although it will take a long time to pull the concern round.

The nett earnings of the Victoria Falls and Transvaal Power Co., Limited, including those of the Rand Mines Power Supply Co., Limited, for the quarter ended March 31, 1917, amounted to £221,604, before providing for taxation in South Africa and the United Kingdom.

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Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from $5\frac{1}{2}$ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

This week's story of the Money market illustrates its dependence upon Treasury action. At the end of last week the end of the month demands were provided for without help from the Bank, and as the rate offered by the Government on Treasury bills was $4\frac{1}{2}$ per cent. dealers in money were justified in drawing the inference that a time of ease with perhaps diminishing rates was at hand. The banks, however, did not officially lower their deposit rates, nor yet the discount houses, although money was apparently plentiful in the open market at $4\frac{1}{4}$ per cent. But the discount rate was barely $4\frac{3}{8}$ per cent. on bank bills of all currencies. This being the position naturally a disagreeable surprise was given to the market when the Government announced on Tuesday that its rate of discount on three and six months' bills would be raised to $4\frac{3}{4}$ per cent., yet the reason for the step was plain enough. Sales at $4\frac{1}{2}$ per cent. had not equalled expectations. But it was disagreeable all the same, and the news rather flabbergasted the dealers in credit for a little while. Everything was soon adjusted, however, and the rate on bank bills put up to $4\frac{3}{4}$ per cent., with $\frac{1}{8}$ concession on the higher rate for threes, fours, and sixes. And yesterday good business was done in ordinary bills at $4\frac{3}{4}$ per cent., while the sales of Treasury bills were unusually heavy, causing money to be more inquired for. All this, however, does not imply any radical change in the position, and it seems to us that money is likely to remain neither very dear nor very cheap, just as it is now. There is an abundance of credit generated by Government necessities which should prevent anything like inconvenience to those requiring to employ it, and, at the same time, the continually recurring additional demands of the Treasury must keep rates up. Not only is our Treasury continually on the market, but in one way or another the Allies have to be financed, and again Russian bills were

negotiated this week at rates by no means usurious when it is remembered that the rouble continues to fall against gold, and was quoted yesterday at 212-214 for the £10 sterling. The Birmingham Corporation managed to renew its £500,000 of yearling Treasury bills at a rate about $\frac{1}{4}$ per cent. below that paid a year ago, or at an average of under £4 18s. 10d. per cent.

The Bank return displayed large movements and a decrease of £2,293,000 in the coin and bullion. As that was accompanied by an increase of £803,000 in the note circulation, it follows that the reserve is £3,096,000 lower at £33,490,000, and its proportion to the liabilities is down by $2\frac{3}{4}$ per cent. to $19\frac{1}{2}$ per cent. These changes, together with the large increase of £10,855,000 in the other securities, are due, no doubt, to the end of the half-year demands for accommodation, and part of these must be ascribed to the tax-collector. The second instalment of last year's income-tax became payable on Monday, and may have helped to add £2,510,000 to the public deposits, or it may be that the proceeds of Treasury bill sales went to swell these deposits. At the same time, other deposits were increased by £5,452,000 to £130,579,000, partly, no doubt, because the banks were rounding up their figures for their half-yearly balance-sheets, which they, for the most part, draw up and circulate amongst their shareholders, although no longer holding half-yearly meeting, and presenting full reports to the proprietary and the market. In these two ways, however, and in the withdrawal of money, principally into circulation, although the loss of gold would seem to indicate there was also a drain of the metal for abroad, the increase in the other securities is accounted for, and the incident does not signify anything particular, taking account of the time of year and the war.

Conditions during the past half-year have been favourable to the earnings of the banks. Gross profits are expected to show a general increase, but this expansion is likely to be largely counterbalanced by higher working costs, due to the enlistment of further male members of staffs, involving additions to the double pay bill, and also to increased war bonuses. Investment depreciation, however, is not likely to absorb such large amounts as hitherto, thanks to the action of Mr. Bonar Law in lowering the rate for Government borrowing prior to the issue of the Victory Loan. Ever since the Boer war depreciation has been the dominant feature of banking finance, but it would now appear that the investment market has, for the time being at any rate, touched bottom.

Owing to the shortage of currency, an Order in Council has been issued empowering the Government of India to take possession of all gold imported into India at the rate of 15 rupees in the case of sovereigns, and of one rupee per 7.53 grains troy of fine gold in the case of other imports. The gold so acquired will be placed in the currency note reserve. The gold holding has latterly diminished to an appreciable extent.

In the Parliamentary papers the following details are given regarding the sale of War Savings Certificates from February 19, 1916, when they were first issued, to June 16:—

Ultimate Value.	Number Sold.	Value at Purchase Price.
£1	25,212,700	19,539,842
£12	604,948	5,626,016
£25	907,657	17,585,854
£500	54,670	21,184,626
Various amounts ..	168,213	19,300,734

In all 26,948,188 certificates of various values have been sold, this being equivalent to 107,402,674 single 15s. 6d. certificates, of the total value of £83,237,072. It is a substantial amount, but as a means of gathering in working-class savings these Certificates cannot be regarded as a particularly successful device. Less than half the total has been obtained in small amounts, and subscribers up to £500 must be mainly drawn from middle-class investors, who have bought Certificates to escape payment of income-tax on so much of their

capital. As we have repeatedly urged, it will be necessary to issue some form of premium bond in order to reach the savings of the people, and the sooner this fact is recognised the better, for the need of more money is becoming urgent.

Because the French Government thought it well, towards the end of last month, to renew the moratorium for another 90 days, it is not to be inferred that the debtors are making no effort to liquidate their obligations. In August, 1914, the Bank of France held bills protected by the moratorium to the amount of £192,000,000; by June 14 last this formidable aggregate had shrunk to £48,200,000.

The City of Moscow is in the market with an issue of £1,000,000 Sterling Treasury bills to replace a like amount falling due on the 16th inst. They are offered at the price of £92 10s. for each £100 nominal, at which they give the high yield of £8 2s. 2d. per cent. In spite of political unrest and uncertainty, the security may be regarded as quite sound, and no doubt the bills will be readily absorbed.

The position in Mexico is slowly improving, but she has a great deal of leeway to make up. Private advices state that Americans are now returning to the country, in some parts of which industrial operations are extending. For instance, the Esperanza Co. has increased the scope of its operations, the political position having much improved, and the company has resumed the payment of dividends. On the other hand, the railways are still in the hands of the Government, and as a result the Mexican Southern has had to extend its moratorium arrangement with the first mortgage debenture-holders for three years. Paper money is being replaced by gold and silver coins. The supply of the latter is very limited, but business is mainly effected by their use. The exchange value of the silver peso has risen to 27d., and the paper peso has advanced to about one-fifth of its nominal value. Mexico's chief need is a loan with which to enable the Government to discharge its obligations. Negotiations are in progress in the United States to that end, and if they come to fruition, some sort of American supervision of expenditure is likely to be established.

SILVER.

Bar silver is again firm at 39½d. per ounce, but throughout the week until yesterday the price was 39½ per cent. Messrs. Mocatta say that there has been rather more inquiry for the metal during the last few days, and the small amounts offering were easily absorbed. It seems probable that the market will continue in this state for some time, with probably an upward bent.

Applications for the Rs. 1,20,00,000 India Council drafts offered on Wednesday amounted to Rs. 2,13,05,000. Of these, Rs. 200,000 were allotted in bills, Rs. 1,11,91,000 in deferred transfers, and Rs. 7,80,000 in immediate transfers. Tenders for bills and deferred transfers at 1s. 4 5-32d. and for immediate transfers at 1s. 4¼d. received about 56 per cent. The amount to be offered next Wednesday is again Rs. 1,20,00,000. Since April 1 the total sales have been Rs. 15,60,00,000, realising £10,510,073.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, July 4, 1917.

ISSUE DEPARTMENT.

	£		£
Notes Issued	71,053,620	Government Debt	11,015,100
		Other Securities	7,434,000
		Gold Coin and Bullion ..	52,603,620
		Silver Bullion	—
	£71,053,620		£71,053,620

BANKING DEPARTMENT.

	£		£
Proprietors' Capital ..	14,533,000	Government Securities ..	45,500,261
Reserve	3,441,109	Other Securities	111,080,511
Public Deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts) ..	41,672,768	Notes	30,850,915
Other Deposits	130,579,220	Gold and Silver Coin ..	2,638,659
Seven Day and other Bills ..	24,249		
	£190,070,346		£190,070,346

Dated July 5, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year, July 5.		June 27, 1917.	July 4, 1917.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,260,758	Rest	3,211,061	3,241,109	30,048	—
58,949,045	Pub. Deposits ..	39,163,167	41,672,768	2,509,601	—
103,606,994	Other do. ..	125,126,993	130,579,220	5,452,227	—
32,026	7 Day Bills ..	27,156	24,249	—	2,907
	Assets.			Decrease.	Increase.
42,187,454	Gov. Securities.	45,270,106	45,500,261	—	230,155
95,836,787	Other do. ..	100,225,942	111,080,511	—	10,854,569
42,405,582	Total Reserve ..	36,585,329	33,489,574	3,095,755	—
				11,087,631	11,087,631
				Increase.	Decrease.
£		£	£	£	£
35,366,185	Note Circulation	39,399,545	40,202,705	803,160	—
60,321,767	Coin and Bullion	57,534,874	55,242,279	—	2,292,595
26.1 p.c.	Proportion ..	22.3 p.c.	19.4 p.c.	—	2.9 p.c.
5 "	Bank Rate ..	5 "	5 "	—	—

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,445,416,000	333,290,000	—
June 6	396,033,000	296,965,000	99,068,000	—
" 13	343,310,000	290,373,000	51,937,000	—
" 20	388,145,000	275,677,000	112,468,000	—
" 27	360,304,000	284,615,000	75,689,000	—
July 4	387,191,000	340,561,000	46,630,000	—
Total ..	10,194,395,000	7,678,206,000	2,516,189,000	—

CURRENCY NOTES.

Return of Currency Notes for the week ended July 4, 1917.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes	4,175,441	2,218,401	116,572,311
10s. notes	1,387,591	1,036,341	31,189,650
Note certificates	10,000	10,000	16,220,000
Previous total	642,147,102	480,473,426	—
	647,720,134	483,738,169	163,951,964

Ratio of gold held against notes, this week, 19.42 p.c.; last week, 19.31 p.c.

PUBLIC INCOME AND EXPENDITURE. (For 7 days ended June 30.)

REVENUE.	EXPENDITURE.
£	£
Customs	National Debt Service ..
Excise	Interest, etc., on War Debt
Estate, &c., Duties ..	Development & Road Impvt
Stamps	Payments to Local Taxation
Land Tax and House Duty	Other Consolidated Fund
Property and Income Tax	Charges
Excess Profits Tax ..	Supply Services
Land Values	Bullion Advances
Post Office	For Advance for Interest
Crown Lands	on Exchequer Bonds under
Sundry Loans	Capital Expenditure
Miscellaneous	(Money) Act, 1904
Bullion advances repaid	For Treasury Bills
For Treasury Bills for Supply	For Exchequer Bonds issued
5% Exchequer Bonds, 1919 ..	under the War Loan Re-
5% Exchequer Bonds, 1922 ..	demption Act, 1916
6% Exchequer Bonds, 1920 ..	Expenditure Certificates
War Expenditure Certificates	under War Loan Act, 1916
War Savings Certificates ..	Other Debt under War Loan
4% War Loan, 1929-1942 ..	Acts, 1914-16
5% War Loan, 1929-1947 ..	For Exchequer Bonds under
Other Debts created under	Section 61 of Finance Act,
War Loan Act, 1915, and	1916
Finance Act, 1916	Under Telegraph (Money)
Telegraph Money Act, 1913	Act, 1913
Under Post Office Rly. Act,	Under Post Office (Lon-
1913	don) Railway Act, 1913 ..
Under Military Works Acts,	Under Military Works Acts
1897-1903	Under Housing Act, 1914 ..
Under Public Buildings ..	Public Buildings Expendi-
Under Housing Act	ture Act, 1903
Repayment of Advance for	Old Sinking Fund, 1907-8 ..
Interest on Exchequer	Old Sinking Fund, 1910-11 ..
Bonds, 1904	China Indemnity
China Indemnity	East African Protectorate
East African Protectorate	Loan repayment
Loan repayment	Suez Canal Drawn Shares ..
Suez Canal Drawn Shares ..	Temporary Advances repaid
Ways and Means Advances	Increase in Exchequer
Decrease in Exchequer	balances
balances	
£211,459,528	£211,459,528

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	June 30, 1917	June 23, 1917	June 16, 1917	July 1, 1916
	£	£	£	£
Loans	765,014,000	782,722,000	760,254,000	657,840,000
Reserve held in own Vaults ..	51,114,000	61,378,000	73,004,000	90,266,000
Reserve held in Fed. Res. Bk.	67,006,000	53,374,000	45,593,000	31,802,000
Reserve held in Other Depos.	11,390,000	11,206,000	11,672,000	11,836,000
Nett Demand Deposits	686,152,000	687,920,000	714,654,000	652,482,000
Nett Time Deposits	35,432,000	33,444,000	34,532,000	35,118,000
Circulation	5,924,000	5,920,000	5,918,000	6,318,000
Excess Lawful Reserve	14,220,000	7,342,000	10,020,000	21,714,000
Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.				

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	June 30, 1917.	June 23, 1917.	June 16, 1917.	July 1, 1916
Loans	£ 172,536,000	£ 172,206,000	£ 172,446,000	£ 145,666,000
Specie	12,790,000	13,016,000	13,482,000	11,952,000
Deposits	174,134,000	177,450,000	179,274,000	152,504,000
Legal Tenders ..	2,078,000	2,156,000	2,206,000	1,840,000

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	June 1, 1917.	May 25, 1917.	May 18, 1917.
Gold coin and certificates ..	£ 59,845,000	£ 66,833,000	£ 70,053,800
Gold Redemption Fund ..	610,600	581,000	550,800
Gold Settlement Fund ..	37,511,200	36,718,000	37,593,800
Legal tender notes, silver, &c.	7,324,800	7,378,400	5,488,400
Total reserves ..	105,291,600	111,530,400	113,686,800
5% redemption fund against F.R. bank notes ..	80,000	80,000	80,000
Bills discounted—Members' ..	10,170,800	9,517,400	8,969,200
Bills bought in open market ..	23,220,000	21,475,400	20,035,400
U.S. bonds ..	7,277,400	7,302,600	7,277,200
One-year U.S. Treasury notes ..	4,667,600	4,667,600	4,667,600
U.S. Certificates of indebtedness ..	10,831,400	11,561,400	10,933,200
Municipal warrants ..	2,782,400	2,935,000	2,927,800
Total earning assets ..	58,949,600	57,459,400	54,810,400
Federal Res. notes—nett ..	5,975,600	5,682,000	5,291,600
Due from other Federal Res. bank—nett ..	735,400	2,128,200	611,400
Due from depositary banks ..	35,418,400	24,469,800	—
Uncollected items ..	1,211,200	65,758,800	38,566,000
All other resources ..	1,211,200	1,284,800	1,196,200
Total resources ..	207,661,800	268,390,400	231,134,600
Capital paid in ..	11,397,000	11,398,200	11,373,600
Government deposits ..	19,285,400	39,692,600	37,425,400
Due to members—Reserve account ..	144,229,200	162,665,200	149,699,800
Members' bank deposits—nett ..	26,828,400	34,030,200	27,350,000
Federal Res. notes—nett ..	5,555,200	5,240,200	4,929,600
Fed. Res. bank note liability ..	—	—	—
All other liabilities ..	366,600	15,364,000	356,200
Total liabilities ..	207,661,800	268,390,400	231,134,600
Gold reserve against nett dep. and note liabilities ..	61.3%	63.3%	66.2%
Cash reserve against nett dep. and note liabilities ..	65.8%	67.8%	69.5%
Cash reserve against nett dep. liabilities after setting aside 40% gold reserve against aggregate nett liabilities on F.R. notes in circulation ..	66.8%	68.7%	70.4%

BANK OF FRANCE (25 francs to the £).

	July 5, 1917.	June 28, 1917.	June 21, 1917.	July 6, 1916.
Gold in hand ..	£ 130,240,560	£ 130,129,880	£ 130,009,400	£ 190,788,040
Silver in hand ..	20,509,560	10,391,080	10,347,040	13,757,960
Bills discounted ..	27,491,920	22,236,560	19,592,480	16,430,500
Advances ..	44,995,360	44,774,600	46,015,200	48,574,760
Note circulation ..	804,482,160	792,924,240	791,117,040	641,848,440
Public deposits ..	1,708,440	1,340,320	4,453,040	1,683,480
Private deposits ..	111,120,800	110,338,600	103,637,520	84,927,680
Foreign Bills ..	64,680	58,480	116,080	73,640

Proportion between bullion and circulation 27.61 per cent., against 28.02 per cent. last week. Advances to the State £428,000,000, increase £4,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £21,280,080, decrease £20,200 and at the branches £26,410,200, decrease £26,640.

IMPERIAL BANK OF GERMANY (20 marks to the £).

	June 30, 1917.	June 23, 1917.	June 15, 1917.	June 30, 1916.
Total Coin & Bullion ..	£ 126,054,700	£ 125,776,250	£ 129,159,000	£ 124,838,200
Treasury Notes ..	22,513,350	26,542,600	26,374,400	31,464,050
Bills discounted ..	548,123,650	479,314,200	473,710,150	330,510,600
Advances ..	438,400	433,950	510,000	365,500
Note circulation ..	434,937,000	410,986,800	411,201,200	362,026,600
Deposits ..	284,632,500	257,413,500	240,814,800	118,535,850

BANK OF SWEDEN.

	June 9, 1917.	June 2, 1917.	May 26, 1917.	June 10, 1916.
Gold ..	£ 11,270,000	£ 11,723,000	£ 11,276,000	£ 9,235,000
Balance abroad and Foreign Bills ..	7,285,000	7,292,000	7,368,000	8,750,000
Swedish and Foreign Govt. Securities ..	3,220,000	3,242,000	3,244,000	4,377,000
Discounts and Loans ..	8,004,000	8,759,000	8,343,000	2,804,000
Notes in circulation ..	24,116,000	24,557,000	23,119,000	18,330,000
Deposits at notice ..	5,608,000	6,795,000	6,854,000	5,322,000

IMPERIAL BANK OF RUSSIA (10 roubles to the £).

	June 22, 1917.	June 14, 1917.	June 5, 1917.	June 21, 1916.
Notes in reserve ..	£ 15,520,000	£ 13,920,000	£ 11,070,000	£ 11,760,000
Gold ..	147,890,000	148,270,000	148,120,000	153,830,000
Gold in reserve abroad ..	211,900,000	211,910,000	211,880,000	149,390,000
Loans and Discounts including Treasury Bonds ..	1,150,560,000	1,106,640,000	1,065,430,000	384,320,000
Circulation note issue ..	1,240,370,000	1,218,570,000	1,188,930,000	641,040,000
Deposits, including Treasury deposits ..	295,520,000	299,110,000	301,760,000	20,920,000

SWISS NATIONAL BANK (25 francs to the £).

	June 15, 1917.	June 7, 1917.	May 30, 1917.	June 15, 1916.
Gold and silver ..	£ 15,740,504	£ 15,717,756	£ 15,753,640	£ 12,450,060
Bills ..	7,519,316	7,259,888	6,762,332	6,992,360
Note circulation ..	20,001,872	20,383,956	20,621,960	16,255,724
Current and deposit accounts ..	4,763,964	4,402,408	3,742,996	5,233,420

BANK OF SPAIN (25 pesetas to the £).

	June 23, 1917.	June 16, 1917.	June 9, 1917.	June 24, 1916.
Gold ..	£ 61,687,761	£ 60,347,496	£ 59,394,483	£ 41,278,225
Silver ..	30,280,035	30,166,392	30,090,133	30,680,631
Foreign Bills ..	3,629,673	3,572,832	3,582,353	3,906,197
Discounts and Short Bills ..	30,650,030	31,051,567	31,307,338	23,306,440
Treasury Account, &c. ..	25,798,917	25,649,105	25,616,861	30,940,879
Notes in Circulation ..	98,301,293	97,909,253	97,748,645	86,072,163
Current Accounts, Deposits ..	31,442,129	31,287,403	30,991,752	30,470,785
Dividends, Interests, &c. ..	1,139,191	1,271,554	1,289,642	1,310,716
Government Securities ..	9,456,296	8,768,289	8,880,526	2,753,165

NETHERLANDS BANK (12 Florins to the £).

	June 30, 1917.	June 23, 1917.	June 16, 1917.	June 9, 1917.
Gold and Silver ..	£ 52,848,583	£ 50,893,916	£ 50,849,000	£ 50,154,000
Bills and Advances ..	12,013,416	12,440,750	12,937,000	12,922,250
Note circulation ..	63,996,916	61,757,333	62,046,916	62,610,000
Deposits ..	4,994,583	5,503,500	5,392,500	4,091,833

BANK OF ITALY (25 lire to the £).

	May 31, 1917.	May 20, 1917.	May 10, 1917.	May 31, 1916.
Total cash ..	£ 40,866,280	£ 40,476,520	£ 41,738,960	£ 45,573,920
Inland Bills ..	20,155,320	20,433,800	20,854,960	16,749,800
Foreign Bills ..	832,560	832,600	833,440	836,120
Advances ..	14,261,720	14,349,760	14,726,960	8,890,400
Government securities ..	8,793,400	8,816,880	8,787,000	8,345,320
Circulation ..	164,580,480	162,021,480	161,309,960	123,593,000
Deposits at notice ..	19,877,720	19,765,800	18,399,480	13,242,200
Current accounts ..	12,227,000	13,465,520	13,775,600	18,374,600

BANK OF NORWAY.

	June 7, 1917.	May 31, 1917.	May 22, 1917.	June 7, 1916.
Gold ..	£ 7,160,000	£ 7,161,000	£ 7,162,000	£ 6,536,000
Balance abroad and Foreign Bills ..	4,377,000	4,480,000	4,498,000	5,320,000
Gov't Securities ..	706,000	706,000	706,000	762,000
Discounts & Loans ..	13,052,000	12,640,000	12,652,000	5,358,000
Notes in Circulation ..	15,346,000	15,382,000	15,352,000	11,701,000
Deposits at notice ..	7,318,000	6,949,000	7,189,000	3,782,000

LONDON COURSE OF EXCHANGE.

Place.	Usance.	June 28, 1917.		July 5, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	11.53	11.55	11.52	11.55
" ..	Three months' bills ..	11.68	11.73	11.67	11.72
Paris ..	Cable transfers ..	27.37	27.42	27.42	27.45
" ..	Three months' bills ..	27.70	27.80	27.75	27.85
Marseilles ..	Cable transfers ..	27.70	27.80	27.75	27.85
Switzerland ..	Cable transfers ..	23.10	23.20	22.50	22.60
" ..	Three months' bills ..	23.45	23.55	22.80	23.10
Petrograd ..	Cable transfers ..	205	207	213	215
Genoa, &c. ..	Cable transfers ..	34.10	34.20	34.40	34.50
Spain ..	Cable transfers ..	20.25	20.35	20.25	20.35
" ..	Three months' bills ..	55.8	57.1	55.8	57.1
Lisbon and Oporto ..	Cable transfers ..	16.30	16.40	16.25	16.35
Copenhagen ..	Cable transfers ..	16.12	16.22	16.10	16.20
Christiania ..	Cable transfers ..	15.55	15.65	15.45	15.55
Stockholm ..	Cable transfers ..	15.55	15.65	15.45	15.55

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22½	27.40	27.48½
Amsterdam, cheques ..	Florins to £1 ..	12.107	11.54½	11.54
Italy, sight ..	Lire to £1 ..	25.22½	34.25	34.55
Madrid, sight ..	Pesetas to £1 ..	85.22½	20.32	20.40
Lisbon, sight ..	Pence to milreis ..	33½d.	31½d.	31½d.
Switzerland, sight ..	Francs to £1 ..	25.22½	23.00	22.40
Christiania, sight ..	Kroner to £1 ..	18.159	16.14	16.12½
Stockholm, sight ..	Kroner to £1 ..	18.159	15.60	15.37½
Copenhagen, sight ..	Kroner to £1 ..	18.159	16.31	16.30
Petrograd, sight ..	Roubles to £100 ..	94.57	209	213
Alexandria, sight ..	Piastres to £1 ..	97½	97½	97½
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Hong Kong, T.T. ..	Sterling to dollar ..	—	2/6½	2/6½
Shanghai, T.T. ..	Sterling to taal ..	—	3/10	3/9½
Yokohama, T.T. ..	Sterling to dollar ..	—	2/4½	2/4½
Singapore, T.T. ..	Sterling to yen ..	24.58d.	2/11½	2/11½
New York, cable ..	Dollars to £1 ..	4.86½	4.76½	4.76½
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	50½d.	50½d.
Valparaiso, 90 days ..	Pence to peso ..	—	12½d.	12½d.
Montevideo, T.T. ..	Pence to dollar ..	51d.	51d.	51d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	—	1318d.	1318d.

OPEN MARKET DISCOUNT. Last week. This week

	Per cent.	Per cent.
Thirty and sixty day remitted ..	4½	4½
Three months ..	4½	4½
Four months ..	4½	4½
Six months ..	4½	4½
Three months fine inland bills ..	5½	5½
Four months ..	5½	5½
Six months ..	5½	5½

BANK AND DEPOSIT RATES. Last week This week

	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
short loan rates ..	—	—
Bankers' rate on deposits ..	4	4
Bill brokers' deposit rate (call) ..	4	4
" 7 and 14 day' notice ..	4½	4½
Current rates for 7 day loans ..	4½	4½
" for call loans ..	4½	4½

The Week's Stock Markets.

When business was resumed on Tuesday morning after three days' recess dealers were much disappointed at the small amount of orders that had accumulated over the holiday, but with the news of the fine stroke by the

	Last Week	This Week		Last Week	This Week
Consols.....	54½	55½	N.S.W. 4½% 5 yr. bds.....	97½	98
War Loan 3½%.....	86½	87½	" 4½%, 1922-7.....	90½	90½
" 4½%.....	94½	94½	" 5%, 1921-3.....	95	95
" 5%, 1929-47.....	94½	94½	" 5½%, 1920-2.....	99½	99½
" 4%, 1929-47.....	101	101	New Zealand 4%, 1929.....	86	86
India 3%.....	56	57	Queensland 4%.....	80	80
" 3½%.....	66	67	" 4½%, 1920-5.....	92½	92½
Australian 5½%, 1920-22.....	99	98½	Union of S. Africa 4½%.....	91	91
Canada 4%, 1940-60.....	81	80½	1920-5.....	92½	92½
" 4½%, 1920-5.....	93½	93½	Victoria 4½%, 1920-5.....	92½	92½
N.S.W. 4%, 1933.....	82½	82½	Westn. Aus. 4%.....	79½	80½
Argentine 4%, 1900.....	65	65	French War Loan, 5%.....	80½	80½
Belgian 3%.....	63	63	Japan 4½% (1st), 1905.....	95½	95½
Brazil, 1913.....	60	60	" 5%, 1907.....	95½	95½
" 5%, 1914.....	80½	80½	Mexican 5%, 1899.....	57	57
Chinese 1896.....	94	94	Russia 4%.....	59	58½
" 1912.....	77½	77½	" 4½%.....	66	66
Egypt Unified 4%.....	83	84	" 5%, 1906.....	75	75½
Caledonian defd.....	81	81	London and N.W.....	93½	95½
Gt. Central pte.....	13½	14	London and S.W. dfd.....	22½	22½
" dfd.....	6½	6½	Do red. pf. 1914.....	95½	95½
Gt. Eastern.....	35½	36	Metropolitan.....	23½	24
Gt. Northern dfd.....	30½	30½	Do.....	90	90
Gt. Western.....	89½	89½	Met. District.....	16	16½
Lancs. and Yorks.....	65	66	Midland dfd.....	57½	59½
London Brighton defd.....	58½	58½	Nth. British dfd.....	13	13½
London Chatham ord.....	81	81	Nth. Eastern.....	100½	101
Canadian Pacific.....	177½	178½	Sth. Eastern dfd.....	27½	27½
E. Indian Guar. 4½% debts.....	85	85	Eric.....	20½	20½
Grand Trunk ord.....	94	94	Milwaukee.....	86½	86½
Do, 1st pf.....	65½	65½	N. Y. Central.....	100½	100½
Do, 3rd pf.....	25½	24½	Southern.....	20½	20½
Atchafon.....	107½	107½	Southern Pacific.....	97½	97½
Baltimore.....	70½	70½	Union Pacific.....	142½	142½
Chesapeake.....	64	63	U. S. Steel.....	116½	116½
Antofagasta dfd.....	125½	126½	Cent. Argentine ord.....	64	64
Brazil Common.....	5	5	Leopoldina.....	37½	39½
B. A. & Pacific.....	41½	42	Mexican ord.....	16½	16½
B. A. Gt. Southern.....	80	79	San Paulo (Brazilian).....	188½	190
B. A. Western.....	77	77	United of Havana.....	81	82
Anglo-South American.....	62	68	London & S.W.....	12	12
Bank of Australasia.....	114	114	London City & Midland.....	7½	7½
Bank of N.S. Wales.....	34	34	London County & Westm.....	15	15
Barclay & Co. "A".....	7½	7½	London Joint Stock.....	22½	22½
Do, "B".....	11½	11½	Nat. Prov. of Eng. (100 pd).....	27½	27½
Capital & Counties.....	23	23	Do, (£12 pd).....	32	32
Chartered of India.....	62½	62½	Parr's.....	30	30
Hongkong & Shanghai.....	82	81½	Standard of S.A.....	10½	10½
Lloyds.....	24½	24½	Union Discount.....	10½	10½
London & Provincial.....	15½	15½	Union & Smiths.....	23½	24½
London & Brazilian.....	22½	22½			
Armstrong, Whitworth.....	39½	40½	Kynochs.....	36½	36½
Birmingham Small Arms.....	48½	48½	Mond Nickel ord.....	3½	3½
Camell-Laird.....	6½	6½	South Durham Steel.....	34½	34½
Cargo Fleet.....	21½	21½	Thornycroft.....	34½	34½
Dorman, Long.....	37½	37½	Vickers.....	34½	34½
Associated Cement.....	38	37	Fine Cotton Spinners.....	30½	30½
Borax dfd.....	36½	36½	Forestal Land.....	47½	46½
Bovril.....	19½	19½	Furness, Withy.....	49½	49½
Brazil Traction.....	48½	48	Harrods Stores.....	2½	2½
British Amer. Tobacco.....	46	48½	Hudson's Bay.....	7½	7½
British Aluminium.....	29½	29	Imperial Tobacco "C" pf.....	34½	34½
British Oil & Cake.....	28½	28½	Lever Bros. "C" pf.....	20½	20½
Brunner, Mond.....	4½	4½	Lyons, J.....	3½	3½
Castner-Kellner.....	38	38	Marconi.....	38½	38
Coats.....	68	68	Maypole Dairy dfd.....	22½	22½
Courtaulds.....	7½	7½	National Steam Car.....	20½	19½
Cunard.....	4	4	Pears, A. & F.....	12½	12½
Dennis Bros.....	32½	32½	P. & O. dfd.....	32½	32½
Eastern Telegraph.....	139½	140½	Royal Mail.....	119½	119½
Eastmans.....	7½	6½	Underground Inc. Bds.....	82½	83
English Sewing Cotton.....	48½	51			
Anglo-Egyptian "B".....	14½	13½	North Caucasian.....	26½	26½
Baku (10s).....	2½	2½	Roumanian Cons.....	10½	10½
Burmah.....	5½	5½	Royal Dutch (100 gulden).....	47½	46½
Lobitos.....	2½	2½	Shell.....	62½	52
Maikop Pipeline.....	3½	3½	Spies (10/-).....	12½	12½
Mexican Eagle pf.....	2½	6½	Ural Caspian.....	12½	12½
Anglo-Java Rub. (2/-).....	6½	7½	Merlimau 2/-.....	5½	6½
Anglo-Malay 2/-.....	13½	14½	Pataling 2/-.....	41½	41½
Ayer Kuning £1.....	45½	46½	Port Dickson 2/-.....	41	41½
Bukit Mertajam 2/-.....	5½	5½	Rubber Trust £1.....	26½	27½
Bukit Sembawang 2/-.....	3½	3½	Sapumkande £1.....	24½	24½
Carey United £1.....	48½	48½	Selangor.....	32½	32½
Chersonese.....	3½	3½	Sialang £1.....	41½	41½
Gula Kalumpung £1.....	56½	56½	Singapore Para 2/-.....	41½	41½
Highlands £1.....	36½	36½	Singapore United 2/-.....	31½	31½
Java Para £1.....	33½	34½	Taipei 2/-.....	43	43
Johore Rubber Lands £1.....	33½	34½	Tanjong £1.....	84	86½
Langen Java £1.....	40½	40½	Tanjong Malim £1.....	37	37
Linggi 2/-.....	26½	27½	Tebrau £1.....	70½	70½
London Asiatic 2/-.....	7½	7½	United Serdang 2/-.....	11½	11½
Malacca £1.....	58½	58½	Vallambrosa 2/-.....	22½	23½
Malayalam £1.....	34½	35½			
Abbottakoon (10/-).....	47½	49	Gt. Boulder (2/-).....	10½	10½
Bechuanaland Exp.....	5½	5½	Kyshtim.....	28½	28
Brakpan.....	58	58	Mashonaland Agency.....	4½	4½
Broken Hill Prop. (8/-).....	46½	48½	Meyer & Charlton.....	5½	5½
Cam & Motor.....	8½	8½	Modder "B".....	7½	7½
Central Mining (£12).....	68	68	Do, Deep.....	7½	7½
Chartered.....	12½	12½	Mysore.....	38½	38½
City Deep.....	47½	47½	Rand Mines (5/-).....	38½	38½
Cons. Gold Fields.....	13½	13½	Rio Tinto (£5).....	61½	61½
Cons. Langlaagte.....	23½	23½	Russo-Asiatic.....	48	48
Crown Mines (10/-).....	23½	23½	Spring Mines.....	3	3
De Beers dfd. (£2 10s).....	142	142	Tanganyika.....	34	34
East Rand.....	8½	9½	Tananyk.....	18	18
Geduld.....	40½	40½	Van Ryn Deep.....	38½	38½
Gov. Areas Mod.....	62½	63½			

* Treasury prices.

Russian Army in Galicia they were inclined to make the best of things. Later there were signs of some of the July dividend money being re-invested, and a fair

demand was experienced for high-class securities, several Colonial issues being particularly favoured. Home Railways also received more support owing to the near approach of the dividend period. No material change is expected in the distributions for the past half-year, but the cash will be handled in a few weeks, and that is an attraction. It must be admitted, however, that it takes very little buying to move prices, and the amount of stock changing hands does not go far towards paying office expenses. The fresh upheaval in China caused some uneasiness, and prices of Chinese stocks gave way rather sharply, but there is evidently a severe censorship on news, and it may take some time before we learn much about the actual situation in Pekin. Argentine Rails were depressed by a further batch of poor traffics, and evidently conditions in the country are not improving so rapidly as could be wished, but Brazilians were firm on the President's optimistic statement. Cuban Ports rallied smartly on the belief that the dispute with the Government is at last on the way to being settled. Little animation, however, was shown in any direction, and it looks as though the midsummer stagnation had already begun to creep over markets.

After a decidedly quiet opening, stock markets developed a considerable amount of strength, and for a day or two dealings were on a more promising scale, thanks apparently to the reinvestment of part of the July dividends. Gilt-edged stocks scored substantial advances, Consols, 3½ per cent. War Loan, Local Loans, and India issues being particularly prominent. Colonial loans also came in for a good deal of attention. New Zealand and Westralian 4 per cents. gained 1½ and 1 respectively, and many of the others rose ½. In the foreign market a very smart advance in Cuban Ports attracted most attention on the prospect that a settlement will be reached with the Government. Brazilians were firm, and Greeks improved now that M. Venizelos has got back into the saddle. The Chinese *coup d'état* for the purpose of restoring the monarchy with a boy as Emperor created a bad impression, but as yet very little is known about the actual situation. Elsewhere things were almost entirely neglected, and scarcely a movement occurred among the other leading stocks. Home Railways showed up to great advantage towards the end of the week, and practically the whole list scored substantial advances, which amounted to as much as 2 on South-Western ordinary and a point on North-Westerns. Apart from the approaching dividend announcements, the idea seems to be that if the Government has decided not to tackle the purchase of the brewery industry, it is not likely to take any steps towards nationalising the railways yet awhile, although it is now generally admitted that something will have to be done after the war. Americans were neglected, partly owing to Wall Street being closed on Independence Day. Canadians, Grand Trunks, and Mexicans were steady, but Argentines eased off on another series of poor traffics. Brazilians, however, showed strength, but except for the advance in San Paulos the changes were not of much importance.

Banks were quietly firm, and where they changed hands prices were inclined to harden. Breweries enjoyed quite a small boom, with Allsopps, Bass, City of London, and Watney, Combes leading, partly on several excellent reports, partly on the concession of an increased output during the summer months and partly on the decision of the Government to leave the question of purchase in abeyance for the time being. Iron and Steel shares were very firm, with Dominion Steel, Otis, Steel Co. of Canada most in evidence. Many of the smaller priced shares also gained a fraction. Land shares were quiet, and Hudson's Bays, Forestals and Pekins eased a little, but Duff Development and Pahangs were good. Shipping shares were steady, and Industrials as a rule were good, but business was extremely restricted. Oil shares showed more strength than for some time past, and nearly all the leading shares improved, but Lobitos went back a little, and Shells are lower ex rights. Mexican Eagles were particularly prominent, and Burmahs were good. Rubbers were quiet, but, on the whole, the tone was satisfactory on the recovery in the price of the raw material to 2s. 6d., while several good reports and dividends tended to encourage buyers. Dealings, however, only amount to a fraction of what was experienced a short time ago.

THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71 Old Broad Street, E.C. 2.

Subscribed Capital	£1,278,747 10 0
Paid up Capital	669,670 0
Reserve Fund and Undivided Profits ..	375,680 11 8
Reserve Liability of Proprietors	606,962 10 0

REMITTANCES made by CABLE.
DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.
BILLS on Australasia NEGOTIATED or sent for collection.
DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

LONDON PRODUCE MARKETS.

SUGAR.—No alteration was made in quotations, and a sustained inquiry was experienced. Rainy weather conditions were recorded from Cuba.

COFFEE.—General trade pursued a quiet course, but generally steady rates were secured for all desirable home-trade parcels offered in auction. Business in the future delivery market remained quite at a standstill.

COCOA.—Market quiet, unchanged, in the absence of public sales.

TEA.—During the week, 17,300 packages Ceylon and 11,000 packages Indian were catalogued under the new Governmental regulations and passed with quite a marked unsettled tone.

CURRENT PRICES OF CHIEF ARTICLES.
WEEK ENDING JULY 6, 1917.

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt. duty 14, 98% polarisation	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	2 6-5 0	2 6-5 0
Crushed ..	2 13 9	2 13 9	Scoured Merino	2 6-5 0	2 6-5 0
Granulated ..	2 6 9	2 6 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	1 2½-2 10½	1 2½-2 10½
Foreign granu- lated, first mark	nom.	nom.	Greasy Crossbred	1 1-2 9	1 1-2 9
f.o.b., spot	nom.	nom.	New Zealand	4 10-5 0	4 10-5 0
German Cubef.o.b	nom.	nom.	(scoured) Merino	1 9-2 0½	1 9-2 0½
French Cube	nom.	nom.	Greasy Crossbred	3 2-3 9	3 2-3 9
prompt	nom.	nom.	Cape snow white	nom.	nom.
Crystallised, West	nom.	nom.	Indianrubber —lb.		
India ..	nom.	nom.	Plantation, Spot	0 2 5½	0 2 5½
Best, 88% f.o.b	nom.	nom.	Crepe ..	0 2 5½	0 2 5½
Tea —per lb., duty	s. d. s. d.	s. d. s. d.	Coal —per ton		
1/- lb.			Durham, best ..	nom.	nom.
Indian Pekoe ..	nom.	0 11-1 3	Seconds ..	nom.	nom.
Broken ..	nom.	1 0-2 0½	East Hartlepool ..	nom.	nom.
Orange ..	nom.	1 0-1 9	Seconds ..	nom.	nom.
Broken ..	nom.	nom.	Steamers, best ..	30 0	30 0
Pekoe Souchong	nom.	0 11-1 2	Seconds ..	21 0-22 0	22 6-25 0
Ceylon Pekoe ..	nom.	nom.	Lead —per ton.	£ s. d.	£ s. d.
Broken ..	nom.	nom.	English Pig ..	nom.	nom.
Orange ..	nom.	nom.	Foreign soft ..	£ 30½-29½	£ 30½-29½
Broken ..	nom.	nom.	Quicksilver —per		
Pekoe Souchong	nom.	nom.	bottle firsthand	nom.	nom.
Cocoa —per cwt.	s. s.	s. s.	Tin —per ton		
duty 6½ per lb.			English Ingots ..	£ 250-251	£ 249-251
Trinidad—per owl	83 0-87 0	83 0-87 0	Do. bars ..	£ 251-252	£ 250-252
Grenada ..	66 0-82 0	66 0-82 0	Standard cash ..	£ 243½-244	£ 245½-246
West Africa ..	55 0-65 0	55 0-65 0	Tin Plates, per box	nom.	nom.
Ceylon Plantation	70 0-90 0	70 0-90 0	Copper —per ton.		
Guayaquil Arriba	90 0-96 0	90 0-96 0	English, Tough,		
Coffee —per cwt.			per ton ..	nom.	nom.
duty 42/- per cwt.			Best Selected ..	£ 140-136	£ 140-136
East India ..	75 0-105 0	75 0-105 0	Sheets ..	£ 165	£ 165
Jamaica ..	66 0-120 0	66 0-120 0	Standard ..	£ 130-130½	£ 129½-130
Costa Rica ..	75 0-102 0	75 0-102 0	Jute —per ton.		
Provisions —			Native brats for		
Butter, per cwt.			shipment	nom.	nom.
Australian finest	178/-194/-	192/-196/-	Oils —		
Irish Creameries	188/-196/-	nom.	Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Dutch ditto ..	160/-194/-	160/-194/-	Rape, refined	£ 71	£ 71
Russian finest ..	nom.	nom.	" crude	£ 66	£ 66
Normandy baskets	nom.	nom.	Cott'n Seed, crude ..	£ 60	£ 60
Danish finest ..	206/-210/-	208/-212/-	Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
Brittany rolls —			Petroleum Oil, per		
dor. lb. ..	20/6-22/	20/6-22/	8 lbs.	1/2½	1/2½
Bacon —per cwt.			Water White ..	1/3½	1/3½
Irish ..	143/-147/	143/-147/	Oil Seeds, Linseed	—	—
Continental ..	117/-120/	137/-140/	Calcutta—per ton		
Canadian ..	125/-130/	125/-130/	Spot	30 0 0	30 0 0
American ..	123/-127/	123/-127/	Rape ..	30 0 0	30 0 0
Hams —per cwt.			Iron —per ton		
Irish ..	152/-154/	152/-154/	Cleveland Cash ..	nom.	nom.
Canadian ..	128/-130/	128/-132/	Tobacco —duty,		
American ..	110/-127/	110/-128/	manufacturers		
Cheese —per cwt.			7/4 to 8/0 per lb.		
Dutch ..	nom.	nom.	Maryland & Ohio ..		
Canadian ..	nom.	nom.	per lb. bord ..	nom.	nom.
English Cheddar	120/-137/	120/-137/	Virginaleast ..	0 8-2 1	0 8-2 1
White loaf ..	nom.	nom.	Kentucky leaf ..	0 7-0 11	0 7-0 11
New Zealand ..	nom.	nom.	Latakia ..	2 0-5 3	2 0-5 3
Rice —per cwt.	s. d. s. d.	s. d. s. d.	Havana ..	1 6-6 6	1 6-6 6
Japan ..	30 6	29 6	Manila ..	nom.	nom.
Rangoon 4 stars ..	26 3	26 3	Cigars, duty 10/-		
Eggs —per 120.			per lb. ..	2/ upds.	2/ upds.
English ..	22 0-23 0	23 6-24 6	Timber —Wood.		
Irish ..	20 6-22 0	22 6-24 0	Pitch Pine ..	300/-400	300/-400
Danish ..	20 0-22 6	22 6-25 0	Indian Teak ..	380/-700	380/-700
Spelter —			Turpentine —		
G.O.B. as to posi-			American Spot ..	2 14 9	2 15 9
tion ..	£ 54-£ 50	£ 54-£ 50	Copra —per ton	46 0 0	46 0 0
Flour —per sack.					
G. R. ..	—	—			
American	—	—			
Patents ..	nom.	nom.			

SPICE.—Only a comparatively small business was effected in pepper, at about previous rates. Cloves dearer, and Zanzibar, spot, sold, 1s. 0½d. to 1s. 1d. There is no improvement in demand for tapioca, and trend of values ruled weaker.

RICE market remained in a generally quiet, steady state. Beans rather quiet of sale. Large butter beans quoted £58; Rangoon, £42 10s.; coloured, £38 15s.; and blue and green peas, £66, all on c.i. and i. terms, per ton. Landed parcels 10s. per ton extra.

HEMP quiet, but steady with regard to New Zealand, and fair to arrive, quoted, £87.

SHELLAC.—Market dull, and actual transactions on spot of retail extent. For future delivery, T.N., August, sold, 206s.

RUBBER.—Market steadier, with moderate dealings. Plantation, spot, crepe, sold, 2s. 5½d.-2s. 6½d.; October-December, 2s. 7½d.-

2s. 8d. and 2s. 7½d. Standard ribbed smoked sheet, spot, sold, 2s. 4½d.-2s. 5½d. Fine hard Para, spot, quoted, 3s.

COPRA.—Business was again kept down, but rates ruled firm a late level.

CORN (Mark Lane).—Nothing of interest has occurred this week, the general tone of the market remaining steady, and quotations for the most part unaltered. Wheat: Native grain, 78s. per qr. 480 lbs. Imported sorts unchanged. Flour unaltered. Country straight runs, 60s. to 62s. per sack, ex mill. Oats: American white clipped, No. 2, 62s.; Chilean white, 64s. 6d. to 69s., according to quality, ex quay. Maize: Flat white South African, 83s. 6d., landed.

COTTON (from our Manchester correspondent).—The conditions prevailing in our market continue most abnormal, and it has been extremely difficult to arrange transactions of any importance. Much interest has been taken in the regulations published by the Board of Control, and there has been much complaining as to the way in which legitimate trade is being hampered. It is all very well to take action which will eliminate the gambling fraternity, but it seems as though this cannot be done without injuring the ordinary business community. Official reports relating to the American crop are not at all reassuring, and it is now being realised that comparatively small supplies must be expected during the next twelve months. The whole of the industry at the moment is out of gear, and anything more than a retail business cannot be expected. In piece goods manufacturers have met with their best support from the Government, and some very fair contracts have again been arranged not only in heavy goods, but also in finer fabrics. There has been very little practicable demand in cloth for India, and business with China has been upset by the political situation abroad, and at the time being the auctions in Shanghai have been suspended. Some useful orders have been secured for Egypt, and now and again very high prices have been paid for special makes. There has not been much activity in home trade fabrics. Limited operations have occurred in American and Egyptian yarns, and prices have gone against buyers, especially in the finer counts. Spinners are being much harassed by the conditions under which raw cotton can be secured.

The Week in Mines.

The South African market has passed a very dull week. With a general lack of business, and weaker advices from the Cape, prices, on the whole, have exhibited a drooping tendency. Recent dividend announcements were not of a character to stimulate buying on the part of the public, hence the very dead-and-alive state of affairs. In the quarterly report of the East Rand Proprietary Co. it is stated that the tonnage mined from payable ore reserves is expected to show a steady decrease month by month, owing to the fact that considerably less tonnage continues to be developed than mined, and the number of payable faces available therefore continually grows less. Knight Centrals at the close of last week dropped from 6s. 6d. to 3s. 3d. on the disappointing results at the mine, which fore-shadowed a suspension of operations. The price recovered to 4s. later, as a few buyers were inclined to the view that even in the case of liquidation the present price of the shares might be realised. Knights Deep weakened on a cut in the half-yearly dividend to 1s. On the other hand, Jupiter hardened on the rather unexpected maintenance of the dividend at 9d. a share. Modders were firmer owing to the receipt of a cable stating that the new reduction plant will be completed by the end of the year, though no date can be fixed yet as to when it will start work. Among Rhodesians, Chartered were supported in anticipation of the meeting. Following the decision of the Court of Appeal in the Globe and Phoenix litigation the shares of the Amalgamated Props changed hands down to 1¼d. each. The rest of this section was dormant.

COPPER AND MISCELLANEOUS.

Russian shares made a good recovery after a dull opening, the news of the success of the Russian offensive bringing in buyers, although business is still retarded by the exchange position, the Petrograd rate during the week having reached the highest level yet seen. Tin shares gave way following a steady decline in the price of the metal, and the market had an apathetic appearance. Barrier shares were somewhat firmer, and copper shares also met with some measure of support. Arizonas, however, had a rather sharp decline, another miners' strike having broken out in the Clifton district. Mining Corporation of Canada firmed up to 15s. 3d., and among Western Australian ventures Chaffers rose to 1s. 4½d. and Great Boulders were also harder at 10s. 9d.

MINING NEWS.

REZENDE.—The recent rise in the shares of this company requires an explanation which is not forthcoming in the report. This document, which covers the period ended December 31, shows a loss for the year of £9,371 as compared with a profit of £14,300 for 1915, when the shareholders received a dividend of 1¼ per cent. Now, of course, there is no dividend, and the balance carried forward is reduced by £9,371 to £37,193. The cause of the poor results was a decrease in the grade of ore, but the general manager thinks the prospect this year is more hopeful. Reserves of ore at the end of the year were estimated at 350,807 tons.

MOWCHI MINES.—The gross profit for the year ended June 30, 1916, the report for which has only just been issued, was £11,978. After deducting debenture interest and £4,218 for depreciation, the nett profit comes out at £2,057. This reduces

the debit brought in to £3,866. During the past year ended last Saturday sufficient profit has been made to wipe out this debit and to leave a surplus. Production in 1915-16 was 365½ tons against 203¼ tons in 1914-15. Last year's average monthly output was 30.45 tons, but since October last the output has steadily increased, and reached 75¼ tons in March last.

RAND MINES MEETING.—At the meeting of Rand Mines, Ltd., Mr. E. A. Wallers emphasised the financial strength of the company, with its reserve fund of £3,000,000 and assets valued at much below the market prices. Extra costs to companies controlled by the group due to the war amounted to about £1,500,000. The pressure of higher costs was felt more severely by mines of the Central and Western Rand in which the company was interested than by the Far Eastern Rand companies, which latter, with a considerable margin of grade, could mill higher grade ore and thus counter-balance the increased costs. An improvement in the labour position is expected in August, and this should help the industry to recover some part of the loss in production. An expansion of the company's interest in the Far Eastern Rand was indicated by Mr. Wallers.

THE EXTRA-LATERAL RIGHTS CASE.—The expected has happened, and the Amalgamated Properties of Rhodesia, Ltd., has lost its appeal in the record-breaking litigation with the Globe and Phoenix Co. Whether any more money is going to be wasted on this issue is not certain, but we doubt it. The effect of the decision, however, clearly upholds the Rhodesian "extra-lateral right" law by which companies, in whose apex a reef occurs, can pursue and claim absolute ownership of that reef even after it has passed outside the vertical limits of their properties. It is a most unusual law; it is only current in Rhodesia and California, and in the latter place it has been a fruitful source of litigation.

JUPITER.—This company, which resumed milling operations in April, 1915, naturally made a better showing in 1916. There were crushed 269,900 tons for a revenue of £298,292, or 22s. 1d. per ton. Costs were 19s. 1d. per ton, and the working profit was £40,661, or 3s. per ton. The total nett profit was £51,312, which compares with a nett loss of £27,285 for 1915. A dividend of 8½ per cent., the first since 1912, is paid, and £92,450, against £132,121, is carried forward. Reserves of ore are estimated at 133,500 tons, valued at 4.6 dwts. per ton.

WAIHI GRAND JUNCTION.—This company made a modest recovery last year, owing to the treatment of higher-grade ore. There were crushed 125,780 tons, against 125,800 tons, but the average yield was £1 18s. 4d. per ton, against £1 16s. per ton in 1915. The total revenue rose from £197,570 to £222,736, and the nett profit increased from £47,094 to £58,453. The dividend is again 10 per cent., tax free, and the carry forward is increased from £8,657 to £20,016. At the end of the year the ore reserves were estimated at 157,000 tons, an increase of 21,300 tons. Some years ago a considerable sum was written off the premium on shares account in respect of mine development in the early stages of the company's career, but it is now proposed to write back these accounts.

ESPERANZA.—The accounts for 1916 show a profit of £8,412, as compared with £28,693. Income-tax absorbs £9,638, and £3,592, against £4,237, is carried forward. For 1915 a dividend of 1s. per share was paid. Political conditions in Mexico, however, have been more satisfactory for the past year, and the mill was restarted towards the end of April, 1916, and has worked almost uninterruptedly ever since. And on account of the current year it is proposed to pay an interim dividend of 1s. per share, less tax. At the beginning of this year the ore reserves were estimated at £111,723 dry metric tons, containing 61,036 ozs. of gold and 243,477 ozs. of silver. These figures are practically the same as those given at the beginning of last year.

ANTELOPE GOLD.—The report for 1916 states that the directors sold investments representing at cost £83,422, repaying the balance of the loan, amounting to £24,000, thus saving a considerable sum in interest. This resulted in bringing into account a loss of £55,986, which had previously been treated as estimated. Further investments have been sold since at a loss of £7,625. Investments, costing £16,072, now remain, and these are valued at £4,668. Profits for the year amounted to £10,725, which, added to the sum brought in, makes £56,880. Against this the loss on investments has been written off.

TEKKA.—A marked advance in profits is recorded by this tin-mining concern. Its output was increased by 90 tons to 491 tons, with an increase in value of £12,615. The returns for the present year continue approximately at this level, but, of course, the price of tin is much higher. Profits for the year amount to £37,608, against £21,713; the dividend is increased from 5s. 3d. to 7s. 6d. per share, and the balance carried forward is raised from £1,929 to £6,537. The sum of £3,000, against £2,000, is written off for depreciation of pipe-line. Revenue from the company's holding in the Tekka-Taiping Co. has been £3,100, free of tax.

OILFIELDS ITEMS.

ANGLO-EGYPTIAN.—Production for the past week:—Gemsah, 20 tons; against 91 tons previous week; Hurghada, 926 tons, against 1,264 tons previous week.

NEW SCHIBIAIEFF PETROLEUM.—Production for May:—Gross, 5,667 tons; nett, 3,425 tons.

TRINIDAD LEASEHOLDS, LTD.—Oil produced during June, 6,300 tons.

UNITED BRITISH OF TRINIDAD.—Production for week ended June 27, 942 tons.

DIVIDENDS ANNOUNCED.

BANKS.

Alexanders and Co.—Interim for half-year ended June 30 at rate of 10 per cent. per annum on ordinary shares.

Bank of Bengal.—At the rate of 12 per cent. per annum and 5 per cent. bonus, free of Indian income-tax.

Bank of British West Africa.—At the rate of 4½ per cent., less tax, for half-year ended March 31, making 8 per cent. for the year.

Bank of Madras.—10 per cent. and a bonus of 2s.

Bradford District Bank.—Interim of 5s. 6d. per share, being at rate of 13½ per cent. per annum, subject to tax. The dividend was the same a year ago.

Capital and Counties Bank.—Interim for past six months at the rate of 14 per cent. per annum, payable on July 26.

Lloyds Bank.—Interim dividend for the half-year of 14s. 6d. per share, or 18½ per cent. per annum; same rate last year.

London and Liverpool Bank of Commerce.—Interim dividend 3s. per share, less tax, being the same as a year ago.

London and South-Western Bank.—Interim at the rate of 17 per cent. per annum, less tax, for the past half-year, the same as a year ago.

London City and Midland Bank.—Interim for past half-year at the rate of 18 per cent. per annum, less tax, payable 14th inst.

London Joint-Stock Bank.—Interim for half-year ended June 30 at rate of 10 per cent. per annum, payable, less tax, on the 27th inst., the same as last year.

London Merchant Bank.—Interim 5s. per share, less tax, being at the rate of 5 per cent. per annum, the same as last year.

Palatine Bank (Manchester).—Half-yearly at 2s. per share, same as last year.

Parr's Bank.—Interim for half-year ended June 30 at rate of 18 per cent. per annum, subject to tax, payable on Aug. 3.

Provincial Bank of Ireland.—At rate of 12½ per cent. per annum, less tax, for half-year ended 30th ult., same as a year ago.

Union Discount Co. of London.—An interim for half-year to June 30 at rate of 13 per cent. per annum, less tax, payable on the 21st inst., same as a year ago.

MISCELLANEOUS.

A. and S. Henry and Co.—Interim on ordinary shares at rate of 8 per cent. per annum for half-year to May 31, same as a year ago.

African Produce Co.—Interim for half-year ended May 31 at rate of 20 per cent. per annum, free tax; a year ago the dividend was the same.

Australian Estates and Mortgage Co.—7 per cent. per annum in respect of year ended Dec. 31 last, against 6 per cent. a year ago.

Balijan Tea Co.—Final 20 per cent., less tax, on account last of season 1916, making, with the interim dividend paid Nov. 20, 26 per cent. per annum, the same as a year ago.

Braunston (Malay) Rubber Estates.—Interim of 5 per cent. (less tax).

British and Beningtons.—Interim of 3d. per share, being 2½ per cent. on ord. shares, payable July 27.

British Law Fire Insurance Co.—Interim of 1s. per share, less tax, same as last year, payable Aug. 2.

British Steamship Investment Trust.—Final 15 per cent. on deferred stock, together with a bonus of 10 per cent., less tax, year ending June 30, making 50 per cent. for the year, against 45 per cent. for a year ago.

Eastman Kodak Co. of New Jersey.—Extra 5 per cent. on common stock, payable Sept. 1.

Ebbw Vale Steel, Iron, and Coal.—15 per cent. on the ordinary shares for year ended March 31, less tax. A year ago the ord. div. was 12½ per cent., less tax.

General Life Assurance Co.—10 per cent. per annum now payable.

Indemnity Mutual Marine Assurance Co.—Interim of 8s. per share, less tax, same as a year ago.

J. Tylor and Sons.—Final on ordinary shares of 1s. per share (less tax), making 2s. per share, or 10 per cent., for year.

Jupiter Gold Mining Co.—Interim of 3½ per cent. (9d. per share) for past six months.

Knight's Deep.—Interim of 5 per cent. (1s. per share) for past six months.

New Transvaal Chemical Co.—Interim divs. for half-year ended Dec. 31, 1916, of 3 per cent. (less tax) on the first preference and 4 per cent. (less tax) on the "A" preference shares have been declared.

North's Navigation Collieries (1889).—Dividend of 7½ per cent. (actual) for half-year ended June 30, at the rate of 15 per cent. per annum on the ordinary shares, against 10 per cent.

Robinson Deep.—4s. per share on the "F" shares for past six months.

Sao Paulo Tramway, Light and Power.—2½ per cent. on the common stock.

Simmer and Jack Proprietary Mines.—Interim of 3½ per cent. (9d. per share) for past six months.

Telegraph Construction and Maintenance.—Interim of 5 per cent. (12s. per share) (free of tax).

Trustees, Executors, and Securities Insurance Corporation.—On the ordinary stock at rate of 6 per cent. per annum for half-year to May 31 last, making a distribution at the rate of 5 per cent. (less tax) for the year.

Virginia (Carolina) Chemical Co.—Quarterly of 2 per cent. (at rate of 8 per cent. per annum) on preferred stock, payable July 15, also a dividend of 75 cents per share on the common stock, payable Aug. 1.

The Quarter's Revenue Statement.

There is a good story of a "new chum" in the wilds of Rhodesia which is symbolical. The first night he camped out on the veld there were lions prowling and growling around; his hair stood on end, and he got no sleep. Next night the same conditions prevailed, but he managed to snatch an hour or two of uneasy slumber. On the third night the lions seemed more numerous and vociferous than ever, but as he tucked himself in his blanket he exclaimed, "Oh, go to blazes!" and was soon fast asleep. He had reached the "centre of indifference." Probably the majority of people approach the National accounts for the past quarter in a similar spirit. Figures that seemed terrific a year or two ago have become commonplace, and although they are now bigger than ever they fail to impress, because no ordinary mind can grasp their full significance. In the thirteen weeks ended last Saturday the revenue amounted to £115,959,000, an increase of no less than £43,276,000 over the corresponding period. The bulk of the improvement came from excess profits duty (including munitions levy), which last year had only just begun to flow in, and for the first quarter produced no more than £6,219,000, while in the past three months the yield has been £41,086,000, an increase of £34,867,000. Customs brought in £17,910,000, an increase of £1,748,000, which may be regarded as wonderfully satisfactory, in view of the restrictions on the imports of tea, tobacco, &c., and the shortage in sugar supplies. Excise gave only £9,114,000, a decrease of £2,457,000, owing to the drastic limitations of the liquor traffic, and stamps fell off £171,000 to £1,464,000, which doubtless reflects the stagnation in Stock Exchange business. Apart from a decline of £50,000 in postal services, which is offset by a similar gain in the telephone service, these are the only important items which show decreases. Income-tax yielded £23,954,000, an increase of £3,751,000—a very encouraging result, as the first quarter is the leanest part of the year for the collection of this impost. Miscellaneous receipts advanced £4,310,000 to £6,116,600, partly in connection with the entertainments tax, and the silver operations of the Mint have also probably contributed.

Revenue figures, however, are completely overshadowed by the huge advance in expenditure. For the whole year expenditure was estimated at £2,290,000,000, and £671,287,000 has been spent in the past quarter, or at the rate of £2,685,000,000 for the twelve months. As the Chancellor of the Exchequer recently pointed out, it should be borne in mind that expenditure is not incurred at a uniform rate throughout the year, and that the increase is partly attributable to payments or advances which may be ultimately recoverable, and to the rapid delivery of munitions on account of the early termination of certain orders. Anyhow, the disbursements for the quarter are £226,727,000 in excess of those of last year, and £555,327,000 in excess of the ordinary revenue. Interest on war debt required £18,400,000 more at £53,840,000, but there was a saving of £1,740,000 in the permanent debt charge, owing to the conversion of Consols. Supply services absorbed £210,000,000 more at the staggering total of £610,997,000, or over £6,700,000 per day, Sundays included. It is surely time that the House of Commons, which ought to be the guardian of the nation's purse, but has not been so in any effective sense for many years, took measures to investigate and check this terrible rate of expenditure. There is no good reason why it should present an appearance of such pitiable helplessness, and if the agitation for the appointment of a thoroughly representative Finance Committee were pressed home the Government would be bound to concede it. Evidence continues to accumulate that waste of an appalling kind goes on in most Government Departments, and even the St. Ermin's Palace of Make-Believe is allowed to proceed, although the National Service scheme has been admittedly a grotesque fiasco. Total issues from the Exchequer, including repayments of floating debt, amounted to £1,248,352,000, an increase of £345,000,000, and Exchequer balances have been

reduced by £10,200,000 to £16,306,000. So debt piles up, but it could be borne more patiently if there were any assurance that most of it is properly spent.

Revenue Returns.

I.—AN ACCOUNT OF THE TOTAL REVENUE OF THE UNITED KINGDOM in the undermentioned periods of the year ending March 31, 1918, as compared with the corresponding periods of the preceding year.

	Quarter from April 1, to June 30, 1917, compared with the corresponding quarter of the preceding year.			
	Quarter ending June 30, 1917.	Quarter ending June 30, 1916.	Increase.	Decrease.
Customs	£17,910,000	£16,162,000	1,748,000	—
Excise	9,114,000	11,571,000	—	2,457,000
Estate, &c., Duties	8,425,000	7,593,000	832,000	—
Stamps	1,464,000	1,635,000	—	171,000
Land Tax	50,000	40,000	10,000	—
House Duty	250,000	260,000	—	10,000
Property and Income Tax (including Super-Tax)	23,954,000	20,203,000	3,751,000	—
Excess Profits Duty (including Munitions Levy)	41,086,000	6,219,000	34,867,000	—
Land Value Duties	186,000	70,000	116,000	—
Postal Service	4,500,000	4,550,000	—	50,000
Telegraph Service	800,000	800,000	—	—
Telephone Service	1,700,000	1,650,000	50,000	—
Crown Lands	110,000	110,000	—	—
Receipts from Sundry Loans, &c.	293,687	13,389	280,298	—
Miscellaneous	6,116,599	1,806,609	4,309,990	—
	115,959,286	72,682,998	43,276,288	2,688,000
			£43,276,288	Nett Increase.

II.—AN ACCOUNT showing the RECEIPTS into and ISSUES out of the EXCHEQUER in the quarter ending June 30, 1917, as compared with the corresponding period of the preceding year.

RECEIPTS.		Quarter ending June 30, 1917.	Quarter ending June 30, 1916.
BALANCES IN EXCHEQUER ON APRIL 1:—		£	£
Bank of England		25,209,947	25,111,065
Bank of Ireland		1,225,912	463,941
		26,435,859	25,575,006
REVENUE, as shown in Account I.		115,959,286	72,682,998
ADVANCES REPaid—			
Bullion		610,000	1,200,000
MONEY RAISED BY CREATION OF DEBT—			
By Treasury Bills for Supply		444,971,000	422,926,000
By 4 per Cent. War Loan, 1925-1945		—	424
By 5 per Cent. Exchequer Bonds, 1919		—	19,281,000
By 5 per Cent. Exchequer Bonds, 1920		—	76,091,000
By 5 per Cent. Exchequer Bonds, 1921		—	27,558,600
By 5 per Cent. Exchequer Bonds, 1922		45,577,000	—
By War Expenditure Certificates		—	10,132,600
By War Savings Certificates		9,800,000	3,955,000
By other Debt created under the War Loan Acts, 1914 to 1916		157,823,743	10,000,000
By 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947		161,850,000	—
AMOUNTS TEMPORARILY BORROWED—			
ON THE CREDIT OF WAYS AND MEANS—			
By Treasury Bills		—	209,974,000
By other Advances		301,631,500	51,000,000
		£1,264,658,388	930,371,628
ISSUES.		Quarter ending June 30, 1917.	Quarter ending June 30, 1916.
EXPENDITURE—		£	£
Permanent Charge of Debt		4,993,449	6,737,236
Interest, &c., on War Debt		53,839,791	35,444,772
Payments to Local Taxation Accounts, &c.		1,019,746	1,012,294
Other Consolidated Fund Services		436,592	434,272
Supply Services		610,997,200	400,931,000
Total Expenditure chargeable against Revenue		671,286,778	444,559,574
ADVANCES—			
Bullion		820,000	1,440,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		84,909	30,457
ISSUES TO MEET CAPITAL EXPENDITURE—			
Under the Telegraph (Money) Act, 1913		30,000	130,000
Under the Post Office (London) Railway Act, 1913		—	50,000
Under the Housing Act, 1914		175,400	18,900
REDEMPTION OF UNFUNDED DEBT—			
Treasury Bills for Supply		256,796,000	437,663,000
Exchequer Bonds under Section 61 of the Finance Act, 1916		165,620	—
Other Debt under the War Loan Acts, 1914 to 1916		14,467,156	—
OLD SINKING FUND, 1907-8—			
Issued under Section 9 of the Finance Act, 1908		—	10,000
OLD SINKING FUND, 1910-11—			
Issued under the Finance Act, 1911:—			
Section 16 (1) (b)		—	20,000
TEMPORARY ADVANCES REPaid—			
ADVANCES ON THE CREDIT OF WAYS AND MEANS—			
Treasury Bills		—	—
Other Advances		304,526,500	19,896,500
		1,248,352,363	903,818,432
BALANCES IN EXCHEQUER—			
Bank of England	1917. June 30.	£15,111,110	£25,348,781
Bank of Ireland	1916. June 30.	1,191,915	1,204,416
		16,306,025	26,553,197
		£1,264,658,388	930,371,628

Treasury, June 30, 1917.

By-the-Way War Notes.

In less than three weeks from now the full three years of war will be complete, and were German boasts to be believed the victory of the Allies is as far off as ever. Indeed, German vaunts have become more brazen of late than they were some months ago. It is a concert we are treated to of shouts of victory mingled with truculent threats towards one or other of the Allies, and demands for compensation and "indemnities" in which Socialist, capitalist, and *Junker* join. Are we to draw a depressing inference from this display? On the contrary, it appears to indicate that the Prussian military tyranny is much nearer its end than appearances would lead the world to believe. One symptom in support of this view is found in the way the foundation of German boasts and confidence has shifted. We have now got definitely to the submarine stage. Hindenburg even seems to have ceased to boast about military triumphs, but assures the army and the refooled masses toiling and starving at home that the U-boat is certain to make Germany triumphant, and Herr Zimmermann, the Prussian Secretary of State for Foreign Affairs, together with Admiral von Capelle, Tirpitz's successor at the German Admiralty, have been chanting in duo the early triumph of the pirate craft. The Admiral has nothing to say about the Grand Fleet, probably because it is being dismantled, if not dismantled, by the demands for U-boat crews, but he asserts that "the continuously growing efforts of our enemies to master the U-boat danger by counter measures are considerably more than equalised by the continuously growing number of submarines placed in the ocean against our enemies." Then he goes on to assert that "the submarine losses have now, as hitherto, been kept within very moderate limits," and declares all reports to the contrary in the enemy and neutral Press to be untrue.

Now we must not pass by assertions of this kind as if they were simply German brag, for we have considerable evidence to sustain the enemy's boasts, and in regard to U-boat losses have no definite facts to pit against the Prussian assertion. That U-boats have been multiplied in spite of our efforts to destroy them appears to be proved by their success and their ubiquity. Look, for instance, at the effort they made—thanks, no doubt, to information conveyed from the States by German spies there—to destroy the first portion of the American Army on its way to France. A small fleet of these sharks waylaid the American transports at a point, says Mr. Daniels, the Secretary for the United States Navy, "well on this side of the rendezvous in a part of the Atlantic which might have been presumed free from submarines," and attempted to sink them. It was an unsuccessful attack, happily, thanks to the brilliant seamanship of the American escort, and the treacherous German craft were beaten off without the loss of a single transport or a single man to the Americans. But the American escort of destroyers sunk at least one submarine, and probably several, and altogether made a most brilliant first appearance in the war at sea. What we, however, wish to emphasise is the fact that the German navy was able to concentrate a submarine fleet of a dozen or more at the same time that the war against merchant vessels was continued around our coasts with no signs of abatement, and that submarines to spare continue able to travel to far distances. One is reported this week as having bombarded Ponta Delgada in the Azores, and they appear to swarm in the Adriatic and Eastern Mediterranean as well as along the Scandinavian, French, and Portuguese coasts in the Atlantic. It may be, indeed, that the decline in the number of British ships sunk in the last fortnight or so has been due more to the drafting away of craft to effect that ambush in the Atlantic against the United States transports than to the increased efficiency in our defence. At any rate there is nothing to exult over in the fact that only 15 ships of 1,600 tons and over were sunk last week and only five of smaller tonnage, although we have to go

back to the week ending June 3 to find an equally small number of large vessels sent to the bottom. But the fact that 11 fishing craft were also sunk last week seems to prove that there are plenty of submarines available for Germany's dastardly campaign. There may be grounds, therefore, for the enemy's boast that we are not destroying them so fast as is assumed. Nevertheless these foul pirate craft will be mastered, of that we have no doubt whatever, especially now that we have American skill and inventive ingenuity to help us.

But were the German submersibles to be driven out of the seas to-morrow, Germany is sure to find another pretence on which to rest her vaunts. Probably the next instrument to be made available for the maintenance of German courage until the Pan-Germanism madness is bled out of the race will be the aeroplane. The raid on London was so successful in murdering women and children that it is bound to give a stimulus to this method of warfare. Already we have had a repetition of the experiment in a sudden attack upon Harwich, which although it was conducted haphazard, without courage—for it lasted barely fifteen minutes—yet cost the lives of 11 persons and wounded 36 others. Two of these machines were destroyed on their way back to Germany, and even if saved, others were hurt; but that is not enough to deter the enemy from repeating the attempt on a larger scale, and then boasting of this mode of warfare as the one sure way to reach victory soon. We have the mastery in the air on the Western front. The French airmen and our own dominate the Germans, but further afield, on the defenceless, much havoc may yet be wrought. There are still enough males in the Hohenzollern Empire available to be trained to fly with bombs, and the aeroplane is much easier and quicker to build than the Zeppelin, so that we may well welcome the help the United States evidently proposes to give us. The amount of money to be devoted to the construction of aeroplanes by the Washington Government exceeds altogether the £130,000,000 odd we mentioned some weeks ago, and before the struggle ends it may be found that even this is not enough, for as the mole and badger style of fighting exhausts itself, war in the air may become supreme. It is, therefore, at least a consolation to know that the American Government has so swiftly laid hold of the probable danger confronting the Allies, and we may depend upon it that it will be ready with an overpowering array of first-class machines at least as soon as the exhausted German Empire can be. The Germans are thrashed already, but the stamping out of the megalomania in a whole race takes time.

On land all continues to go well, and the Russian offensive under General Brusiloff—who confesses that the officially arranged for failure of the campaign of 1915 "made him a revolutionary"—makes good progress, as is proved by the capture of 18,300 prisoners, besides 29 guns, 33 machine-guns, and other war material in the first two days' fighting. But we must not look for rapid progress in the East any more than in the West, although the country that the Russians have to operate over is not trenched and wired as the land in Champagne, Picardy, and Artois are. It is, nevertheless, possible enough to place delaying obstacles in the way of an advance which may be held for a time by weak or even disaffected troops. All the same, the Russian offensive is a powerful help, and as it develops it must tend to lighten the task of the armies in Macedonia, of the Italians in the Julian Alps, and of the French, Belgians, and ourselves in the West. Evidently the enemy is conscious of this, else why has he been flinging his men away with such fury against the French lines in Champagne for no gain whatever, and why should he betray the mean cowardliness of his soul in doing his utmost to bury Rheims in its ashes before he lets go and skulks away? His baffled rage even impels the savage to augment the severity of his oppression of Belgium, and he has no consciousness of being anything else than a heroic master in the art of war and Government.

This sort of conduct will not ease the terms of peace

to which the enemy must be driven to submit, but as his moral sense is too undeveloped to permit him to comprehend what the harvest of his brutality in this and other directions is certain to be, he continues not only to play the brute whenever he has the power, but to intrigue everywhere, with the ingenuity of a being possessed by a malign demon, in order to lay hold of some instrument by which he might hope to force the Allies to give him better terms, if not altogether his own terms. He intrigues for a betrayal of these Allies, the one by the other, to stimulate division among them, and hitherto has failed, because they are loyal to each other. But he goes on, and is evidently as busy in the United Kingdom as he is still in the United States, and above all in Russia, plotting, pretending, promising, and lying ever, as from the beginning. In France, too, the machinations of these simulating fomenters of distrust and jealousy amongst the Allies are perhaps more feverishly assiduous now as the reward of all their crimes approaches than they were in the early stages of the fight. It gives one an uncomfortable feeling of being surrounded by venomous reptiles intent upon one's destruction to contemplate this fury in trying to beguile and ensnare. False promises are mingled with extravagant pretensions and insolent demands all mixed up to make a sort of compeôte of political insanity, of a hideousness in evil intent, such as the world has never before seen.

But the war goes on, and the contrast between what Germany's position was three years ago, when all the formidable artillery which she had secretly massed and the unbroken ranks of her millions of men were flung upon Belgium and France, believing in a victory to be attained with lightning speed, and the impotence of to-day—as revealed in armies beaten and outnumbered, in artillery overmatched, in aircraft dominated, and in a grand fleet reduced to U-boat piracy—has only to be seen to fortify us in the belief that we have but to hold on, fight on, and work on a little longer, all the Allies loyally together as brethren, to attain a peace which will give the world centuries, let us hope, of quiet in which to repair its wounds. So great is the damage done by now that no other peace will suffice, and instead of insuring better terms for themselves, by sacrificing everything in order to cling with the tenacity of despair to their "conquests," the doomed Empires are only making more assured their destruction when at last hunger and economic exhaustion compel them to lay down their murder tools and submit.

American Business Notes.

All goes smoothly and well with the United States in the effort of Government and people there to help the Allies in Europe. They recognise now as well as we do what a life and death struggle this war is, and how the vengefulness with which the baffled robbers persist in fighting long after they have been defeated—merely, so far as one can see, in the hope of so punishing those they attacked for daring to resist as to leave them as helpless as they themselves are becoming—is draining our resources in men and material. It is exhilarating to read with what energy the "Liberty" Loan was set about, and to note how enlightened were the views of those who lent their help to make it a success. And it was a success which well rewarded them, the greatest success in amount and in the lowness of the rate of interest at which the money was obtained of any loan issued in Europe, whether by the Allies or by the enemy.

At a meeting of the Merchants' Association of New York, attended, among others, by Messrs. Otto H. Kahn, of Kuhn, Loeb and Co., Frank A. Vanderlip, president of the National City Bank, and Thomas W. Lamont, of J. P. Morgan and Co., some excellent things were said, and as the occasion was of a historic kind one or two utterances may be put on record here. "Germany's own resources are beginning to wane," Mr. Lamont told the meeting, "and she is watching carefully to see whether those resources will hold out,

or whether we are coming forward with a mighty effort to-day and will carry this loan through with such tremendous success as to show that we can accomplish the first step of the war in the way in which it should be done." There is no doubt that this at least was done, and done well, and none either about the reality and enthusiasm of the United States Army which has begun to take its place in the lines of the Allies in France. And Mr. Vanderlip, speaking of the way money was to be found, pointed out that the £600,000,000 asked for "could not be provided in the usual manner" by withdrawing savings, because that would cause "a crisis of contraction." "This war," he said, "has got to be fought from the savings of the future. The savings of the past are in railways, in farms, in houses, in factories, in instruments of production and of transportation, &c., and we cannot subscribe these to a loan. What we have got to subscribe is not what we have saved, but what we are going to save." This is largely true, although Germany has contrived to make up the aggregates of her loans by pawning all her already used wealth, everything she possessed, in order to keep going. She could make no substantial new savings worth mentioning while the war went on, and hence her resources are pledged at least twice over to find means to prolong the fight. All the greater will be the exhibition of her ruin when the truth comes to be known.

Another interesting subject on which recent papers from New York bring some information is the arrangements made by the Food Administrator, Mr. H. C. Hoover, the well-known philanthropist, who for so long superintended the distribution of food and other relief from America to the harried people of Belgium. Mr. Hoover deprecates being described as a "Food Controller," but he is evidently a man of common sense, whose proceedings may turn out to be quite as far-reaching in their consequences and as drastic as those of the most dictatorial food despot in Europe. "The food problem is one of wise administration," he declared, and his idea seems to be to obtain the voluntary assistance of existing legitimate distributive agencies. He would organise the community itself for voluntary conservation of foodstuffs, and "it is my present idea," he says, "to propose a plan to the American women by which we ask every woman in control of the household to join as an actual member of the food administration, and give us a pledge that she will, so far as her means and circumstances permit, carry out the instructions which we will give her in detail from time to time." "There is no service in this war," he adds, "on behalf of our own country and our Allies in which the women of the country can so well enlist themselves as in this service, and the success of the food administration will rest very largely upon the support which we receive from them." These words are true, and well worth bearing in mind, but in conjunction with what must be done at home in regulation of the food supplies, in checking the unreasonable raising of prices, and otherwise, the necessity of co-operating with America's Allies in Europe has also to be borne in mind, and Mr. Hoover hints that his department will probably need to undertake the control of the purchasing within the country of all the supplies wanted, so as to eliminate competition. In short, there is shadowed forth in Mr. Hoover's declaration of the probabilities governing his plans of operation such a universal mastery over the sources of production and their distribution, also over prime cost and sale prices, as may well lead to a far-reaching change in the conduct of all business after the war is over.

Accounts could not be published setting forth the operations of the International Mercantile Marine Co. for 1916 before the end of June, and have not yet made their appearance here, but some particulars of what transpired at the annual meeting in Hoboken were given in the *Wall Street Journal* of June 4 last, and may be noted here. Earnings, it seems, came to \$87,968,000, after providing for the British excess profits tax, and working expenses to \$54,307,000. These contrast with \$61,669,000 of income and \$33,399,000

of expenses for 1916. The nett profit was consequently \$33,661,000, against \$28,270,000, and if we go back to 1914 we find the gross earnings by contrast nearly double last year what they were then, and the nett more than four times as much. After meeting taxes and charges and setting aside \$4,169,000 for depreciation of ships—which does not seem extravagant in view of such a revenue—the nett profits were \$26,300,000, or as near as may be £5,260,000, equal to about \$51 per share on \$51,726,000 of preferred stock, as compared with \$26 per share in 1915, and a deficit of \$303,000 in 1914. But the arrears of dividend upon the preferred stock now amount to about 88 per cent., and consequently these handsome profits are not distributable. All that the board has ventured to do was to give 3 per cent on the preferred stock in the middle of April last, but their liability for arrears of dividend cannot in any way affect the British Government's levy of excess profits tax, because the International Mercantile Marine Co., which we used to gird at as the "Morgan Shipping Combine," is a mixed company, owning outright either whole of sundry English companies like the "White Star," or controlling interests in some of them, like Frederick Leyland and Co., the Dominion Line, the Red Star Line, and others. As the companies are all British, so far as their registered domicile is concerned, they come under the British law as to excess profits tax, without any reference whatever to the position of the controlling International Co., and as the excess profits tax is now to be 80 per cent. instead of 60 per cent., seeing, also, that the control of freights is becoming more rigorous through the requisitioning of ships and other measures, it may be that the profits of the combination for the current year will be less magnificent. We should not be too eager to buy either ordinary or preferred shares.

Tea, Oil and Rubber.

Nothing of much importance has occurred in the Rubber market, but the commodity seems to have touched bedrock for the time being, and although business has been quiet, the price has improved a trifle, and looks firmly set round 2s. 6d. At the same time, the statistical position does not improve, last week's arrivals being 2,540 tons, while the deliveries were 1,330 tons, leaving the stock at 13,140 tons, against 7,190 tons last year. However, the share market has been better supported, and with little selling buyers have found difficulty in getting their orders executed in some cases. The Vallambrosa dividend of 125 per cent. for the year was quite up to expectations, and directed renewed attention to some of the older companies which escape the excess profits duty. Mr. Bonar Law has hardened his heart against any concession to the younger plantations, but there is room for a good deal of elasticity in arriving at the basis of assessment without troubling about the Finance Bill, and possibly some of the worst grievances may be removed in the process of adjusting claims.

Having regard to the known conditions in the petroleum world it is rather surprising to find that the profits of the "Shell" Transport and Trading Co., Ltd., were rather less last year than in 1915, but both the Bataafsche and the Anglo-Saxon Petroleum Companies have found it impossible, owing to postal and other difficulties, to complete their balance-sheets, and doubtless they have based their distributions on a very conservative basis. At any rate, while interest on investments brought in £11,000 more at £92,120 dividends received from the two associated companies mentioned and other subsidiaries were £34,000 less at £1,613,720, and the amount brought in also was £16,000 smaller, so that the total available is £39,000 down at £2,126,000. From this have to be deducted management expenses, depreciation on investments (£6,000 less than last year), and interest on loans, a new item which requires £98,800. Presumably this is the loan from the Anglo-Saxon Co., which appeared for the first time last year for £1,793,000. The nett

balance is £1,979,000, £130,000 less, but the dividend is maintained at 35 per cent., free of tax, at 5s. in the £ against 3s. last year. A year ago £100,000 was placed to reserve, making it a round £4,000,000, and £60,000, an exceptional profit made owing to the low rate of exchange in Holland on London, was placed to an exchange adjustment account. As no similar allocations are made on this occasion the carry forward is increased by £30,000 to £450,000.

Changes in the balance-sheet are not very important, but we may mention that sundry creditors have risen from £5,400 to £63,500, while the loan to the Anglo-Saxon Co. has been reduced by £100,000 to £1,696,000. Shares acquired during the year cost only £213,000 against £2,070,000 last year, but gilt-edged investments have risen £247,000 to £1,892,000, while cash has dropped £258,000 to £481,000. It is evident, however, that the financing of the business involves a considerable strain, and the directors have obtained the sanction of the Treasury to an issue of £1,000,000 in new shares at par, which are offered to

IN THE MATTER OF THE TRADING WITH THE ENEMY AMENDMENT ACT, 1916.

The Public Trustee invites tenders for the purchase of the whole or any part of 119,660 shares of £5 each, fully paid, in Siemens Brothers and Company, Limited, vested in him as Custodian by an Order made by the Board of Trade in pursuance of Section 4 of the Trading with the Enemy Amendment Act, 1916, and dated 9th August, 1916.

The issued capital of the Company consists of 120,000 shares of £5 each, fully paid.

The purchasers, who must be British-born subjects, will be required to make a sworn declaration as to nationality and freedom from foreign control on a form to be obtained from the offices of the Public Trustee.

The purchasers will also be required to satisfy the Public Trustee as to their financial and technical ability to carry on the business of the Company as efficiently as heretofore, or otherwise to the satisfaction of the Government.

A report upon the Company's operations and affairs has been prepared by the Company, in conjunction with the Company's auditors (Messrs. Price, Waterhouse and Co.), and with Messrs. Turquand, Youngs and Co. Copies of this report can be obtained, subject, as hereinafter mentioned, together with copies of Company's accounts up to 31st December, 1915, on written application to the Public Trustee, Kingsway, W.C.

All applicants will be required to satisfy the Public Trustee as to any matter which he may think fit to investigate before copies of such Report or Accounts will be supplied.

Intending tenderers who desire to inspect the property of the Company should apply to the Public Trustee for an authority to do so.

Tenders must be delivered, sealed, to the Public Trustee, Kingsway, W.C., on or before Thursday, the 12th July, 1917 (NOT 14th JUNE, AS PREVIOUSLY ADVERTISED), at 12 o'clock noon, and marked on the envelope "Tender, Siemens Shares."

The Public Trustee does not bind himself to accept any tender, and reserves to himself all rights in connection therewith.

Forms of tender can be obtained from the Public Trustee.

Dated this Eighth day of February, 1917.

C. J. STEWART,
Public Trustee,
Custodian for England and Wales.

the present holders in the proportion of one new to each four shares held. This is a decidedly risky method to adopt as has been proved on more than one conspicuous occasion, and although the company is strong enough to carry an extra million without much difficulty it should be noted that to maintain the dividend at the present rate will require an additional £350,000, and that will take some finding. However, the issue provides a nice bonus to existing shareholders, and it has been arranged that the amount of the final dividend (5s. per share) may be allocated to payment for the new shares, so as to create the least possible inconvenience, so everyone is probably quite happy about it, but it is not surprising that the value of the shares ex rights has fallen just £1.

Mincing Lane had the experience of its life and history last Tuesday and Wednesday. The Commercial Sale Rooms were guarded by police, and entry could only be obtained by ticket. Tea brokers are a merry crowd, and they enjoyed the proceedings immensely, especially as many of the leading firms had refused licences to deal. So the "sale" proceeded under the most extraordinary conditions "the Lane" had ever witnessed. Even the licensees could only help themselves to a certain extent, and when some of them had filled their books—many refused to deal at all under the conditions—lot after lot was withdrawn. Really, there was no sale at all; the auctioneers had simply to perform the unenviable task of distributing a certain number of chests to a very discontented and mutinous "room." It is difficult to decide whether to be sad, sorry, cross, or amused about the affair, but it must be patent to anyone with business knowledge that the attempted "control" has proved a howling fiasco. There was never any reason for interfering with the tea trade, unless the object was to raise prices, which it succeeded in doing, and it has accomplished nothing else except the utter disorganisation of one of the most skilled businesses in the world. Perhaps Lord Rhondda will look into the matter, and try to grasp the real facts of the position.

What Balance Sheets Tell.

NEW DARVEL BAY (BORNEO) TOBACCO PLANTATIONS, LTD.

This company experiences many ups and downs. It made a loss in 1909, but in 1911 it was able to pay a dividend of 8½ per cent., tax free. Expenditure exceeded revenue in 1914, and the results for 1915 were but little better. In the latter year there was a trading loss of £10,710, which, added to interest charges, sundry expenses, and the loss brought forward from the previous years, £13,370, made a debit balance of £15,300. Last year witnessed a substantial recovery. The company was able to market its 1915 tobacco crop at the very satisfactory figure of 2s. 6d. per half kilo, compared with 1s. 2¾d. per half kilo, and the profit on the year's trading, after providing for interest charges and sundry expenses, which absorb £12,000 more, is £34,420, out of which the directors recommend a dividend of 2½ per cent., free of income-tax. The report is not as informative as might be wished. The 1916 crop yielded only 1,906 bales, compared with 5,009 bales in 1915. We are not told whether this severe shrinkage is due to import restrictions or to some other circumstance, or whether the company hope to realise at much higher prices than last year's; 412 fields are stated to be under cultivation against 350 last year, but the expenditure on the crop to date is given in the balance-sheet at £30,960, against £38,655. The growth and general development of the estate is stated to continue satisfactory, and an output of 80,000 lbs. against 40,000 lbs. of dry rubber is expected for the current year. The prospect of a larger revenue from rubber is satisfactory, but the profits from this source at present constitute a relatively small proportion of the earnings of the concern. The balance-sheet, as would be expected, makes a much better showing than that of 1915. Sundry creditors are £6,715 more at £14,050, but bills payable and bank overdrafts have fallen by £42,450 to £35,430, and liquid assets total some £4,150 more at £19,830.

A. J. WHITE, LTD.

Fortune does not smile upon the well-known proprietors of "Mother Seigel's Syrup" in these days. Raw materials are difficult and costly to obtain, and the overseas trade is severely disorganised. The company's gross profit for the financial year ended March last almost came up to that of the previous period, but it is far below the pre-war level, and the shareholders receive no dividend. In the previous year 5 per cent. was distributed; but this time, owing to the high cost of material required for the manufacture and sale of the company's preparations, and to the increasing difficulty of transporting it

across the seas, the directors deem it necessary to build up substantial reserve stocks of such material at all points of the company's business. The profit after providing for directors' and auditor's fees amounts to £16,045, £680 less than in 1915. But this time income-tax takes £5,170, reducing the balance to £10,870, which, added to the amount brought forward, raises the carry forward £10,880 to £24,220. It is impossible to ascertain the liquid position of the company, as the item sundry debtors, which has gone up £11,000 to £37,070, includes amounts paid in advance for advertising. Creditors are £8,985 more at £19,560, but there is no dividend disbursement to provide for as last year, and total current liabilities are £3,030 less at £20,050. The capital was, as is generally known, drastically cut down some years ago, but the company still appears to be very fully capitalised. There is no reserve fund, and goodwill, trade marks, &c., figure at £273,443, while assets, less creditors, only amount to about £324,710.

PULLIN, THOMAS AND SLADE, LTD.

This firm of provision merchants and bacon curers, needless to say, is doing remarkably well. In 1912 the preference dividend only was paid, but last year the ordinary shareholders received a distribution of 10 per cent., less tax, and this year 12½ per cent., free of tax. But the distributions made by no means indicate the extent of the improvement which has taken place. Net profits, after providing for depreciation and excess profits duty, rose £11,100 to £31,620, and the reserve fund receives £11,000 more at £21,000. A number of movements have taken place in the balance-sheet. Sundry debtors have risen £31,100 to £94,120, and cash is £19,970 more at £20,700. Creditors and reserves are £107,200 up at £204,850, while bills payable exhibit an increase of £17,990 at £76,470. Current liabilities exceed liquid assets by about £74,650, but stock, an increase of £96,840, amounts to £243,330. The reserve fund with the latest allocation amounts to £35,000. Altogether an encouraging improvement.

ALEXANDRIA WATER CO., LTD.

A considerable contraction took place in the revenue for the year to March 31, but this need give shareholders no anxiety. The receipts for 1915-16 were, owing to the exceptional movement of transports, swollen by a large revenue derived from supplying water to shipping, and in the period covered by the report now to hand the demand from this source was more normal. The receipts from private consumers were larger, and, after all, this is the company's main source of revenue. The total receipts for the year amounted to £179,300, a decrease of £19,690, but owing to the increase in working expenses, which at £73,860 were £11,970 more, the balance from revenue and expenditure account exhibits a reduction of £33,130 at £105,435. As the value of the securities based on market prices at March 31, 1917, was, however, covered by the special reserves, there was no need to repeat the depreciation provision of £18,500, and £10,000 less being written off depreciation of buildings, machinery, &c., there is a balance, as in the previous year, sufficient to permit the payment of a distribution of 13s. 9d. per share. The financial position is a strong one.

UNITED ELECTRIC TRAMWAYS OF MONTEVIDEO, LTD.

There was an improvement in gross receipts for the year to October 31 last, the total being \$80,700 higher at \$1,634,000, but unfortunately expenses jumped up \$133,900 to \$1,122,000, and the nett receipts were consequently \$53,200 lower at \$512,000. The large increase in the expenses was almost entirely due to high cost of fuel, and there does not appear to be any immediate prospect of an improvement. An increase in the wages bill had also to be faced, owing to the operation of the Eight Hours Law. The amount receivable from the Montevideo Co. was £105,080, a decrease of £6,300, and, after providing for debenture interest, the available balance is £8,000 lower at £56,735. After setting aside £15,000, or £5,000 less, for renewals, this only allows of the payment of the preference dividend, leaving £12,800, or about the same as last time, to be carried forward, whereas the ordinary shares received 4 per cent. for 1914-15 and 7 per cent. for 1913-14. Capital expenditure amounted to only £5,730, against £30,480, but £17,000 was charged to renewals fund, against £8,800. The company has fallen on evil times, but its troubles may be regarded as purely temporary, and due to causes beyond the control of the management.

TAMPLIN AND SONS BREWERY, BRIGHTON, LTD.

In spite of the many restrictions to which it has been subject, this company has not been doing so badly. Gross revenue for the year to May 17 rose £4,260 to £76,800, expenses were £2,850 less at £34,100, and after providing for depreciation and bad debts reserve profit is £6,910 up at £36,635. Had it not been for increased income-tax there would have been a substantially larger amount available for the shareholders, but tax, fees, &c., absorb £9,650, compared with £1,780, and nett profit, after providing for interest on the "A" and "B" debenture stock, comes out at £14,980, an improvement of £350. After meeting the dividend on the preference shares, the ordinary receive 7 per cent., as last year, and £550 remains to increase the carry forward to £11,560. Estates and goodwill, &c., appear in the balance-sheet at £786,990, a reduction of £930. Trading assets total about £54,500. There is this time a new item, loan from bankers amounting to £6,260, but, on the other hand, trade liabilities have fallen £6,700 and trading assets exceed current liabilities by about £21,000. There is a general reserve account of £61,000 and a property reserve account of £48,000, but both are invested in the business.

COMPANY MEETINGS.

MARCONI INTERNATIONAL MARINE COMMUNICATION CO.

The seventeenth ordinary general meeting of the Marconi International Marine Communication Co., Ltd., was held on Wednesday, at the Cannon Street Hotel, Mr. Godfrey Charles Isaacs, the managing director, presiding.

The Secretary (Mr. Henry W. Allen, F.C.I.S.) having read the notice convening the meeting and the auditors' report,

The Chairman said: Gentlemen,—I regret that Mr. Marconi is again unable to preside to-day, as you are no doubt aware from the public Press that he is representing his Government on a Special Commission to the United States.

Proceeding, the Chairman, in dealing with the figures of the balance-sheet and profit and loss account, said: The balance carried to balance-sheet is £96,748, as compared with £63,630 of the preceding year, and represents an increase of something over 50 per cent. On the other side you have the revenue from ships' telegrams, subsidies, &c., which shows an increase for the year of over £60,000, and in this the item pertaining to ships' telegrams is a negligible one. I shall have more to say upon this subject a little later. Turning to the appropriation account, you will find to the credit of profit and loss account, as per balance-sheet, the sum of £123,744, being the profit for the year plus the amount carried forward from last account after deduction of excess profits duty. We have paid already an interim dividend of 5 per cent., which amounted to £16,622, and we are now proposing to pay a final dividend of 10 per cent., which will absorb a sum of £34,996, and after placing £3,500 to reserve for repayment of debentures, which is our custom every year, and crediting the general reserve with £17,346, we carry forward a sum of £51,279, which, of course, is subject to excess profits duty. In view of the fact that our business is still being conducted under exceptionally unfavourable conditions, I think you will agree with me that we have every reason to be satisfied with these figures. I said "exceptionally unfavourable conditions"; by that I mean that practically the whole of our profits are derived from ships' subsidies, for there is practically nothing doing at the present moment in commercial or private telegrams at sea. Normally we derive a very substantial revenue from these telegrams, and when we return to peace conditions we shall, no doubt, see a very substantial increase in our receipts derived from this source. Not only has the number of ship telegraph stations been immensely augmented during the war, but there has been also a large addition to the coast stations, which will give far greater facilities for communication with the land than obtained prior to the outbreak of hostilities. Further, we are making very considerable losses in consequence of the submarine warfare, all of which, as I have said before, we are debiting to profit and loss account. It is to be hoped that these losses will cease, and that we shall see additional revenue in consequence. Here I should tell you that in past years it has always been our custom to insure against the risk of losses at sea, but the premiums having become so very high owing to the submarine warfare, we determined, after careful consideration, to take the risk ourselves, and it will interest you, no doubt, to know that, during the year under review, notwithstanding the severity of the submarine warfare, we saved under the war risk insurance the sum of £1,174, and in marine risk £451, or a total of £1,600, as a result of taking ourselves the risk instead of paying the high rate of insurance premiums asked. We feel that we are justified, having regard to the sound development of our business, in recommending to you the payment of an increased dividend, which we feel confident of being able at least to maintain, notwithstanding the necessity for increasing the capital. We informed you in our report that the number of public telegraph stations owned and worked by the company on the high seas increased from 1,008 at the end of December, 1915, to 1,472 at the end of December, 1916. You will be able to appreciate the considerable capital expenditure which we are called upon to make when I tell you that, up to June 30 this year, we have already fitted 505 additional ships. This brings the total number of ships installed, after deducting losses, to 1,855, which is by far the biggest rate of increase in the history of the company. Our orders in hand, too, are very considerable indeed, and we contemplate their being very largely augmented in the near future; for this provision must be made. There is one further figure which it will interest you to know, and that is that our subsidies alone, at June 30, had increased to the sum of £451,713 per annum. When you compare this figure with the sum of £24,445 6s. 6d., which were the total receipts for the year 1909—the year before I joined the company—you will appreciate the rapid growth of our business and the necessity of our summoning an extraordinary general meeting to ask you to approve of the company's capital being increased by the creation of 250,000 new shares. Before formally moving the resolutions, I must refer to the immense amount of heavy and responsible work which has fallen upon our staff. We must also not forget to express our great appreciation and profound admiration for our operators at sea. It will interest you, gentlemen, to know that to June 16 we had some 3,347 operators and students. Of those to that date some 332 had been saved from vessels sunk, 45 were drowned, 20 had been injured, one killed, and 19 have been taken prisoners of war.

Mr. Alfonso Marconi seconded the motion, which was carried unanimously.

An extraordinary general meeting was afterwards held, at which the Chairman proposed the following resolution:—

"That the capital of the company be increased by the creation of 250,000 new shares of £1 each, to be issued on such terms and conditions as the directors think fit, such shares to rank *pari passu* in all respects with the existing 350,000 shares of £1 each."

Mr. M. A. Bramston seconded the resolution, which was unanimously adopted.

MADRAS ELECTRIC SUPPLY CORPORATION.

The annual ordinary general meeting of the Madras Electric Supply Corporation, Ltd., was held on Wednesday, at the office, No. 1, Queen Victoria Street, Mr. John G. B. Stone presiding.

The Secretary (Mr. W. R. Elston) having read the notice convening the meeting and the certificate of the auditors,

The Chairman, in moving the adoption of the report, said that further progress had been made in the development of the undertaking. The gross revenue for 1916 amounted to £54,997, compared with £50,177 for 1915, an increase of 9.6 per cent. This increase, having been earned in that portion of the company's area where mains were already laid, must be regarded as satisfactory. It had been impossible to obtain the materials for extensions and consequently the supply of current to the districts of Kilpauk and Adyar was still in abeyance; and for the same reason it had been impossible to commence the supply of current to various large power consumers with whom contracts had been completed. Although there was now a prospect of procuring part of the company's requirements, it was evident that the accounts for 1917 would not obtain the benefit of any extension of importance. Applications from consumers who could be supplied from the existing mains were still numerous, and the directors trusted that the company's stock and local supplies of material would enable them to connect new consumers who were contiguous to the existing mains until the present restrictions against shipping had been removed. The increase in revenue for 1916 had been derived proportionately from current for lighting and fans and from power. The "all-in" costs for 1916 were 1.06d. per unit sold, compared with 1.15d. for 1915. The balance carried to net revenue account was £20,871, compared with £25,661 for 1915. Adding £4,580 for dividend from the tramways to the balance brought from revenue account, they had a total of £34,451 at the credit of net revenue. Interest on debentures and loans and the debenture sinking fund absorbed £16,615, leaving (before providing for depreciation) £17,836—£5,410 more than for 1915. In addition to the £4,439 transferred to debenture sinking fund, the directors had also transferred £6,000 to a depreciation and renewal fund, and they recommended the payment of the dividend on the preference shares, leaving £5,836 to be carried forward. He trusted that the report and accounts justified the forecast which the directors had made during the last three years. While the results might not be remarkable, they indicated steady progress in spite of serious obstacles. The rate of progress would, they were satisfied, be accelerated when times were normal, and they saw no reason to modify their confidence in the ultimate success of the undertaking.

Mr. K. A. Scott-Moncrieff, M.I.E.E., seconded the resolution, which was adopted, and a dividend of 6 per cent. per annum on the preference shares was declared.

ELECTRIC SUPPLY CORPORATION.

PROGRESS DESPITE WAR CONDITIONS.

The annual general meeting of the Electric Supply Corporation, Ltd., was held on Thursday, at Salisbury House, London Wall, Mr. J. G. B. Stone presiding.

The Chairman said that the new connections effected during the year under review were equivalent to 11,858 lamps. That was far below the figure of the previous year, but last year they had had an abnormal increase in Dumbarton. Excluding the Dumbarton figures, there had been an increase of 9,461 lamps in 1916, against 6,906 in 1915. Their progress in that direction was, therefore, continuing despite the war, and they hoped that with the return of peace conditions the company would reap the true benefit of these extensions. Of the companies in which they were interested Hendon was doing extremely well, but Dawlish and North Berwick had both been seriously retarded by the war, particularly the latter. The Dumbarton Tramways Company had obtained much better traffics, and there were hopes that they would continue in times of peace. For the second time they had to regret diminished profits. Their revenue had increased £1,773, but the actual profit on working was reduced by £1,830 owing to increased costs. The net revenue account showed a balance of £6,363, as compared with £7,957 in 1915, and they were proposing to pay a dividend at the rate of 1 per cent., less tax. They had succeeded in renewing the Chelmsford street-lighting contract for four years, and had compromised their difference with the Chelmsford Town Council as regarded the late street-lighting contract.

Mr. F. R. Reeves seconded the motion, which was carried unanimously.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.				GROSS TRAFFIC TO DATE.			
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.	
Assam Bengal	May 19	Rs. 1,23,000	—	10,139	8,44,000	—	73,452	
Barsi	" 26	14,700	—	1,800	1,49,300	—	18,500	
Bengal & N.W.	" 19	4,82,260	—	45,831	30,81,870	—	3,32,891	
Bengal Nagpur	" 26	10,31,000	—	79,000	84,27,000	—	2,38,781	
Bombay, Baroda	June 23	15,02,000	—	1,35,000	1,86,41,000	—	5,80,000	
Burma	May 19	4,12,024	—	6,952	31,95,661	—	71,060	
Delhi Umballa	June 30	77,500	—	10,132	10,12,100	—	1,16,862	
East Indian	" 30	23,24,000	—	1,53,000	3,06,17,000	—	8,62,000	
Gt. Indian Penin.	" 23	22,54,800	—	4,70,300	2,66,59,500	—	11,99,633	
Lucknow-Bareilly	May 19	53,448	—	3,754	3,51,895	—	4,434	
Madras and S.	" 26	10,50,030	—	54,533	84,15,000	—	91,694	
Mahratta	" 26	1,26,983	—	3,392	10,75,330	—	52,571	
Nizam's Gd. (Broad)	" 26	69,519	—	3,044	6,57,902	—	1,061	
" (Metre)	" 26							
Robilkund and	" 19	47,782	—	2,884	3,26,060	—	21,588	
Kumaon	" 26	6,42,816	—	9,294	53,51,681	—	2,50,111	
South Indian	" 26							

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

NAME.	June 29	£	+	889	†	263,304	+	13,863
Bristol	" 29	11,397	+	254	†	163,976	+	19,599
Dublin United	July 1	1,323	+	282	†	26,949	+	4,571
Hastings and Dist.	June 30	386	+	2	†	10,716	+	138
Isle of Thanet	" 27	2,316	+	465	†	53,073	+	8,924
Lancashire United	" 30	2,183	+	19	†	83,443	+	11
Provincial	July 1	2,141	+	271	†	51,699	+	7,839
Yorks. (Wat. Rdng.)								

* From Oct. 1.

† From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	July 1	£	+	2,913	†	1,337,059	+	11,000
Anglo-Argentine	June 1	49,639	+	590	†	259,101	+	6,043
Auckland Electric	May 1	21,742	+	1,810	†	1,203,800	+	128,900
Brazilian Traction	June 1	33,340	+	170	†	161,120	+	1,840
Brisbane Elec. Inv.	" 1	872,729	+	9,899	†	1,042,057	+	244,471
British Columbia	" 1	595	+	375	†	426,137	+	27,264
B.A. Lacroze	" 17b	Rs. 14,906	+	Rs. 1,321	†	Rs. 1,604,473	+	Rs. 27,692
Burmah Electric	June 30	Rs. 65,382	—	Rs. 1,006	†	Rs. 19,847	—	
Calcutta	" 30							
Cordoba Light	" 30							
P. & T.	Mar.	13,098	—	500	†	160,683	—	1,223
Hongkong	May 12	£123,523	—	£15,115	†	259,101	—	4,574
La Plata	June 6	3,852	+	117	†	25,444	+	781
Lima	May 1	15,532	+	1	†	33,317	+	3,685
Madras Electric	June 30	Rs. 32,491	+	Rs. 3,212	†	Rs. 408,416	+	Rs. 36,074
Mexico	Nov. 3	£215,256	—	£108,669	†	£3,193,106	—	£197,227
Rangoon	Apr. 3	5,532	+	641	†	24,334	+	3,567
Singapore Electric	May 25	£13,175	+	£772	†	£27,111	+	£16,064
Toronto	Apr. 1	£179,843	+	£40,843	†	£1,867,466	+	£173,757
United of Monte V.	June 6	27,458	+	2,158	†	242,796	+	1,723
Vera Cruz	Apr. 1	60,200	—	3	†	215,800	—	
Winnipeg	" 1	£71,415	—	£39,620	†	£322,038	—	£117,572

b 28 days. * From Jan. 1. † Net. a From July 1. c Two weeks.

UNITED STATES OF AMERICA.

NAME.	June 21	£	+	25,000	†	24,345,000	+	1,198,000
Chesapeake & Ohio	" 14	374,000	+	40,000	†	15,325,000	+	1,199,000
Chicago G.W.	" 21	294,000	+	31,000	†	7,895,000	+	910,000
Colorado & South'n	" 21	552,000	+	62,000	†	12,747,000	+	2,056,000
Denver & Rio Gran.	" 21	1,419,000	+	242,000	†	33,527,000	+	4,000,000
Louisville & Nashv.	May 31	910,000	+	56,000	†	12,555,000	+	721,000
Minn. S.P. (Soo) §	June 21	667,000	+	75,000	†	18,030,000	+	3,162,000
Missouri Kansas	" 21	2,030,000	+	330,000	†	102,291,000	+	12,291,000
Southern	" 21							

§ Includes Wisconsin Central. † From Jan. 1. † From June.

FOREIGN RAILWAYS.

NAME.	June 30	£	+	4,500	†	Ps. 485,370	—	Ps. 86,530
Alcoy and Gandia	" 24	13,400	+	7,810	†	936,085	—	122,710
Autofagasta (Chili)	May 31	11,000	+	1,200	†	53,000	—	11,800
Arauco	June 30	13,200	+	5,400	†	389,102	—	65,191
Argentine N.E.	May 31	4,016	+	1,368	†	19,100	—	1,352
Bilbao R. and Canta	" 31	13,000	+	2,455	†	112,250	—	9,333
Bolivar	Apr. 1	M3,781,000	—	M350,310	†	M138,290	—	M138,280
Brazil	Mar. 3	M14,320	—	M 5,460	†	M125,310	—	M19,320
Brazil Gt. Southern	June 30	70,000	—	5,000	†	4,414,000	—	231,000
B. Ayres & Pacific	May 31	25,929	—	22	†	268,840	—	1,740
Do. Central	July 1	81,000	—	13,000	†	11,705	—	11,549
Do. Gt. South'n	June 30	44,000	—	12,000	†	2,000	—	6,000
Do. Western	June 30	13,886	—	486	†	5,237,100	—	489,900
Central Argentine	" 30	6,050	+	1,280	†	628,503	+	35,061
C. Ur'g'ay of Mts V.	" 30	3,531	+	1,785	†	262,033	+	45,217
Do. East'n Ex.	" 30	1,596	+	166	†	132,159	+	18,996
Do. North'n Ex.	" 30	11,360	—	—	†	94,099	—	9,346
Do. West'n Ex.	" 30	34,500	+	600	†	24,960	+	2,160
Colombian National	June 30	4,939	—	1,996	†	1,572,170	—	27,630
Cordoba Central	June 30	10,190	—	7,646	†	185,662	—	3,040
Costa Rica	May 31	9,600	—	1,700	†	915,429	—	122,504
Cuban Central	May 31	5,749	—	815	†	45,700	—	10,300
Dorada Extension	June 30	14,600	—	2,500	†	33,867	—	5,404
Egyptian Delta	June 30	81,752	—	1,139	†	641,600	—	28,600
Entre Rios	June 30	89,850	—	6,037	†	1,080,727	—	156,858
French Sante Fé	June 16	10,300	—	3,900	†	324,050	—	80,450
Gt. South. of Spain	" 30	7,719	—	1,064	†	364,601	—	29,731
Gt. West. of Brazil	" 23	31,028	—	3,895	†	177,234	—	9,925
Havana Central	May 31	7,750	—	—	†	43,000	—	1,000
Inter. of C. Amer.	June 30	32,805	—	11,306	†	635,689	—	101,056
La Guisla and Car.	Apr. 6	10,380	—	1,997	†	10,380	—	1,997
Leopoldina	Apr. 6	12,766	—	1,258	†	142,782	—	128,588
Manila (N. & Sth.)	Apr. 1	M1,470,000	—	M253,117	†	M 5,386,000	—	M117,162
Midland Uruguay	May 31	27,000	—	4,939	†	269,020	—	25,189
Mogiana	June 30	32,252	—	4,361	†	349,911	—	66,649
N.W. of Uruguay	June 30	2,840	—	200	†	136,950	—	11,027
Nitrate	Apr. 1	M1,880,000	—	M230,979	†	M 7,721,000	—	M240,618
Paraguay Central	May 31	S 902,780	—	S 73,880	†	S10162,672	—	S1328,675
Peruian Corp'n	June 23	10,500	—	11,000	†	1,476,460	—	92,890
Salvador	" 24	23,582	—	3,573	†	557,516	—	3,024
S. Paulo (Brazilian)	Apr. 1	M1,451,000	—	M163,524	†	M6,322,000	—	M584,837
Sorocabana	May 31	23,197	—	158	†	211,455	—	6,689
Taitai	June 30	40,918	—	9,691	†	2,277,952	—	231,583
United of Havana	" 30	9,751	—	4,539	†	363,040	—	59,772
West'n of Havana	" 30	11,544	—	185	†	52,240	—	5,518
Zafra and Huerva	May 31							

* Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

COLONIAL RAILWAYS.

NAME.	April *	£	+	2,908	†	£	+	476,973	†	£	+	18,275
Beira	June 30	£1,311,700	—	£188,900	†	£41,244,700	—	£7,189,700	†	£7,794,000	—	£7,794,000
Canadian Northern	" 30	3,975,000	—	566,000	†	70,806,000	—	7,904,000	†	7,904,000	—	7,904,000
Canadian Pacific	" 30	350,986	—	66,510	†	4,962,548	—	635,051	†	635,051	—	635,051
Gr. Trk. Main Line	" 30	62,555	—	9,109	†	962,555	—	18,500	†	18,500	—	18,500
Gr. Trk. Western	" 30	18,851	—	45	†	342,042	—	7,083	†	7,083	—	7,083
Detroit G. H. & M.	" 31	26,707	—	6,447	†	482,156	—	29,283	†	29,283	—	29,283
Gr Trk Pac Prairie Sc	Jan. *	54,122	—	8,094	†							
Mashonaland	Apr. *	9,181	—	958	†	77,608	—	1,384	†	1,384	—	1,384
Mid. of Westn. Aus.	Apr. *	1,532	—	229	†	41,330	—	6,442	†	6,442	—	6,442
New Cape Central	June 2	86,487	—	11,307	†	574,662	—	42,113	†	42,113	—	42,113
Rhodesia	Apr. *											

* Months. † July 1. † Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.				NETT EARNINGS TO DATE.			
	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.	No. of Mths.	
		Dols.			Dols.			
Atchafalpa T. & S. Fe	May	4,304,000	—	13,000	48,329,000	+ 8,251,000	11	
Atlantic Coast Line	Apr.	895,000	—	260,000	4,503,000	+ 419,000	4	
Baltimore & Ohio ..	May	3,170,000	+ 315,000	5	11,570,000	+ 635,000	11	
Canadian Northern	"	1,054,403	+ 327,200	11	9,316,800	+ 1,764,000	4	
Canadian Pacific ..	"	4,552,000	+ 180,000	4	17,082,000	+ 1,170,000	10	
Chesapeake & Ohio	Apr.	1,220,000	+ 236,000	4	4,604,000	+ 209,000	4	
Chicago & N.W.	"	1,695,000	+ 48,000	4	5,392,000	+ 1,736,000	10	
Chicago Burl. & Q. .	"	2,868,000	+ 619,000	4	11,952,000	+ 620,000	10	
Chicago G.W.	"	232,000	—	28,000	3,746,000	+ 153,000	4	
Chicago Mil. & S.P.	"	2,155,000	+ 22,000	4	5,782,000	+ 2,255,000	10	
Chicago, Rock I. & P.	"	1,497,000	+ 70,000	4	4,912,000	+ 575,000	10	
Colorado & Southern	"	214,000	+ 38,000	4	1,800,000	+ 426,000	4	
Cuba ..	Mar.	622,148	—	478,952	9,120,298	+ 1,188,363	9	
Delaware & Hud.	Apr.	395,000	—	227,000	1,325,000	+ 1,132,000	4	
Denver & Rio Gran.	"	697,000	—	44,000	2,465,000	+ 53,000	4	
Erie ..	"	901,000	—	584,000	1,460,000	+ 3,064,000	4	
Gr. Tr. Main Line. .	May	6,166,550	+ 52,950	4	6,749,400	+ 1,136,800	4	
Grand Trunk Westn	"	652,350	+ 447,050	4	6,241,150	+ 2,020,650	4	
Detroit G. H. & Mil.	"	663,500	+ 12,400	4	6,197,900	+ 649,400	4	
Gt. Northern ..	Apr.	1,351,000	—	354,000	3,973,000	+ 1,062,000	4	
Illinois Central ..	May	1,735,000	+ 466,000	5	7,933,000	+ 2,174,000	4	
Kansas City Southn.	Apr.	370,000	+ 64,000	4	1,449,400	+ 374,000	4	
Lehigh Valley ..	"	769,000	+ 255,000	4	2,045,000	+ 1,415,000	4	
Louisville & Nashvi.	"	1,368,000	—	194,000	6,321,000	+ 12,000	4	
Minn. S.P. (Soo) ..	"	751,000	—	171,000	2,243,000	+ 1,506,000	4	
Miss. K. & Texas ..	"	394,000	+ 212,000	4	1,420,000	+ 1,088,000	4	
Missouri Pacific ..	"	1,563,000	+ 579,000	4	6,159,000	+ 2,474,000	4	
New York Cent. & H.	"	3,458,000	+ 1,522,000	4	14,284,000	+ 7,074,800	4	
N. Y. N. Haven & H.	"	2,017,000	+ 142,000	4	6,430,000	+ 568,000	4	
New York Ont. & H.	"	136,000	—	18,000	437,000	—	99,000	
Norfolk & Western.	May	1,745,000	—	513,000	5,538,000	+ 1,336,000	5	
Northern Pacific ..	Apr.	2,667,000	+ 332,000	4	8,582,000	+ 1,177,000	4	
Pennsylvania East								
and West Lines.	Mar.	6,934,000	—	973,000	13,253,000	—	7,369,000	
St. Louis & San P. .	Apr.	1,204,000	+ 84,000	4	13,723,000	+ 2,603,000	4	
Seaboard Air Line..	"	627,000	—	34,000	2,867,000	+ 15,000	4	
Southern ..	"	2,084,000	+ 62,000	10	20,163,000	+ 2,451,000	10	
Southern Pacific ..	May	5,992,000	+ 1,897,000	5	22,862,000	+ 7,240,000	5	
Union Pacific ..	"	4,237,000	+ 851,000	5	14,397,000	—	493,000	
Wabash ..	"	1,124,000	+ 142,000	5	4,473,000	+ 409,000	5	

The Investors' Review

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CONTENTS.

Passing Events:—Revenue — Select Committee to Control Expenditure — Supply of Garden Produce — Corn Production Bill — Bank Exhibits: London City and Midland, Barclays, London and South-Western, Glyn, Mills, Currie and Liverpool — Distillers Co. — Bank of New South Wales Centenary — General Electric — Wanted Reports of the Associated Newspapers — *The Herald's* Dream — W. and T. Avery — J. W. Benson — Rumanian Parliament and the Jews — English Sewing Cotton (pp. 27-32).

Leading Articles:—The Hubbub in Berlin — Rhodesian Railway System — By-the-Way War Notes (pp. 32-5).

Money and Credit Notes:—Easy Money but Poor Bank Return — Last Week's Revenue Figures — Trustee and Post Office Savings Banks — Italian War Loans — Cuban Loan of £6,000,000 — Silver (pp. 36-8).

American Business Notes:—Embargo on Exports — Good Crop Prospects — Effective Blockade of Germany — United States Financial Help to the Allies (pp. 40-1).

The Week's Stock Markets (pp. 38-9).

London Produce Markets (pp. 39-40).

Oilfields Items (p. 40).

Mining News:—Transvaal Gold Production — Native Labour Returns — Briseis Tin and General Mining — Poderosa Mining — Oroville Dredging — Consolidated Gold Fields of New Zealand — Arizona Copper (p. 42).

What Balance Sheets Tell:—Brownlee and Co. — Lovell and Christmas — Commercial Brewery — Davy Bros. — Edinburgh Evening News — Edmundson's Electricity Corporation — Hoare and Co. (pp. 42-3).

Tea, Oil and Rubber:—Rubber Market — Java Para Rubber Estates — Sialang Rubber Estates — Lobitos Oilfields (p. 43).

Company Meetings:—Java Para Rubber — Empire of India and Ceylon Tea — South-West Africa Co. (pp. 46-7).

Insurance News (p. 41).

The Week in Mines (pp. 41-2).

Books Received (p. 43).

Dividends Announced (p. 44).

Public Income and Expenditure (p. 44).

Traffic Returns (p. 45).

Answers to Correspondents (p. 47).

CANADA.

THE DOMINION BANK.

Head Office, TORONTO.

Total Assets - - \$92,860,000.

SIR EDMUND B. OSLER, M.P. (Canada), President.

W. D. MATTHEWS, Vice-President.

C. A. BOGERT, General Manager.

London Branch, 73, CORNHILL, E.C. 3.

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.
General Banking business transacted. Information furnished regarding Canadian matters.

BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, Queen Victoria Street, London, E.C. 4.

AUTHORISED CAPITAL £5,500,000

SUBSCRIBED CAPITAL.

Four per Cent. Guaranteed Stock £529,988
"A" Preference Shares issued to New Zealand Government .. 500,000
"B" Preference Shares issued to New Zealand Government .. 250,000
Ordinary Shares 1,500,000

Reserve Fund and Undivided Profits £2,246,595

Negotiates and collects Bills of Exchange.
Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

SCOTTISH AMICABLE

LIFE ASSURANCE SOCIETY.

(Established 1826.)

A MUTUAL PROFIT-SHARING OFFICE.
COMPOUND BONUSES.

Bonus Declared at Latest Investigation £1 15s.
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THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

NEW YORK OFFICE opened
2nd July, 1917, at
165, BROADWAY.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital £4,000,000
Paid-up Capital 1,800,000
Reserve Fund 2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, São Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILE.—Valparaíso, Santiago. FRANCE.—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

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Subscribed Capital £1,078,875 0 0
Paid-up Capital 539,437 10 0
Further Liability of Proprietors 539,437 10 0
Reserve Fund 459,000 0 0

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RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
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THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,960,000; together £3,960,000

Reserve Liability of Proprietors 4,000,000

Total Capital and Reserves £7,960,000

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DEPOSITS are received for fixed periods on terms which may be ascertained on application.

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital - £1,000,000. Subscribed Capital - £825,000

Paid-up Capital	£500,000
Reserve Fund	540,000
	£1,040,000

Uncalled Capital	125,000
Reserve Liability of Shareholders	625,000
	£1,790,000

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71 Old Broad Street, E.C. 2.

Subscribed Capital	£1,276,747 10 0
Paid up Capital	669,670 0 0
Reserve Fund and Undivided Profits	375,680 11 8
Reserve Liability of Proprietors	606,962 10 0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon

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Paid up Capital	£3,705,320
Reserve Fund	2,725,000
Reserve Liability of Proprietors	3,705,320
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The Bank has 338 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

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ESTABLISHED 1880.

Subscribed Capital	Yen 48,000,000
Capital Paid Up	Yen 36,000,000
Reserve Fund	Yen 21,300,000

Head Office: YOKOHAMA.

Branches and Agencies at

Antung-Hsien.	Harbin.	Nagasaki.	Shanghai.
Bombay.	Hong Kong.	Newchang.	Singapore.
Calcutta.	Honolulu.	New York.	Sydney.
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Dairen (Dainy).	Liaoyang.	Peking.	Tokyo.
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London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

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Paid-up Capital .. £250,000 0 0 25,000 Shares of £10 each.

Reserve Fund .. £250,000 0 0 Reserve Profits .. £29,979

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REST & UNDIVIDED PROFITS £800,986

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A. K. WRIGHT, Cashier and General Manager

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One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

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Passing Events.

Revenue came into the Exchequer last week to the amount of £12,151,000, and current expenditure, exclusive of the financing of debt, but including £3,660,000 paid out as interest, came to £54,826,000. The gross expenditure of the week, however, was £103,224,000, because £43,349,000 of due Treasury bills were redeemed by the new bills issued, the total of which was no less than £73,101,000. Also £5,000,000 of temporary advances was paid off and £2,600 of Exchequer bonds. In addition, however, to the £72,999,000 obtained by the sale of Treasury bills for supply, the Government received £4,929,000 from Exchequer bonds, or £2,062,000 more than was sold the previous week, and £700,000 as against £600,000 came from War Savings Certificates sold, besides £1,200,000 from the 4 and 5 per cent. War Loans, so that the incomings exceeded the outgoings of the week by £7,808,000. The total funded debt in these two forms is now raised to £943,427,000. Likewise £1,994,000 is credited under other war debt, and may be some fragment of the United States advances or, possibly, repayments of advances made to our Allies and independent members of the British Empire. Altogether, however, the floating or unfunded debt of various kinds now amounts to some £900,000,000, making upwards of £1,800,000,000 all told, and the "floating" part of that total cannot be added to very much without bringing difficulties in sight that may have to be provided for in haste under grave risks of a credit derangement. The Government, however, seems to be quite content to muddle along by leaning on a market whose ability and willingness to help it has proved marvellous, but whose resources are not limitless. But so strong is it that the very smoothness of its working tends to keep the public mind at ease, perhaps too much so. Of the revenue of £12,151,000 encashed last week, £7,450,000 came from property and income-tax, including super-tax and excess profits duty, including munitions levy. We should have thought that the income-tax portion (£4,308,000) might have shown up better in the first week of July because of the change made in the dates for paying the tax. Instead of calling for it in one sum at the beginning of April, it has been made payable in halves, one in April and one in July; therefore the current

month ought to swell out the receipts from income-tax in a way more conspicuous than last week's returns presage. Why the expenditure on Supply Services was so heavy last week cannot be known, but may be guessed at. No doubt a large number of accounts came in at the end of the quarter or half-year and were paid, possibly likewise assistance was given to one or more of the financially weaker members of the *Entente*. At any rate, these outgoings for supply and debt interest together amount to a daily average expenditure of £7,310,000, and if we add the debt interest to this the daily average is raised to about £7,700,000. The total now outstanding in Exchequer bonds of the current series is £50,506,000. At £24,114,000 the Exchequer balances are £12,151,000 below the figure of a year ago.

No wonder that with a staggering profusion in squandering, as it seems, of this kind meeting them week by week the House of Commons should begin to show restiveness. It has, indeed, become very restive and discontented not only with the way money is poured out in ways wholly uncontrolled, but with the present Government. The temperature is rising, but the Opposition is held in restraint by patriotism, as also by the reluctance of men to do or say anything that might in the least interfere with the energetic and successful prosecution of the war. Nevertheless, a debate was raised in the House of Commons last Friday which at least served to indicate what was simmering beneath the surface, and it resulted in the appointment of a Select Committee defined by the Chancellor of the Exchequer to fill two purposes. First, "to consider whether additional control may be obtained, and in what way it can best be obtained as a permanent arrangement," and, secondly, "to go into the departments, examine the methods of expenditure, and make recommendations either to the House of Commons or to the departments." This concession may perhaps turn out to be a distinct step towards what might develop into a valuable change in the habits of the House of Commons, now forced to loaf around and look on. The debate was opened by a speech of distinct ability by Major Godfrey Collins, the member for Greenock, who, amongst other things, pointed out that the Chancellor of the Exchequer's estimate of outgoings had within three months risen from £6,250,000

a day to £7,750,000. That difference in expenditure between the estimate and the actual would amount "to the whole revenue of the year," the speaker pointed out. Only £7,500,000 had been imposed by the Budget as additional war taxes and £3,500,000 of the increase had been knocked off by the concessions on the tobacco and entertainments taxes, noted by us last week. But the debt interest would soon amount to £110,000,000 a year. Three months ago, said Major Collins, the National Debt was about £4,000,000,000, and at the increased rate of £182,000,000 a month to which the pledging of posterity has now been "speeded up," it would 12 months hence be £6,000,000,000.

There was much more of the same kind, ominous in its purport, and disquieting to a degree, significant of the heat beneath, for, as the member for Greenock insisted, neither the Government nor the Treasury had taken sufficient steps to control expenditure or suggest business accounts. The House of Commons had left control to the Administration alone, with the result that ministers regarded smoothness, and not efficiency of administration, as the safe course to follow, and sought to promote the smooth working of the machinery "by copious application of Exchequer lubricant!" The motion was seconded by Mr. Marriott, the member for Oxford, and opposed, singularly enough, by Mr. E. S. Montagu, but the House was obviously strongly in sympathy with the malcontents, and, as we have said, the Chancellor of the Exchequer gave way. But now the question we, the electors and the pawns, have to consider is—will the proposed committee, formed in the usual style, really be able to do any good? It is doubtful. It does not seem to us that the mandate is definite enough. Apparently, no real duties are to be assigned to it beyond sniffing about and fumbling here and there, and asking questions, and holding many useless talks. Surely it would have been better to try "organised" labour in the House of Commons, as well as outside it. There are plenty of members in it who have leisure, who have business ability, and who would be only too glad to be employed in a way that was definite and to fulfil a definite purpose. Now, do not the functions and work of the Exchequer and Audit Department suggest a method by which the dormant talent in the House could be employed with advantage to the public purse? The duties of that department, one of the best-organised and most valuable in the whole Administration, have been almost indefinitely expanded since the war began, and the available staff is probably much less complete and efficient than it was. Why not select groups from among the members of the House of Commons who could assist the Exchequer and Audit Department in its work, check accounts and vouchers, examine estimates also, and in all directions help it to maintain a continuous and concurrent supervision over all tenders, over costs of production likewise, and all disbursements? Let us, in short, have something definite, something with a purpose in it, given the House of Commons to do, not a mere makeshift pretence which does no real good and leaves things perhaps worse than it found them. Unless the House of Commons is given honest work to do of national importance, and endowed with full powers to carry on that work, the idea that the Government is spending in reckless profusion, with no thought of the after-time, will certainly gather force, and may become ominous in relation to our credit facilities.

Has Lord Rhondda, or Mr. Prothero, ever thought of the waste which attends the supply of market garden produce to the inhabitants of London? It is a subject that has often excited this writer's amazement, the wastefulness involved was so great. Passing along the streets anywhere in the suburbs green-grocers' shops often seem as numerous as public-houses in the Borough. In these shops you will see, especially towards the end of the week, piles of fer-

menting, flaccid cabbages and other vegetables being sold to the poor. Probably the cabbages, lettuces, onions, carrots, and other market garden products, or the fruits in their season, are several days old before they reach the ultimate consumer. An enormous amount of labour is always wasted in getting the stuff there, and opportunities for "profiteering" in the conveying of this produce from the grower to the ultimate buyer must be plentiful enough. London is probably the worst-provided town with vegetable markets in the kingdom, if not in the civilised world. Covent Garden, with its monopolies—of custom and other—dominates it in great part, and is a hindrance and an oppression on the people. The East End, we believe, has one or more people's markets, but everywhere else the greengrocer has to get up in the small hours of the morning, to go with his cart to Covent Garden, buy what he wants there, load it up as best he can, and bring it out to his little shop, five or ten miles off, it may be, for sale. If he has not enough business at his shop, he sends his horse and cart round the streets to sell from door to door stale vegetables and half-rotten, fermenting fruit, to the injury of health. The man is really a superfluity in great measure, and often a nuisance. Much of this business ought to be unnecessary, and represents an enormous waste of energy that might be better employed. That is why we ask whether it would not be possible for our Food Controller and the President of the Board of Agriculture to lay their heads together and devise a revolution of a kind beneficial to producer and consumer alike? Mr. Prothero, by getting the market gardeners around London organised, taught to co-operate together, might eliminate several ranks of middlemen by an intelligently controlled and regulated system of supply for each London district. The same system could surely be applied to the distribution of market garden produce which the Coal Controller is going to employ in handling coals. Producers nearest to each section of the vast London area ought to be brigaded and disciplined to mutual or conjoint action, and to have a central market provided for them to which they could together forward their produce, or come and sell it themselves. The villagers even could club together and send their contributions in one consignment to a common agent, by whom the whole would be sold to the householder or to costermongers, to be distributed. Hundreds, and one might say thousands, of insignificant shops, most of whose occupants have the hardest possible struggle to make ends meet one year with another, would probably cease to be required, their toiling occupants would be released for better and, let us hope, more remunerative employment. But the community would gain by obtaining fresher and cheaper supplies of vegetables and fruit.

It is becoming more and more evident that the Corn Production Bill is another of those half-digested measures to which we have been too frequently treated of late. The intention of the Bill is to stimulate the cultivation of wheat and oats, and for this purpose farmers are guaranteed minimum prices of 60s. for wheat and 38s. 6d. for oats this year, 55s. and 32s. respectively in 1918 and 1919, and 45s. and 24s. respectively in the following three years. In Committee the Bill was subjected to very destructive criticism from several quarters of the House, and from the wavering attitude of Mr. Prothero, an able and well-meaning man, but with insufficient Parliamentary experience, we are forced to the conclusion that the Government has not attempted, or has failed, to work out the problem. It is, of course, quite possible that the minimum prices will not come into effect, but it is much more probable that in practice they will constitute a handsome bounty to the farmers, which may cost the country £14,000,000 or more a year. In other words, the workers in towns may have to subsidise the farmers, and through them the landlords, to that extent, and it is easy to imagine what kind of feeling that is likely to create when war expenditure comes to an end and

the troubles of the transition period, before normal conditions can be restored, have to be faced. And in the meantime there is absolutely no guarantee that the production of wheat and oats will be increased, except, perhaps, at the expense of equally necessary foodstuffs, and there is good reason to fear that the scheme will simply amount to a premium on bad farming, plus an additional subsidy to the landlords. An amendment to confine the bonus to corn produced in excess of that grown in 1914 was opposed by Mr. Prothero on the ground that he could not thus encourage the indiscriminate breaking up of grass lands which would imperil the supply of food other than wheat and oats. It is tacitly admitted, therefore, that if the subsidy increases our food supplies in one direction it will be at the risk of reducing them in another. There is no bounty for the potato-grower or to the dairy farmer, although the supply of milk is of prime importance, and in effect the Bill discriminates in favour of the large farmer, who least needs subsidising, at the expense of the small farmer, and of the town populations who will not always be in receipt of war wages.

Is there not considerable risk in thus creating a class of "statutory profiteers"—a privileged agrarian interest on the German model? In reality the Bill is a landlord's measure purely and simply, as the people will discover and resent when they begin to study questions of this kind apart from the distractions of the war. It is true that a great deal of land has gone out of cultivation which it is the duty of the State to restore to productiveness, but a patchwork system of bounties is not the way to set about it. The agricultural industry has been extraordinarily prosperous in the past few years, and the opportunity is a splendid one for the complete revision of the land laws, which are at the root of the trouble with regard to the home production of food. We have repeatedly insisted that after the war the country must grow a much larger proportion of its food requirements, and there is no natural reason why it should not do so. But the worst possible way to attain the object is to create a hostile interest between the producer and the consumer—to subsidise the former at the expense of the latter, to make the poor poorer and the rich richer. Agriculture does not need artificial forcing of that description, but the conditions under which the industry is conducted require to be fundamentally revised and the feudal system of landlordism swept away. Only in that direction can any real progress be made, and a system of doles, even if cunningly devised, which the Corn Production Bill is not, will merely lead to chaos and disaster.

A notable expansion is shown in the figures of the London City and Midland Bank at June 30, current and deposit accounts showing the large increase of £23,000,000 at £180,417,000, and this, curiously enough, is just the amount shown as advances on War Loan, and also the amount by which the aggregate of the balance-sheet exceeds that of a year ago. Cash in hand has fallen £2,400,000 to £36,478,000. Money at call is roughly the same at £8,579,000, and British Government securities at £33,400,000 show little change, but other investments are £1,100,000 lower at £3,385,000. Bills of exchange have been reduced £800,000 to £12,250,000, but advances, loans, &c., are up £4,200,000 at £69,320,000, and the balance-sheet now totals at £196,715,000, a truly stupendous figure.

Barclays Bank, as the new and better title is, added £11,000,000 to its current and deposit accounts as compared with a year ago, and the total is now £105,000,000. Cash has increased £3,200,000 to £20,417,000, and money at call and short notice is up £810,000 to £5,868,000. Advances to customers, &c., have increased £10,000,000 to £47,422,000, but bills discounted are down £1,700,000 to £9,289,000, and investments have been reduced £1,500,000 to

£26,310,000. The total of the balance-sheet is £113,661,000, an increase in round figures of £10,000,000. Interim dividends at the rate of 10 per cent. per annum on the "A" shares and of 17½ per cent. per annum on the "B" shares are the same as last year.

The interim figures supplied by the London and South-Western Bank, Limited, when announcing its dividend at the rate of 17 per cent., less tax, or 6s. 9 3-5d. gross per share, the same as a year ago, are interesting when compared with those of June last. Liabilities on deposits, for example, have risen by £4,728,000, and now amount to £30,951,445, and acceptances are £167,000 higher at £1,190,479. At the same date last year, however, acceptances were £564,000 down, and in the present state of ordinary business it is quite notable to find an increase this year. Cash in hand and at the Bank of England is larger by £1,209,000 at £6,448,802, and call and notice money is £553,000 up at £3,358,809. Bills discounted, however, are down £794,000 to £2,209,922, and there is a decline of £913,000 in the aggregate of the bank's investments, which are thereby brought down to £5,895,700, the holding in 5 per cent. War Stock alone being £556,000 less at £4,379,028; but against this decline we have to place an increase of £4,313,000 in the loans and advances, bringing their total up to £15,242,006, and it is probable that the decline in the bank's own investments is connected with this increase, which is no doubt ascribable to the liberal help given by this and other joint-stock banks to the War Loan. The total of the balance-sheet is accordingly £4,756,000 larger at £35,573,976.

Considerable changes are shown in the balance-sheet of Glyn, Mills, Currie, and Co. at June 30, as compared with the end of last year. Current accounts are £417,000 lower at £14,394,000, but deposit accounts have increased £1,723,000 to £6,904,000, a rather significant movement. Liabilities on account of acceptances, &c. (covered by securities), have been reduced by £115,000 to £953,600. Cash in hand and at the Bank of England is £1,024,000 lower at £2,856,000, but money at call and short notice is up £1,290,000 at £7,308,000. Investments have declined £272,000 to £5,350,000, while bills discounted and loans (including pre-mortgage loans to stockbrokers) have risen £1,315,000 to £7,044,000, and the aggregate of the balance-sheet is £1,308,000 higher at £22,929,000. Following the practice of other banks, it has been decided to have the accounts audited once a year only—on December 31—but an interim statement will continue to be published at the end of June.

The Bank of Liverpool, Ltd., makes up its complete accounts to June 30, and it has had a highly prosperous year. Nett profits were £41,500 higher at £404,000, and as £27,500 more was brought in the total available shows an increase of £69,000 at £506,900. Allocation to investment reserve account is increased by £70,000 to £145,000, and after repeating the dividend of 15 per cent. (of which 7 per cent. has already been paid) the carry forward is £1,000 less at £101,815. Customers of the bank applied for approximately £26,000,000 War Loan and about £9,000,000 of these applications were financed by the bank, with the result that £6,346,000 appears in the balance-sheet for advances on War Loan stock. Cash in hand has fallen £930,000 to £4,255,000 and money at call, &c., is £520,000 lower at £4,421,000, but investments are up £630,000 at £10,784,000 and advances, &c. (apart from War Loan operations), are £3,600,000 higher at £17,830,000. Difficulties of carrying on the work owing to the depletion of the staff have continued, and two branch offices and eleven sub-branches have had to be closed. A war bonus has been granted to all members of the staff whose salaries do not exceed a certain figure.

What the Distillers Co., Ltd., has lost on the swings it has more than made good on the roundabouts, and the restrictions on the sale of spirits have been compensated for by the absorption of alcohol for munitions. Trading profits have increased £24,000 to £397,000, and £35,000 more was brought in, but income-tax took £25,000 more at £64,120, and the available balance is £346,700. It is proposed to create a provident fund for salaried officials, and £25,000 is set aside as a nucleus, which will have to be confirmed by the shareholders. Insurance fund gets £10,000 more, raising it to £120,000, and £100,000 is again placed to reserve, raising it to £800,000. Then the dividend of 10 per cent. is repeated free of income-tax, and the balance forward is slightly larger at £61,870. It should be mentioned that profits are arrived at after making provision for depreciation of investments and for liabilities under the Finance Acts. Stocks of spirits continue to increase, and are £170,000 up at £1,242,000, while investments have risen £180,000 to £671,000, debtors £185,000 to £1,106,000, and cash and bills £150,000 to £515,000. Land and buildings have been evened up to £800,000, a slight increase, but plant and utensils are lower at the round sum of £300,000. On the other side, loans from subsidiaries figure at £333,000, and sundry creditors have increased £435,000 to £738,000, but the company is strong and abundantly prosperous.

Probably few people in this country realise that the Bank of New South Wales has passed its hundredth year. It commenced business on April 8, 1817, and is thus, outside Scotland, and apart from the Bank of England, one of the oldest joint stock banks in the British Empire. Few among us, we fancy, regard Australia itself as old enough to possess an institution so venerable. It is 17 years older than the oldest joint stock bank—again barring the Bank of England—in England and Wales. An interesting summary of its career is given in the April number of the *Australasian Insurance and Banking Record* to mark its centenary. From this we learn that the object in founding the Bank of New South Wales was to provide a sound basis for the currency requirements of the colony. These were in a state of profound irresponsibility and confusion. In 1813 Spanish dollars were introduced and “punched.” The circular piece knocked out was used as a coin valued at from 10d. to 15d., and the ring, or “holey” dollar, left was taken as worth 5s. One of the new bank’s duties was to keep these dollars in the colony, and for some years the value of its notes was expressed in Spanish dollars. Its accounts also were made up in Spanish coinage terms, and the balance-sheet of December 31, 1825, shows a paid-up capital of \$43,200, a note circulation of \$115,940, and deposits of \$297,158. The total of the balance-sheet was only \$468,180, or little more than £90,000. In 1834 the paid-up capital was raised to £40,000, and every item of the published accounts was that time in sterling, the colony having apparently gone back to the use of English money in 1826. In 1850 the bank took a new and enlarged form, as was necessitated by the growth of its business, and when the last accounts in the old shape had been all wound up in 1851, it was found that the total distributed in dividends since the bank began business had been £362,542. In all, 61 dividends had been declared, including one at £51 7s. 9d. per annum, one at £41 13s. 4d., two at £33 6s. 8d., one at £25, nine at rates varying from 20 to 25 per cent., 16 at from 15 to 20 per cent., and only six under 10 per cent. The earlier dividends, be it noted, were presumably the gross amount declared, not dividends per share or per cent. Then came the gold discoveries in Australia, with the great stimulus they brought to the development of wealth in all the colonies. Successive additions to the paid-up capital of the bank have therefore had to be made from time to time as cover or support for its vastly expanded liabilities, and the latest issue of shares, when completed, will raise the paid-up capital of the bank to £4,000,000, so that, with the reserve fund and un-

divided profits included, the entire “cushion” or shield provided by the bank to its creditors, exclusive of the reserve liability on the shares, will exceed £6,500,000. In March, 1851, the total liabilities on deposits were under £300,000. At the end of September, 1907, they were £26,056,000, and at September last year £38,830,000. The Bank of New South Wales is therefore now a powerful wielder of credit, and all who have dealings with it will wish it continued expansion on solid lines and a long and prosperous future.

Although the General Electric Company, Limited, has been almost exclusively employed on war work instead of its regular business of supplying the electrical trade, it has not suffered any loss of profits. On the contrary, the year to March 31 was an exceedingly prosperous one, the nett profits amounting to £265,220, or £69,000 more than in the previous 12 months. The amount brought in was £11,000 larger, but this is offset by the extra sum written off for normal and special depreciation, and the sum available is £274,730. The dividend is maintained at 10 per cent., but it is to be paid free of income-tax, and consequently absorbs £12,500 more. It is proposed, also, to refund the income-tax on the preference shares, which, if confirmed, will require £10,500, and it will be interesting to see whether this rather novel suggestion meets with the approval of the general body of ordinary shareholders. Selfridges did the same thing a few months ago, but in that case the ordinary shares are held privately, so the conditions here are somewhat different. After again placing £40,000 to reserve (which will then stand at £400,000), and paying £18,470, or £6,000 more, as a bonus to the employees and managing director, there remains £89,780, or £42,000 more, to be carried forward. Grants to dependents of men on active service were £1,500 less at £11,480. Scarcity of raw material and the difficulty of obtaining machinery have prevented the company from proceeding with preparations for the development of the electrical industry anticipated after the war, but £11,000 was expended on the Kingsway building to protect the steel-work. Nearly £300,000 has been invested in the Osram-Robertson Lamp Works, Ltd., and a further £50,000 in the Pirelli-General Cable Works, Ltd., with the result that trade investments are just doubled at £708,000. It is said that all the allied companies continue to do well, with one or two minor exceptions affected by the war. The company has had to obtain a loan of £310,000 from its bankers, and sundry creditors are up £120,000 at £527,000, while debtors have increased £176,000 to £749,000 and stocks £175,000 to £668,000. Government securities are £84,000 down at £168,500, but cash is up £29,000 at £144,000, and the position looks healthy, particularly as loose plant fixtures, goodwill, and patents have been written down to the nominal sum of £3.

What has happened to the Harmsworths? Have they suddenly become shy and retiring, or are their affairs going less gorgeously than of yore? We ask in some concern, because, with all their faults, the members of this “star-shell” family can boast of a certain free-handed generosity in action which makes them tolerable to, if not exactly beloved by, those who serve them. They are ready to pay well for a man’s soul. But there must be some grave reason for the “hide-the-truth” policy which has been adopted with regard to the report and balance-sheet of at least one of their many companies. It used to send the document, beautifully printed—quite an artistic piece of typography, in fact—freely and liberally to all and sundry, so that the shareholders and punters amongst the public might be duly informed as to how things were going, whether prosperity was greater or less, and so forth. We always had pleasure in reciting and admiring the details of the wonder. But for the last two years the report of the Associated Newspapers, Limited, of the joint-stock concern which owns the *Daily Mail*, the *Evening News*, and the

Weekly Dispatch, together, perhaps, with other newspapers not openly mentioned, and which has a heavy stake in that rather hazardous Northcliffe enterprise, the Anglo-Newfoundland Development Co., Limited, has been withheld from the other Press, instead of being thrust upon all and sundry, as formerly. Being otherwise occupied, we did not bother much about the omission last year; but this year it seemed advisable, in view of this and that, to try and become possessed of the latest report. So we sent for it, and the boy brought back word that it was given "only to shareholders." That forces us to ask some shareholder kindly to take the trouble to forward the two reports for this year and last, so that we may be able to maintain unbroken our record of this great newspaper company's fortunes. They will be sent back when done with. In the meantime it may be said that a "hide-the-truth" attitude of this kind is neither fair nor straightforward. The company's shares are bought and sold on the Stock Exchange—presumably so, at least, though we could never see temptation in them—and while the report was available through the Press, buyer and seller were on the same plane; but now the seller has the advantage, and we should say that buyers will be more than ever shy and scarce while the secrecy is maintained. "You forget the cost of paper, and the necessity for enlarging the penny *Mail* in order to save on freights." Ah, to be sure, but all the same, the Associated Newspapers, Limited, is a public company, and its accounts ought to be public likewise.

Russia is not alone in having to wrestle with people who dream dreams of unreason subversive of all order in life. We have them here, plenty of them, of all shades and degrees of insanity and impracticability, not to say of viciousness, although they are perhaps held rather better in hand than, for a brief space, they were in Russia. We have before us, for example, a copy of a sheet called *The Herald*, which claims to be edited by Mr. George Lansbury, and in it we find plans for the "People's Party." "What are we going to do?" the screed asks, and under the heading, "Economic Conscriptio[n] of Wealth and Equality of Income," we are told that "all men and women willing to work must be paid even when their work happens not to be needed, just as soldiers are paid when they are not fighting." Moreover, "equal payment for all is to be the result at which the proposed reorganisation of society must aim." Instead of the present "capitalistic methods of production" everything is to be owned by the State and managed by the workers. This drastic revolution is to be immediately applied to mines, railways, shipping, shipbuilding, engineering, electric light and power, gas and water. After these national properties are seized and confiscated they are to be leased to the unions "on conditions which will ensure every member at present money value a minimum real income of £1 a day." That surely is rather a lofty ideal—or a thief's one, according to the point of view—but could anything be more widely impossible in this everyday world even though society may be sliding on towards undreamt-of changes? These lunatics seem to think that money is something which grows like nettles or gooseberries to be cropped and distributed at will. Other proposals are equally absurd, and the people who compile childish schemes of this description evidently have not the slightest conception of what their proposals would really mean, nor have they any care as to whence the means would come with which to gratify their morbid craving for dishonest ease. What is their demand for high wages without work except the demand of the cowardly shirker? They tell us, however, that "the economic effects of the war prove conclusively that a minimum real income of £1 a day present value for every worker is quite attainable." How is it "proved"? Because the country is spending £8,000,000 a day on the war alone. And do they know where that £8,000,000 comes from? It is being drawn from the savings of the future, it is a mortgage

on the labour of posterity, and in proportion as the draft which constitutes the mortgage grows in magnitude the chance of the workers in mass obtaining any wages at all in the future diminishes. There will be no work for skulkers, dreamy or other, in that future. But we are to have a "complete" democracy, if you please, "the abolition of the House of Lords," of "all titles and State-granted honours," and so forth. Poor envious snobs, what good will you get by that? Most of you will still be snobs, and too many of you sycophants just the same. Occupations and not geographical areas are to be the basis of representation in the Chamber which is to take the place of the Lords, and care is to be taken that the people shall have plenty of scope for enjoyment. Even "better public-houses" are to be provided for them. Mingled with this farrago of impossibilities there is a certain flavouring of benevolent aspiration, and some of the abstract propositions laid down may be possibly on their way to come within the range of practical politics some day, because they are purloined from other programmes, but as put forth by these wonderful reformers the whole display is phantasmagoric, a mixture of grains of sense with the wildest possible balderdash.

War work has proved profitable to engineering firms in more ways than one. The financial results have been good, but the experience gained is of even greater value. Lessons of organisation, standardisation, and adaptability have opened up new vistas and excited the pursuit of new lines of endeavour. Thus W. and T. Avery, Limited, the well-known weighing-machine manufacturers, did very well in the financial year ended March last, profits, after making provision for depreciation, excess profits duty, munitions levy, and internal reserve, rising £8,725 to £41,920. The dividend is not increased, 12½ per cent., less tax, being paid as before, but £13,000 is allocated to the reserve fund, against nothing in the previous year. The carry-forward is £830 down to £12,560. The items in the balance-sheet reflect the larger volume of business done. Sundry debtors have risen £14,160 to £120,595, cash £20,190 to £48,950, and creditors £89,860 to £175,075. Investments, too, are £37,000 up at £154,050. The liquid assets, apart from investments, total about £190,000, and just about cover current liabilities, including dividend disbursements. Stock is valued at £178,900, an increase of £10,730. The 4 per cent. debentures outstanding, repayable in June, 1918, now amount to £67,500. A resolution to be considered at the meeting of great interest to shareholders is one which would empower the company to capitalise the undivided profit standing to the credit of the company's reserve fund, and to distribute it as a bonus or dividend among the shareholders. The reserve fund in the balance-sheet now amounts to £77,000, but it will be recalled that the directors are empowered to pass to an internal reserve before profits are declared a certain sum at their discretion, provided they are able, first of all, to recommend a dividend of at least 10 per cent. Since the formation of the internal reserve, the dividend has never been lower than 10 per cent., and it is not unlikely that the fund has reached fairly substantial dimensions.

Of recent years the annual exhibits of J. W. Benson, Ltd., the firm of watchmakers and jewellers, have always been of a secretive character, and in times like these that is a policy to be strongly deprecated. The financing of stocks, owing to the greatly increased cost, calls for abnormally large sums, and it is of paramount

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importance that the liquid position of an undertaking should yield itself to analysis. In the case, too, of a business like Messrs. Benson's, who, we believe, grant to many of their customers rather long credit, a knowledge of the movements in the item book debts is essential to a proper appreciation of the position. The company, however, not only lumps its stock-in-trade and book debts together at £137,285, but returns the mixed item of freehold and leasehold property, plant, machinery, goodwill, &c., at £458,950. We note that investments include £105,000 War Loan, and the position may be favourable enough. But why hide one's light under a bushel? The company's workshops, the report tells us, have continued to be employed during the year in the manufacture of munitions, but this is not, of course, the only source of profit. We should imagine that the business of the company has derived considerable benefit from the temporary increase in the purchasing power of a large section of the community. In any case, profit comes out at £39,430, an improvement of £2,730, and nett profit, after providing for depreciation and sundry expenses, amounts to £36,000, an improvement of £1,175. The ordinary shareholders receive 5 per cent. as before, and the carry forward is raised £6,240 to £37,230. Sundry creditors have risen £10,440 to £23,770, and cash has fallen £11,305 to £17,580, but stocks and book debts are slightly higher, and investments have risen £26,210 to £220,270.

We are delighted that the Rumanian Parliament in Jassy has decided to emancipate the Jews by placing them "on a complete equality with their fellow-citizens." As was to be expected, Mr. Take Ionescu raised his powerful voice in support of the proposal, for thus and thus only can "The Jewish problem" be settled in all countries. We have often heard of late that a new "persecution of the Jews" is impending as one of the consequences of the war, and some riots in Leeds recently pointed that way. A friend lately drew our attention to the odious part played by Jews of a degraded type in those attempts, disclosed in the courts, to make money by perpetrating frauds that their dupes might escape military service. The inference is that all Jews are degraded; but were that true, which it certainly is not, the question would still be—who is responsible for their degradation? When one calls to mind the long centuries during which this gifted race has been treated as outcast, cursed of God, and subjected to all manner of injustices, the marvel is that there should be any clean, manly, and loyal Jews anywhere. As a matter of fact, such are in the great majority almost everywhere, and it says much for the inherent sterling qualities and force of character possessed by the race that it should have survived and maintained its character in spite of every effort made to debase it. Of a surety, THE INVESTORS' REVIEW will never be one among those who shall hound on its so-called Christian fellow-citizens to institute a new persecution.

After providing for such elastic items as depreciation, excess duty, law charges, &c., the nett profits of the English Sewing Cotton Co., Ltd., for the year to March 31 come out at £404,000. This is £20,000 less than the corresponding figure last time (which showed an increase of £228,000 over 1914-15), but we are not at all sure it would be safe to assume that the actual results are poorer. On the contrary, we should infer that they have been better, as the company has been very prudently managed in recent years, and the directors feel justified in raising the dividend and bonus from 18 per cent. to 20 per cent., while £10,000 more is placed to reserves and £4,000 more at £178,000 is carried forward. It is true the amount brought in was £54,000 larger, but we doubt if this alone would have persuaded the board to increase the dividend. These are only preliminary figures, but the favourable impression created is pretty certain to be confirmed by the complete report and the chairman's statement at the annual meeting.

The Hubbub in Berlin.

For a week or more past we have been deluged with German news relative to a "crisis" said to have arisen in the internal affairs of the Empire. The newspaper men have culled all sorts of gossip from the gagged German newspapers and other sources, and we have been led to suppose that "vital" changes might be on the eve of taking place within the Hohenzollern Empire. Austria is asserted to be nearly at the last gasp—we rather thought she was already dead, and now merely playing the part of a galvanised corpse—and wants to break away from Prussian domination. Or, so we are assured, Roman Catholics in Germany, whose mainstay is the subsidiary kingdom of Bavaria, are kicking up a dust through that emphatically noisome intriguer, Herr Erzeberger; Bethmann-Hollweg is being pelted, spat at, and snarled against by all the mobs of those who live for and profit by war; Ministers, puppets all, are declared to have resigned, and the maniac Kaiser himself flits hither and thither like a badly played shuttlecock. It looks, as reported to us, a pretty riot in a stirring pantomime of marionettes, and whatever it be, it should not affect the Allies, or move them in the smallest degree out of their equanimity. We do not care twopence what happens inside the German Empire, except that if it bursts in pieces its fragments may throw a lot more work upon the Allies. The people there have effectually rooted out of the Allies all interest in their domestic condition, present or future, by the hideous manner in which they have carried on their Prussian master's war of aggression and plunder. To all that is basest in Prussian ambitions, and most loathsome in Prussian crimes, the docile executants appear to have lent their willing support, and until they can prove that it is not so, they can expect neither trust nor sympathy in what, for all we can tell, may be a simulation of zeal for reform instead of an honest attempt to be free.

Only at one point does a feeling of anxiety arise. We may be sure that behind all this fuss and fomentation the despots are trying to discover some formula, some cunningly arranged device, by which the Allies may be tricked into making a peace. They want peace above everything, these Teutonic robbers and oppressors, but still fight for, and intrigue for, a peace which will save them from the retribution their infamies have invited, and enable them to keep the dupes they have debased and made inhuman in a condition of moral serfhood, a peace, therefore, which would betray perhaps for all future time the liberties which the civilised world is now banded together to fight for, and retain the curse of militarism as a permanent blight upon human progress all the world over. Now that danger may become real at any moment, as outcome of the present attack of word vomit in Berlin. Plausible phrases will be concocted, and dispersed from the lie factories there, and will find in all the Allied countries some ready to be deceived. All the more reason why our attitude should stiffen and our vigilance be increased. We think Germanic plotting should be met by a definite notification from the Allies, all speaking as one, that they will not now listen to any attempts on the part of the ruined Central Empires to negotiate a peace. Who among them could we trust? Supposing we entered into negotiations with the alleged representative of the democracies of these countries, is there one among them whose word we could take? It has, we are glad to think, long since become impossible to negotiate with the Kaiser and his surroundings on any footing. The masters of Germany have put themselves beyond the pale of civilisation, and have done as much almost by their lying as by their cruelty to put themselves in moral quarantine for perhaps centuries to come. But is there any more prospect of being able to come to an agreement that can be relied upon with the democracies should they get the upper hand, an event that seems in the highest degree improbable in Germany? We think not. So

far as we know, there has not emerged a single individual from the ranks of the German people during the three years this war has lasted who has dared all, even life itself, in combating absolutism, in resisting the delirious savagery of his fellow-citizen. Perhaps Herr Liebknecht might have led a popular revolt, for he seems to be an enlightened citizen and honest man, but if he had tried to would he have had any followers? We hardly think so. For what aspect do the Socialists present themselves under in Germany to-day after three years of misery? They are only slaves still to the mediæval conception of the chief robber's "rights," and gloat still over the "conquests," the annexations, and plunder their masters tell them they shall secure by holding out. There is not a single group or party in Germany, no matter how it tricks itself out in fine formulæ, which can obliterate the brand of the serf on its forehead. And the Allies cannot enter into an agreement with slaves of any degree. It ought, therefore, to be understood between themselves that no negotiations of any kind can be entertained with the blood-drenched, robber peoples of Germany, no matter under what garb of Socialism and equal rights and liberties they happen to appear before us. Peace with such cannot be an affair of bargaining between equals, it must be imposed as a matter of stern duty, and in order to protect the weak.

"But this attitude means an indefinite prolongation of the war," many will say. We take leave to doubt that. The war will be pursued with all the more consistency and sternness on the Allied side if the combatants understand fully what its end is to be, that there will be no give-and-take betrayals of any knot of people, however small and downtrodden, merely to reach a truce with tyrants who never keep faith a moment longer than it suits them. The exhaustion, moreover, of the two Germanic Empires is not far from being complete, so complete as to seal their doom for ages, and the more united and vigorous our onslaughts, the sooner the collapse. Germany may, ere the weapon is struck from her grasp, manage to concoct a semblance of another big loan, already badly needed, but Austria cannot; for Austria-Hungary there is no hope, and as the blows of the Russians fall more swiftly and heavily on the disorganised armies of the tottering Habsburg anachronism of Empire, the inability to finance the conflict longer must come home even to the ring of office-holders and aristocratic horse-leeches surrounding the Viennese Court. To the Jew bankers the end has long been visible, and when the *finale* comes they will be without power to enforce the bond. In the interests, therefore, of the suppressed nationalities within that Austro-Hungarian Empire, in the interests also of the betrayed and plundered people of tributary kingdoms and principalities of the Hohenzollern Empire, the war must be pursued with unity, zeal, and determination, until both autocracies crumble to pieces. "Peace offers?" Treat them as the wandering wind of an empty day. Only when the foe is beaten to impotence can the Allies begin to be assured that a durable peace is in sight, for only then will they be in a position to help the peoples they have delivered from bondage to begin to scramble up towards the freedom they have prayed for, and which has been denied them so long. Then even the maniacs of Pan-Germanism will have a chance to become men.

Reuter reports from Petrograd, under date June 26, that according to information regarding the crops received by the Government, the yield of winter wheat promises to be below the average in 77 districts, the average in 48, bad in 29, satisfactory in 221, and good in 57. The quality of spring wheat is slightly inferior, as the cold in the early days of May hampered its growth. The Minister of Agriculture has prepared a Bill which provides that all agricultural land shall be temporarily controlled and worked by committees of farmers in the interest of the State until the agrarian question has been settled by the Constituent Assembly. To this end committees of local farmers will fix the area of lands which are to be cultivated by townships, societies, or private owners, while all other lands will form a reserve.

Rhodesian Railway System.

A fortnight ago we dealt pretty fully with the Chartered Company's report, a somewhat verbose document, which contrives to convey a minimum of useful information at inordinate length. Now we have the balance-sheets of the Rhodesia Railways, Limited, and of the Mashonaland Railway Co., Limited, which not only bring the history of the country down to a later date (September 30 last), but also give particulars from which progress can be more accurately determined. In some respects the results for the past twelve months are distinctly encouraging, even if they are not exactly calculated to create enthusiasm. There is, however, the awful bogey of depreciation and renewals, which has never been squarely faced, but will have to be seriously tackled one of these days.

Let us deal first of all with the Rhodesia Railways, Limited, which has been in existence for nineteen years, and is the more prosperous of the two systems, although the Chartered Company must find it more difficult than tight-rope dancing to keep the balance between it and the Mashonaland Company. It has a nominal share capital of £8,000 (mainly owned or controlled by the Chartered Company), and it has raised £6,250,000 by debentures, a system of finance that must surely have been invented in Bedlam. For the year to September 30, the gross revenue was £937,600, an increase of £143,000, which follows a decrease of £186,300 in the previous twelve months, so that the 1913-14 level has been nearly restored. A year ago expenses were cut down £44,500, and now they are only up £6,100 at £388,100, and the nett earnings are therefore £136,900 higher at £549,500. Passenger traffic showed a slight falling-off, but the tonnage of general goods carried showed an increase of 30,600, and that of minerals 116,800 tons, the former bringing in £77,370 more, and the latter £54,160 more. Imports of general merchandise showed only a slight improvement, and most of the increased revenue came from copper, chrome ore, coal and coke.

Adjustments of through traffic accounts produced a nett credit of £31,000, and the total nett revenue comes out at £579,500, an increase of £166,000. Debenture and loan interest required £8,000 less, but income-tax took £22,000 more, and the amount set aside for depreciation and renewals was £5,000 larger at £56,000, leaving a balance of £205,150, or £147,000 more, which it is proposed to carry forward, raising the undivided surplus to £383,100. It is pointed out that the need for economy during the war has led to the postponement of all expenditure except upon absolutely necessary and urgent work, and considerable outlay will be imperative as soon as conditions permit of its being undertaken. Capital expenditure, however, amounted to £35,300, against £14,800 in the previous year, and the capital account is now overdrawn £340,700. Depreciation and renewal accounts amount to the substantial sum of £533,000, but there are years of neglect to be made good, and several times the amount mentioned will probably be required to put the line into good physical condition. Liquid assets amount to nearly £650,000, against liabilities of £190,000, and from this point of view the position is fairly satisfactory, but the directors are evidently prudent in conserving their resources, and certainly the conditions and prospects do not justify the payment of a dividend. Approximate figures for the six months to March 31, it is true, show continued expansion, gross earnings being £46,640 higher at £498,800, and nett earnings £37,650 higher at £278,560, which may be regarded as quite satisfactory, but the company is not yet out of the wood.

Progress is also shown by the Mashonaland Railway Co., Ltd., although it is still a long way from balancing its accounts on the right side. In this case the share capital is £450,000, only £7 of which was paid in cash, and there are debentures for £5,060,000, in addition to which the company owes £1,208,000 to the Rhodesia Railways Trust, Ltd., and £307,000 to other creditors. Capital expenditure has amounted to

£4,980,000, including £850,000 for the acquisition of the rent charge of £42,500 a year from the Beira Railway Co., and the capital account is in funds to the extent of £530,000. Last year expenditure, less credits (the proceeds of taking up the derelict Ayrshire line, £7,400), was only £670. Gross receipts from the Beira-Salisbury section amounted to £383,300, an increase of £40,640, while expenses were £10,000 higher at £171,380. There was a further decline in the volume of imported goods, and the increased revenue is due to the larger tonnage of mineral traffic exported from Beira. In the six months to March 31, however, there was a set-back, gross receipts being £11,260 less at £186,550 and nett earnings £4,160 less at £97,100, mainly owing to the decreased importation of general merchandise. From the Kalombo-Broken Hill section the gross receipts were £196,600, an increase of £69,000, and expenses were only £3,800 higher at £48,100, so the nett earnings are £65,200 to the good at £148,500. Both gross and nett receipts are the highest since the opening of the line, the improvement being due to the continued expansion of the traffic to and from the copper mines of the Belgian Congo. For the six months to March 31 nett earnings show a further increase of £28,130 at £89,060. Including the small Lomagunda and Shamva branch lines revenue amounted to £283,600, an increase of £90,000, and there was little change in expenses, but interest required £8,000 more, and the loss on the year is reduced by £80,000 to £17,250. That brings the total debit balance up to £1,440,000, apart from £200,000 discount on debentures still to be written off, which at the present rate will be accomplished in less than 40 years. Funds for depreciation and renewals amount to £312,000, but it must be perfectly obvious that these are quite insufficient when it is known that nothing beyond absolutely essential repairs has been done for many years—possibly not since the lines were laid down. It is not a cheerful position for the debenture-holders, and we feel uneasy about the future, but must hope for the best.

By-the-Way War Notes.

In a very literal sense the Germans are playing with fire, and that fire will presently consume them. Their partially successful, though accidentally less murderous, onslaught upon London from the air last Saturday has intensified, not only there, but all over the kingdom, the demand for retaliation, swift, unrelenting, thorough. The popular wrath which inspires this demand may not be excited by sentiments of lofty humanity, nor may it be in harmony with military plans, but it will have to be attended to by the authorities, the Ministers, whether they like or no. If they do not now act in a manner which satisfies the people that everything possible is being done to protect them from a continuance of this indiscriminate slaughter, then there is no knowing what may happen. One thing, however, looks ominously certain: innocent Germans in this country will probably often be assaulted, or, short of that, will suffer grievous affliction at the hands of a population roused to fury by the crimes of the Prussian ruffians. At the secret session of the House of Commons on Monday, of which only an emasculated account has been made public, there were apparently reasons in plenty given for taking a more lenient view of our actual defence against the monster machines called "Gothas," of which twenty-two were sent over unexpectedly by the Germans to bombard us, protected, or screened, by a swarm of attendant scouts. No doubt our airmen did their very best, and, take them as a body, they are probably much more resourceful, as they assuredly are more manfully courageous, than those of the enemy; but nothing that was told the public did much to remove the feeling that the air service of London is not well organised, or to abate the passion behind the demand for retaliation upon the debased Germans themselves. If we do not possess sufficient machines

of the high quality and sustained speed-power necessary for this purpose, so much the worse for us; failure might become dangerous to the stability of our existing institutions.

The United States Government, at the very beginning of its comradeship in the fight of civilisation against barbarism, has evidently grasped that war in the air is not unlikely to prove a more decisive element almost in settling this conflict than ships at sea and monster guns on land. We have already drawn attention to the energy displayed in America—£150,000,000 probably to be devoted to the creation of a vast air fleet—and hope that it will result in the provision of such a number of machines of the highest and most powerful type as may enable us to terrify the degraded and savage enemy into something approaching human behaviour. Five or ten thousand armed and bomb-loaded aeroplanes constantly engaged in the work of devastation over Germany might perhaps succeed in convincing even the conceit-bloated Prussian Junker that savagery will neither make his Empire powerful nor rich.

But it may be that the German pioneers in the most inhuman forms of cruelty are really doing us and mankind a good turn without suspecting it: they may be showing us the way by which wars may in future be made impossible. For no unarmed population, how much soever they may be swollen with the vanity of dominion, will in after days rise to the bait spread by the greedy, would-be world-subduer, and risk their lives, their all, by following him in any murderous enterprise such as the one that criminal madman, William of Prussia, has plunged the German race into, knowing that the first vengeance would fall on them, not on their armies. So, in our clamour for vengeance on the assassin from the skies—a natural and inevitable clamour under the provocation given—we must try not to lose our self-control, or to grow too impatient. The Prime Minister had ample reason when he told the country on Monday that the military interests are supreme, even in the use of those new aerial instruments of murder and devastation. We must, above all things else, be masters on our fighting front in Western France and Belgium, and must remain masters. No provocation on our side of the Channel must be allowed to interfere with that essential necessity. And even when we are able to go further and to carry devastation into the enemy's country by continual flights of powerful armed aircraft over German towns and manufactories, we must not seek to force our air warriors into indiscriminate waste or calculated slaughter of the unarmed.

As this journal has continually sought to teach, the energy developed by us should continue to be devoted to the accomplishment of military ends. All the force in our aeroplanes should consequently be directed scientifically to the destruction of the enemy's offensive power at its source. Not only should aerodromes be bombarded wherever discovered, but continuous attacks should be made upon centres of gun and munition production, upon collieries or coal dumps, and blast furnaces, upon forests, and stores of all kinds, upon Rhine bridges, upon railways, viaducts, tunnel mouths, upon everything, in short, which, by being destroyed or mauled out of all use, would put a stop to the facilities for perpetrating wholesale murder the Germans possess or may yet invent. Even in combating air raids the best defence is to attack. See how the French are utilising their proximity to the German industrial centres in the Rhine valleys to lessen the output of artillery and munitions there. "Essen suffered no harm," the Huns assert, and lie as usual, lie the more brazenly the nearer they approach to despair and exhaustion.

Do our enemies gain any advantage by these air raids? None at all—never can, if we continue resolute—and the very success of these exploits serves to harden us. It is the same on all the theatres, and in all the methods of war the Huns practise. This week the fighting in the West has been furious, first on the

French portion of the front and then on the Allied lines near the coast of Flanders. At first both assaults had a measure of success. On Saturday and Sunday last the Germans determinedly assaulted the French on the Champagne front in an effort to get back the high ground of the Ladies' Road they had been driven from some weeks earlier. At first the attack was partially successful, the front lines of trenches being stormed for a length of about 1,600 yards, but the French soon rallied, and next day drove the Germans out of most of the ground they had rushed. Not all their strength in artillery, nor their avalanches of massed columns of "shock" troops, availed them. Their assaults on Mort Homme in the Verdun war zone were even more useless, if that were possible. They go on losing thousands of their best remaining men every day and gain nothing.

The same exhibition of impotent fury was subsequently made on the Belgian lines by the sea in Flanders. Again, *Stoss-Truppen*, collected from the most efficient fighters still to be found in the German armies, were flung against our lines on the Nieuport front, and succeeded in forcing us back, our defences in the dunes sector near the coast having been previously levelled by a twenty-four hours' intense bombardment. We lost a front of about 1,400 yards to a depth of about 600 yards. The sector was isolated, too, the enemy having broken the bridges of the Yser there. Berlin claims to have taken 1,250 prisoners, including 28 officers, and, assuming the claim true—which it probably is not—what does it amount to? Nothing either in tactics or strategy. The ground lost will be retaken again if our generals think it worth while, or the Germans may be goaded to renew their assaults against forces better protected. Under the devastating power of modern artillery, front lines of trenches must always be easy to rush at a first onset, because they may be nearly empty of defenders. Only a mad or stupid commander would keep his men crowded into places where they could be mowed down like corn, without power to defend themselves or to inflict due punishment on the enemy in return. But once into the coveted territory, the enemy comes under our guns and is trapped. He has destroyed beforehand his power to hold the ground snatched, and insures his ultimate defeat by the very success he has scored. That he is nearing complete defeat is indicated by these wild dashes, by their eruptiveness, their seeming purposelessness, and, above all, by the use of selected bodies of men to lead the charge. As the able military correspondent of the *Westminster Gazette* pointed out a week or two ago, the fact that the German high command has been forced to make levies of good fighting men from all divisions of the Armies in order to constitute these forlorn hopes, proclaims to the world the inferior quality of these armies now as a whole. That consideration alone should strengthen the Allied Powers to refuse all peace palaverings, to fight steadily on until the enemy is completely overthrown.

In Galicia the Russian offensive moves on from success to success, and by the capture of Halicz it is probable that the reoccupation of Lemberg has been assured, cannot be long postponed. The fighting, too, extends both north and south on the Russian front in a methodical way which promises well for the "knock-out blow" on the enemy. Austria is quite paralytic already, but the dogged resolution of both the German and Magyar supporters of the Habsburg tyranny may keep the fight going a little longer, and that should at least insure an end of the Austrian Empire for good and all. It will be disintegrated by its insolvency, and wholly unable to resist whatever arrangements the Allies may decide to impose, with a view to the liberation of the nationalities so long held in subjection by the dynasty.

Little news has come from the Italian front this week, but we may be sure the Italian armies are busy enough; and in Macedonia, as we have said before, the three Allied Powers probably wait only for the renewal of an offensive by the Rumanians.

Meanwhile, British aeroplanes have bombarded the harbour and War Office in Constantinople with excellent effect, and the efforts of the Turk to raise a loan in Sweden is made to look all the more ridiculous in the circumstances. Greece, too, will be a valuable aid to us when the day dawns to begin making an end to anarchy in the Balkans.

Last week's U-boat "triumphs" give further encouragement to the hope that the worst has been seen of that particular form of German culture. Only thirteen vessels of 1,600 tons gross and over were sunk, deducting from the gross total of fourteen shown one ship sunk but not reported in the week ended June 24. This is the lowest number lost since the second week of March, and only three ships under 1,600 tons gross were sunk, which is the same as for the week ended June 3. Thirteen vessels were unsuccessfully attacked, so that altogether twenty-nine ships were assaulted last week by the assassins, of which sixteen were sunk, and this is the lowest aggregate except one since the vaunted war of starvation was proclaimed by the enemy to all the winds of heaven. In the week ended March 11, only twenty-eight vessels were attacked by the U-boats. The same number was sunk then as last week, but the number unsuccessfully attacked was one less. We think the inference may now be drawn that this particular form of Prussian savagery is in a fair way to be mastered, although there must be no abatement of effort on our part until it finally is so. Every new invention applied by the enemy to help him in continuing the fight must be beaten, and all his weapons of offence struck from his hand before we can take the first step towards peace. Last week the number of vessels that entered our ports was 2,898, and the number that sailed 2,798, or 5,696 in all. How small, then, is the percentage the enemy succeeds in destroying. And French and Italian losses are just as insignificant compared with their total tonnage. Was it a consciousness of the U-boat failure which made Hindenburg fall back upon "Gothas" in the air? We neither know nor care much; the enemy has to be beaten. But the man is said to be less popular in Germany than he was when, in primitive worship, they were filling the wooden idol of him with nails.

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from $5\frac{1}{2}$ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Quite uneventful has been the story of the Money Market this week. Ease has prevailed, in spite of a growing diminution of market resources. These, however, are so ample that withdrawals of gold such as those of the past two weeks will have to go further before such a feeling arises in the open market as would really harden rates. Still, in the fortnight the Bank has parted with £4,100,000 of its coin and bullion, the stock of which is now £5,965,000 below that of twelve months ago, and allowing for a reflux of £273,000 in the note circulation, which expanded £803,000 last week, the actual reserve of £31,952,000 is £9,907,000 under last year's figure. Thanks, however, to the creation of credit visible in the totals of Government and other securities, which are together to-day fully £30,500,000 larger in amount than they were a year ago, the market is protected against immediate sensitiveness on the score of gold withdrawals. Rates accordingly remain unaffected. Seven-day money was $4\frac{1}{2}$ per cent. a week ago, and it is the same to-day. Afternoon loans were $3\frac{1}{2}$ per cent. or so then, and are that now. As for discounts, they range from $4\frac{3}{4}$ to $4\frac{7}{8}$ per cent. on remitted paper, according to usance, and from 5 to, as an extreme, $5\frac{1}{2}$ per cent. on fine inland bills. These rates are sufficiently strong in ordinary circumstances to protect the market, and, at the same time, to allow the Government to obtain its credits at easy rate. Its Treasury bills due in August, for instance, were done in the middle of the week at $4\frac{1}{16}$, and the September bills at $4\frac{1}{8}$ per cent., which is surely as cheap as could be expected, although high enough to inculcate vigilance upon the Treasury, lest through exports of gold unreplenished, the market

should take fright and force rates up. That undoubtedly is the danger pointed at in this week's Bank return.

Revenue for the week ended July 7 amounted to £12,151,000, to which property and income-tax contributed £4,308,000, excess profits duties £3,142,000, and Customs and Excise £1,646,000. Other receipts were £98,881,700, including £72,999,000 for Treasury bills, £4,929,000 for 5 per cent. Exchequer bonds, and £17,000,000 for temporary advances. Expenditure amounted to £54,872,700, of which £51,160,000 went in Supply Services and £3,660,000 in permanent debt charge and interest. Other issues were £48,351,600, repayment of Treasury bills taking £43,349,000. Thus the Government spent practically £55 millions, to meet which revenue brought in £12 millions and £52 millions were borrowed, leaving the Exchequer balances nearly £9 millions higher.

The official return of Trustee and Post Office Savings Banks for the four weeks ended July 7 shows that the Trustee Savings Banks have a total credit of £48,437,600, or £1,065,300 more than at the corresponding period in June. The total of the Post Office Savings Banks Fund, which is subject to adjustment for War Loan applications, is £201,200 higher at £192,957,600. The grand total at the credit of Trustee and Post Office Savings Banks amounts to £241,596,400, and compares with £246,827,100 at the corresponding date of 1916.

Interesting, though somewhat belated, information regarding the last National Loan issued by Italy tells us that it has been a remarkable success, no less than £9,000,000 having been subscribed by Italians in the United States alone, who were attracted, first, by the $5\frac{1}{2}$ per cent. interest, and, secondly, by the depreciation in the Italian exchange, but no doubt most of the subscribers were actuated by a spirit of patriotism by no means predominantly mercenary. Italy, it is reported, has already raised four other internal loans of an aggregate of £280,000,000, has also borrowed £160,000,000 from England and £20,000,000 from the United States, so that the entire cost of the war to Italy represented by borrowed money has already amounted to fully £600,000,000. But, restored to her rightful heritage and place in the world, the handicap will look small.

The Government of Cuba has arranged to raise a war loan of £6,000,000. It will be issued in three sections, the first during the current fiscal year just begun, and the second and third in the two succeeding years. The interest will not exceed 6 per cent., and redemption is provided for within a period of 12 years, commencing with January, 1918. It is hoped that the loan may be placed in the New York and London markets.

SILVER.

Silver has had another jump in price during the week, and closed yesterday at 41d. per oz. A week ago the price was 39 $\frac{1}{2}$ d. There has, Messrs. Mocatta say, been little change in the market, and the price has gone up because of the smallness of the supplies rather than through any large purchases. A small Continental demand has been experienced, and that is all. The China exchange has continued firm, and has advanced in sympathy with our market, which has enabled large purchases for China to be made in San Francisco. In India, however, the price remains well below parity, and it is stated that the Government has put an embargo on private imports. In Messrs. Samuel Montagu's circular it is pointed out that the stock of silver in Bombay is down 300 bars to 1,800 bars, but the stocks in Shanghai appear to be much the same, the decline in sycee being balanced by the rise in dollars.

Applications for the Rs. 1,20,00,000 India Council drafts offered on Wednesday amounted to Rs. 2,13,05,000. Of these, Rs. 1,11,86,000 were allotted in deferred transfers, and Rs. 8,14,000 in immediate transfers. Tenders for bills and deferred transfers at Rs. 4 5-32d. and for immediate transfers at Rs. 4 $\frac{1}{4}$ d. received about 56 per cent. The amount to be offered next Wednesday is again Rs. 1,20,00,000. Since April 1 the total sales have been Rs. 16,80,00,000, realising £11,318,194.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, July 11, 1917.

ISSUE DEPARTMENT.

	£		£
Notes Issued	69,214,375	Government Debt	11,015,100
		Other Securities	7,434,900
		Gold Coin and Bullion	52,761,375
		Silver Bullion	—
	£69,214,375		£69,214,375

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	45,465,561
Reserve	3,249,543	Other Securities	108,600,131
Public Deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts)	42,087,527	Notes	29,284,305
Other Deposits	126,103,441	Gold and Silver Coin	2,667,738
Seven Day and other Bills	24,224		
	£186,017,735		£186,017,735

Date July 12, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year, July 12.		July 4, 1917.	July 11, 1917.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,261,529	Rest	3,241,109	3,249,543	8,434	—
54,920,429	Pub. Deposits	41,672,768	42,087,527	414,759	—
92,499,536	Other do.	130,579,220	126,103,441	—	4,475,779
37,076	7 Day Bills	24,249	24,224	—	25
	Assets.			Decrease.	Increase.
42,187,661	Gov. Securities	45,506,261	45,465,561	34,700	—
81,225,158	Other do.	111,080,511	108,600,131	2,480,380	—
41,859,753	Total Reserve	33,489,574	31,954,943	1,534,631	—
				4,475,804	4,475,804
				Increase.	Decrease.
£	Note Circulation	£	£	£	£
35,988,615	.. ..	40,203,705	39,930,070	273,635	—
59,397,368	Coin and Bullion	55,242,279	53,434,113	1,810,166	—
28.4 p.c.	Proportion	19.4 p.c.	19 p.c.	—	4 p.c.
6	Bank Rate	5	5	—	—

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,415,416,000	333,290,000	—
June 6	396,033,000	296,965,000	99,068,000	—
" 13	342,330,000	290,373,000	51,957,000	—
" 20	388,145,000	275,677,000	112,468,000	—
" 27	360,304,000	284,615,000	75,689,000	—
July 4	337,191,000	310,561,000	46,630,000	—
" 11	373,674,000	319,832,000	53,842,000	—
Total ..	10,568,669,000	7,998,038,000	2,570,221,000	—

PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended July 7.)

REVENUE.	EXPENDITURE.
£	£
Customs	National Debt Service ..
Excise	Interest, etc., on War Debt
Estate, &c., Duties	Development & Road Impvt
Stamps	Payments to Local Taxation
Land Tax and House Duty	Other Consolidated Fund
Property and Income Tax	Charges
Excess Profits Tax	Supply Services
Land Values	Bullion Advances
Post Office	For Advance for Interest
Crown Lands	on Exchequer Bonds under
Sundry Loans	Capital Expenditure
Miscellaneous	(Money) Act, 1904
Bullion advances repaid ..	For Treasury Bills
For Treasury Bills for Supply	For Exchequer Bonds issued
5% Exchequer Bonds, 1919 ..	under the War Loan Red-
5% Exchequer Bonds, 1922 ..	emption Act, 1916
6% Exchequer Bonds, 1920 ..	Expenditure Certificates
War Expenditure Certificates	under War Loan Act, 1916
War Savings Certificates ..	Other Debt under War Loan
4% War Loan, 1929-1942 ..	Acts, 1914-16
5% War Loan, 1929-1947 ..	For Exchequer Bonds under
Other Debts created under	Section 61 of Finance Act,
War Loan Act, 1915, and	1916
Finance Act, 1916	Under Telegraph (Money)
Telegraph Money Act, 1913 ..	Act, 1913
Under Post Office Rly. Act,	Under Post Office (Lon-
1913	don) Railway Act, 1913 ..
Under Military Works Acts,	Under Military Works Acts
1897-1903	Under Housing Act, 1914 ..
Under Public Buildings	Public Buildings Expendi-
Under Housing Act	ture Act, 1903
Repayment of Advance for	Old Sinking Fund, 1907-8 ..
Interest on Exchequer	Old Sinking Fund, 1910-11 ..
Bonds, 1904	China Indemnity
China Indemnity	East African Protectorate
East African Protectorate	Loan repayment
Loan repayment	Suez Canal Drawn Shares ..
Suez Canal Drawn Shares ..	Temporary Advances repaid
Ways and Means Advances	Increase in Exchequer
Decrease in Exchequer	balances
balances	
£111,032,704	£111,032,740

CURRENCY NOTES.

Return of Currency Notes for the week ended July 11, 1917.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes	3,688,783	2,986,527	117,274,570
10s. notes	1,311,399	1,274,240	31,283,810
Note certificates	10,000	50,000	16,170,000
Previous total	647,770,134	484,731,169	—
	652,770,316	487,991,936	161,728,380

Ratio of gold held against notes, this week, 19.11 p.c.; last week, 19.42 p.c.

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	June 8, 1917.	June 1, 1917.	May 25, 1917.
	£	£	£
Gold coin and certificates	66,000,200	59,845,000	66,833,000
Gold Redemption Fund	5,600,000	610,600	581,000
Gold Settlement Fund	41,177,200	37,511,200	36,718,000
Legal tender notes, silver, &c. ..	7,538,600	7,324,800	7,338,400
Total reserves	115,262,000	105,291,600	111,530,400
5% redemption fund against F.R. bank notes	80,000	80,000	80,000
Bills discounted—Members'	19,604,200	19,170,800	9,517,400
Bills bought in open market	27,054,000	23,220,000	21,175,400
U.S. bonds	7,277,400	7,277,400	7,302,600
One-year U.S. Treasury notes	4,667,600	4,667,600	4,667,600
U.S. Certificates of indebtedness	11,992,000	10,831,400	11,561,400
Municipal warrants	1,104,800	2,782,400	2,935,000
Total earning assets	71,700,000	58,949,600	57,419,400
Federal Res. notes—nett	5,241,600	5,915,600	5,682,400
Due from other Federal Res. bank—nett	952,200	735,400	2,128,200
Due from depository banks	—	—	24,469,800
Uncollected items	60,946,000	35,418,400	67,755,800
All other resources	1,117,600	1,211,200	1,284,800
Total resources	255,309,400	207,661,800	263,390,400
Capital paid in	11,400,000	11,397,000	11,398,200
Government deposits	45,397,800	19,285,400	39,692,600
Due to members—Reserve account	155,381,400	144,229,200	162,665,200
Members' bank deposits—nett	—	—	—
Collection items	36,264,200	26,828,400	34,030,200
Federal Res. notes—nett	6,495,200	5,555,200	5,240,200
Fed. Res. bank note liability	—	—	—
All other liabilities	370,800	466,600	15,364,000
Total liabilities	255,309,400	207,661,800	268,390,400
Gold reserve against nett dep. and note liabilities	52.2%	61.3%	63.3%
Cash reserve against nett dep. and note liabilities	63.4%	65.8%	67.8%
Cash reserve against nett dep. liabilities after setting aside 4% gold reserve against aggregate nett liabilities on F.R. notes in circulation	51.3%	66.8%	68.7%

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	July 7, 1917.	June 30, 1917.	June 23, 1917.	July 8, 1916.
	£	£	£	£
Loans	770,634,000	765,014,000	782,722,000	656,484,000
Reserve held in own vaults	50,018,000	51,114,000	51,378,000	80,088,000
Reserve held in Fed. Res. Bk.	83,950,000	67,006,000	53,374,000	31,034,000
Reserve held in Other Depos.	11,322,000	11,390,000	11,206,000	11,728,000
Net Demand Deposits	666,930,000	686,152,000	687,920,000	640,036,000
Net Time Deposits	38,336,000	35,432,000	33,444,000	35,672,000
Circulation	5,934,000	5,924,000	5,920,000	6,312,000
Excess Lawful Reserve	48,262,000	14,220,000	7,342,000	12,822,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	July 7, 1917.	June 30, 1917.	June 23, 1917.	July 8, 1916.
	£	£	£	£
Loans	172,968,000	172,536,000	172,206,000	145,884,000
Specie	12,408,000	12,790,000	13,016,000	12,002,000
Deposits	172,558,000	174,134,000	177,450,000	153,364,000
Legal Tenders	2,136,000	2,078,000	2,158,000	1,876,000

BANK OF FRANCE (25 francs to the £).

	July 12, 1917.	July 5, 1917.	June 28, 1917.	July 13, 1916.
	£	£	£	£
Gold in hand	130,345,240	130,240,560	130,129,880	191,021,720
Silver in hand	10,490,400	10,509,560	10,391,000	13,664,520
Bills discounted	20,951,520	27,491,920	22,236,560	17,178,000
Advances	45,827,440	44,995,360	44,774,600	48,108,920
Note circulation	807,859,360	804,482,160	792,924,240	644,527,000
Public deposits	2,801,720	1,708,440	1,340,320	2,564,440
Private deposits	98,460,600	111,120,800	110,338,600	88,976,240
Foreign Bills	108,600	64,680	58,480	97,240

Proportion between bullion and circulation 27.50 per cent., against 27.61 per cent. last week. Advances to the State £428,000,000, increase £4,000,000. The adjourned payments of drafts in Paris on account of the moratorium £21,192,440, decrease £87,640, and at the branches £26,359,200, decrease £51,000.

IMPERIAL BANK OF GERMANY (20 marks to the £).

	July 7, 1917.	June 30, 1917.	June 23, 1917.	July 7, 1916.
	£	£	£	£
Total Coin & Bullion	126,356,700	126,054,700	125,776,250	124,779,350
Treasury Notes	22,192,900	22,513,350	26,542,600	16,831,100
Bills discounted	524,866,550	548,123,650	479,314,200	316,139,600
Advances	506,850	438,400	433,950	611,650
Note circulation	435,854,900	434,937,000	410,986,800	354,430,400
Deposits	266,814,150	281,632,500	257,413,500	99,731,100

SWISS NATIONAL BANK (25 francs to the £).

	June 15, 1917.	June 7, 1917.	May 30, 1917.	June 15, 1916.
	£	£	£	£
Gold and silver	15,740,504	15,717,756	15,753,640	12,450,060
Bills	7,519,316	7,259,888	6,762,332	6,992,360
Note circulation	20,001,872	20,383,956	20,621,960	16,255,724
Current and deposit accounts	4,763,964	4,402,408	3,742,996	5,233,420

BANK OF SWEDEN.

	June 23, 1917.	June 16, 1917.	June 9, 1917.	June 23, 1916.
	£	£	£	£
Gold	11,262,000	11,267,000	11,270,000	9,229,000
Balance abroad and Foreign Bills ..	7,346,000	7,084,000	7,285,000	8,622,000
Swedish and Foreign Govt. Securities ..	5,057,000	4,246,000	3,220,000	4,347,000
Discounts and Loans ..	6,579,000	7,720,000	8,004,000	2,648,000
Notes in circulation ..	24,085,000	24,343,000	24,116,000	17,971,000
Deposits at notice ..	5,932,000	6,181,000	5,628,000	5,703,000

IMPERIAL BANK OF RUSSIA (10 roubles to the £).

	June 29, 1917.	June 22, 1917.	June 14, 1917.	June 29, 1916.
	£	£	£	£
Notes in reserve ..	16,600,000	15,520,000	13,920,000	8,903,000
Gold	148,090,000	147,890,000	148,270,000	154,030,000
Gold in reserve abroad ..	1,259,190,000	211,900,000	211,910,000	158,860,000
Loans and Discounts including Treasury Bonds ..	1,186,890,000	1,150,560,000	1,106,640,000	379,520,000
Circulation note issue ..	1,259,190,000	1,240,370,000	1,218,570,000	644,310,000
Deposits, including Treasury deposits ..	302,980,000	295,520,000	299,410,000	20,020,000

BANK OF SPAIN (25 pesetas to the £).

	June 30, 1917.	June 23, 1917.	June 16, 1917.	July 1, 1916.
	£	£	£	£
Gold	62,971,307	61,687,761	60,347,496	41,555,333
Silver	30,225,585	30,280,035	30,166,392	30,679,359
Foreign Bills ..	3,674,407	3,629,673	3,572,832	3,854,759
Discounts and Short Bills ..	30,093,644	30,650,030	31,051,567	23,603,930
Treasury Account, &c. ..	25,850,135	25,799,917	25,649,105	31,063,177
Notes in Circulation ..	99,097,889	98,301,293	97,909,255	86,742,675
Current Accounts, Deposits ..	31,515,598	31,442,129	31,287,403	30,587,534
Dividends, Interests, &c. ..	2,186,074	1,139,191	1,271,554	2,676,395
Government Securities ..	9,053,989	9,455,296	8,768,289	1,783,319

NETHERLANDS BANK (12 Florins to the £).

	July 7, 1917.	June 30, 1917.	June 23, 1917.	June 16, 1917.
	£	£	£	£
Gold and Silver ..	52,746,583	52,848,583	50,893,916	50,849,000
Bills and Advances ..	11,332,166	12,015,416	12,446,750	12,937,000
Note circulation ..	64,447,006	63,996,916	61,757,333	62,046,916
Deposits	3,857,916	4,994,583	5,593,500	5,392,500

BANK OF NORWAY.

	June 30, 1917.	June 22, 1917.	June 7, 1917.	June 30, 1916.
	£	£	£	£
Gold	7,158,000	7,159,000	7,160,000	6,650,000
Balance abroad and Foreign Bills ..	4,284,000	4,168,000	4,377,000	5,299,000
Govt. Securities ..	706,000	706,000	705,000	762,000
Discounts & Loans ..	15,005,000	13,746,000	13,052,000	5,519,000
Notes in Circulation ..	16,231,000	15,516,000	15,346,000	12,276,000
Deposits at notice ..	7,853,000	7,442,000	7,318,000	3,466,000

LONDON COURSE OF EXCHANGE.

Place.	Usance.	July 10, 1917.		July 12, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	11.52	11.55	11.52	11.55
"	Three months' bills ..	11.70	11.75	11.68	11.72
Paris	Cable transfers ..	27.42	27.45	27.31	27.36
"	Three months' bills ..	27.65	27.75	27.70	27.75
Marseilles ..	Three months' bills ..	27.65	27.75	27.70	27.75
Switzerland ..	Cable transfers ..	22.30	22.40	22.35	22.45
"	Three months' bills ..	22.65	22.75	22.70	22.80
Petrograd ..	Cable transfers ..	205	2 8	202	204
Genoa, &c. ..	Cable transfers ..	34.30	34.40	34.25	34.35
Spain	Cable transfers ..	20.40	20.50	20.50	20.65
"	Three months' bills ..	55	57	56	57
Lisbon and Oporto ..	Cable transfers ..	31½	32½	31½	32½
Copenhagen ..	Cable transfers ..	16.20	16.30	16.40	16.50
Christiania ..	Cable transfers ..	15.95	16.05	16.10	16.20
Stockholm ..	Cable transfers ..	15.10	15.20	15.25	15.40

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last We.k.	This We.k.
Paris, cheques ..	Francs to £1 ..	25.22½	27.48½	27.43
Amsterdam, cheques ..	Florins to £1 ..	12.107	11.54	11.53½
Italy, sight ..	Lire to £1 ..	25.22½	34.55	34.39½
Madrid, sight ..	Pesetas to £1 ..	25.22½	20.40	20.55
Lisbon, sight ..	Pence to milreis ..	53½d.	31½d.	32½d.
Switzerland, sight ..	Francs to £1 ..	25.22½	22.40	22.95
Christiania, sight ..	Kroner to £1 ..	18.159	16.12½	16.15½
Stockholm, sight ..	Kroner to £1 ..	18.159	15.37½	15.32
Copenhagen, sight ..	Kroner to £1 ..	18.159	16.30	16.39½
Petrograd, sight ..	Roubles to £10 ..	94.57	213	204
Alexandria, sight ..	Piastres to £1 ..	97½	97½	97½
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Hong Kong, T.T. ..	Sterling to dollar ..	—	2/6½	2/7½
Shanghai, T.T. ..	Sterling to tael ..	—	3/9½	3/10½
Singapore, T.T. ..	Sterling to dollar ..	—	2/4½	2/4½
Yokohama, T.T. ..	Sterling to yen ..	21.58d.	21½d.	21½d.
New York, cable ..	Dollars to £1 ..	4.86½	4.76½	4.76½
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	50½d.	50½d.
Valparaiso, 90 days ..	Pence to peso ..	—	128½d.	128½d.
Montevideo, T.T. ..	Pence to dollar ..	51d.	54½d.	54½d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	—	131½d.	131½d.

OPEN MARKET DISCOUNT.		Last week.	This week.
		Per cent.	Per cent.
Thirty and sixty day remitted ..	.. ..	4½	4½
Three months ..	.. ..	4½	4½
Six months ..	.. ..	4½	4½
Three months fine island bills ..	.. ..	5½	5½
Four months ..	.. ..	5½	5½
Six months ..	.. ..	5½	5½

BANK AND DEPOSIT RATES.		Last week.	This week.
		Per cent.	Per cent.
Bank of England minimum discount rate ..	.. ..	5	5
" " short loan rates ..	.. ..	—	—
Bankers' rate on deposits ..	.. ..	4	4
Bill brokers' deposit rate (call) ..	.. ..	4	4
" 7 and 14 days' notice ..	.. ..	4½	4½
Current rates for 7 day loans ..	.. ..	4½	4½
" for call loans ..	.. ..	3½-4	3½-4

The Week's Stock Markets.

Very few developments of interest have taken place on the Stock Markets this week. On the whole the tone has been cheerful, but dealings have been very much restricted, and except in a few specialities have scarcely been sufficient to test quotations. There was only a poor accumulation of orders to be dealt with on Monday, partly, perhaps, owing to the air raid, but the news of the splendid progress of the Russian Army in Galicia, coupled with the serious political crisis in Berlin (Vienna scarcely counts), encouraged an optimistic feeling. Against that had to be placed the setback on the Yser, which would not have assumed an appearance of so much importance but for the wild rumours of a great victory that preceded it. Home Railways continued to receive a good deal of support, but wavered a little towards the close. Russians improved on the fall in the exchange, and Scandinavian issues were in demand, usually believed to be in connection with German purchases. Chinese bonds were not appreciably affected by the failure to re-establish the Manchu dynasty. Brazilians continued in favour on the improved conditions in the country, but Argentines are still very depressed. Some industrial shares received support, but it did not amount to very much, and Throgmorton Street is a rather dreary place to have anything to do with at present.

At the beginning of the week there appeared to be a fair amount of business in the gilt-edged section, owing to the favourable war news. Consols and the War Loans were in request, and Indian issues, Local Loans, Bank stock, and a few others improved. Several Colonials also put on a good fraction, but afterwards the market relapsed into a condition of complete indifference, and prices scarcely budged one way or the other. In the Foreign department Russians were most prominent, and scored substantial gains on the fine news from Galicia, which was reflected in an appreciable recovery in the value of the rouble. Bulgarian Sixes jumped two points, for what reason could not be discovered, and even German Threes gained a point by way of compliment to the political crisis. Brazilians, Venezuelans, Guatemalas, and Mexicans improved, but Spanish and Cuban Ports were weak, and Argentines were dull. Japanese scarcely moved, and Chinese were steady.

Home Railways began with a great show of strength, and a fair number of buyers were in evidence owing to the stocks being "full" of dividend, but they left off rather below the best in some cases, Midlands and North-Westerns, which had been most in favour, closing decidedly flat. Americans fluctuated within narrow limits, but the market here has no initiative, and merely reflects the movements in Wall Street. Canadian Pacifics and Grand Trunks were steady, but the somewhat belated reply of the Trunk chairman to the strictures and suggestions of the Railway Commission had practically no effect. Mexicans showed some strength, and Brazilians met with a fair amount of support, as the conditions in the country appear to be improving, but Argentines are still under a cloud, and the persistent traffic decreases naturally have a depressing influence. But the market is not overburdened with a stock, and if things took a turn for the better there would probably be a swift reaction.

Bank results are just as good as anticipated, and a fair amount of business has been done in the shares, but the only important movement has been a smart advance in Bank of Australasia, although several of the others have put on a fraction. Breweries made a very brave show, on the recommendation that if there is to be further control the State must buy out the whole business on reasonable terms, and not tinker any further with temporary war measures. In any case, most of the companies are making excellent profits and yields from some of the better secured stocks look rather tempting. Guinness, Allsopp, City of London and Watney Combe were especially favoured. Iron and Steel things received a fair amount of attention, and prices as a rule were good, many of the leading shares putting on a substantial fraction. Land shares were almost neglected, and except for an advance in P. and O. deferred little occurred

in the Shipping group. Among Telegraphs, Marconis, Western and West India and Panama showed strength. Textiles were good, under the lead of Coats, Courtaulds and Bradford Dyers, but the business did not amount to much. Miscellaneous Industrials were firm in places, and Salt Unions showed to advantage on the definite proposal to split the shares, and

Lobitos recovered from the effects of the somewhat disappointing report. Rumanian Consols and one or two Russians were good on the better war position on the Eastern front. Rubbers have been quiet, but steady. The price of the commodity has not varied much, and there are still buyers coming into the market, which is not over-supplied with stock, and holders as a rule are still inclined to hang on.

	Last Week	This Week		Last Week	This Week
Consols.....	55½	55½	N.S.W. 4½% 5 yr. bds.....	98	98
War Loan 3½%.....	87½	87½	" 4½% 1922-7.....	90½	91
" 4½%.....	94½	94½	" 5½% 1921-3.....	95	95
" 5½% 1920-47.....	94½	94½	" 5½% 1920-2.....	90½	90½
India 3½%.....	101	101	New Zealand 4½% 1929.....	86	86
" 3½%.....	57	57½	Queensland 4½%.....	80	80
Australian 5½% 1920-22.....	95½	98	" 4½% 1920-5.....	92½	93
Canada 4½% 1940-60.....	80½	81	Union of S. Africa 4½%.....	91	92
" 4½% 1920-5.....	93½	93½	Victoria 4½% 1920-5.....	92½	93
N.S.W. 4½% 1933.....	82½	82½	Westn. Aus. 4½%.....	8½	80½
Argentine 4½% 1900.....	65	65	French War Loan, 5%.....	80½	81
Belgian 3½%.....	63	63	Japan 4½% (1st), 1905.....	95½	95½
Brazil, 1913.....	60½	70	" 5½% 1907.....	95½	94½
" 5½% 1914.....	80½	80½	Mexican 5½% 1909.....	57	58
Chinese 1896.....	94	93	Russia 4.....	58½	59
" 1912.....	77½	76	" 4½%.....	66	68
Egypt Unified 4½%.....	84	84	" 5½% 1906.....	75½	77½
Caledonian defd.....	8½	8½	London and N.W.....	95½	96
Gt. Central pld.....	14	14½	London and S.W. defd.....	22½	23½
" defd.....	6½	7½	Do red. pf. 1914.....	95½	95½
Gt. Eastern.....	36	36	Metropolitan.....	21	24½
Gt. Northern defd.....	36½	37½	Do. 5% pf.....	90	90
Gt. Western.....	88½	90	Met. District.....	16½	16
Lancs. and Yorks.....	66	66½	Midland defd.....	59½	59½
London Brighton defd.....	56½	58½	Nth. British defd.....	13½	13½
London Chatham ord.....	8½	8½	Nth. Eastern.....	101	101
			Sth. Eastern defd.....	27½	27½
Canadian Pacific.....	178½	178½	Erie.....	23½	23½
E. Indian Guar. 4½% debts.....	8½	8½	Milwaukee.....	86½	86½
Grand Trunk ord.....	9	10	N. Y. Central.....	100½	100½
Do. 1st pf.....	65½	65½	Southern.....	29	29½
Do. 3rd pf.....	24½	24½	Southern Pacific.....	97½	97½
Atchafalca.....	107½	107½	Union Pacific.....	142½	142½
Baltimore.....	79½	79½	U. S. Steel.....	116½	116½
Chesapeake.....	63	63			
Antofagasta defd.....	126½	126	Cent. Argentine ord.....	64	64
Brazil Common.....	5	5	Léopoldina.....	39½	40½
B. A. & Pacific.....	42	41	Mexican ord.....	16½	17½
B. A. Gt. Southern.....	79	78	San Paulo (Brazilian).....	190	190
B. A. Western.....	77	75	United of Havana.....	82	82
Anglo-South American.....	68	68	London & S.W.....	12	12½
Bank of Australasia.....	114	116	London City & Midland.....	7½	7½
Bank of N.S. Wales.....	34	34	London County & West.....	15	14½
Barclay & Co. "A".....	7½	7½	London Joint Stock.....	22½	22½
Do. "B".....	11½	11½	Nat. Prov. of Eng. (1914 pd).....	27½	27½
Capital & Counties.....	23	23½	Do. (1912 pd).....	32	31½
Chartered of India.....	62½	62	Parr's.....	37	30
Hongkong & Shanghai.....	81½	81½	Standard of S.A.....	10½	10½
Lloyds.....	24½	23½	Union Discount.....	10½	10½
London & Provincial.....	15½	15½	Union & Smiths.....	24½	23½
London & Brazilian.....	22½	22½			
Armstrong, Whitworth.....	40½	40½	Kynochs.....	36½	33½
Birmingham Small Arms.....	48	46	Mond Nickel ord.....	3½	3½
Camell-Laird.....	68	68	South Durham Steel.....	34½	34½
Cargo Fleet.....	21½	22	Thornycroft.....	36½	36½
Dorman, Long.....	37½	37	Vickers.....	38½	38½
Associated Cement.....	3½	3½	Fine Cotton Spinners.....	30½	30½
Borax defd.....	36½	36½	Forestal Land.....	46½	45½
Bovril.....	19½	19	Furness, Withy.....	49½	49½
Brazil Traction.....	48	48	Harrods Stores.....	24½	24
British Amer. Tobacco.....	43½	43½	Hudson's Bay.....	7½	7½
British Aluminium.....	29½	29½	Imperial Tobacco 'C' pf.....	34½	34½
British Oil & Cake.....	28½	28½	Lever Bros. "C" pf.....	20½	20½
Brunner, Mond.....	4½	4½	Lyons, J.....	31½	31½
Castner-Kellner.....	3½	3½	Marconi.....	34	34
Coats.....	68	68	Maypole Dairy defd.....	22½	22½
Courtaulds.....	7½	7½	National Steam Car.....	19½	19½
Cunard.....	48	48	Pears, A. & F.....	12½	12
Dennis Bros.....	32½	33	P. & O. defd.....	32½	32½
Eastern Telegraph.....	140½	139½	Royal Mail.....	119½	118½
Estimans.....	6½	6	Underground Inc. Bds.....	8½	8½
English Sewing Cotton.....	51	50½			
Anglo-Egyptian "B".....	13½	13	North Caucasian.....	25½	27
Baku (ros.).....	2½	2½	Roumanian Cons.....	10½	12½
Burmah.....	58½	58½	Royal Dutch (100 gulden).....	46½	46
Lobitos.....	2½	2½	Shell.....	5½	5½
Maikop Pipeline.....	3½	3½	Spies (100/-).....	12½	13
Mexican Eagle pf.....	61½	61½	Ural Caspian.....	1½	1½
Anglo-Java Rub. (2/-).....	7½	7½	Merlimau 2/-.....	6½	6½
Anglo-Malay 2/-.....	14½	14½	Pataling 2/-.....	41½	41½
Ayer Kuning 1/-.....	46½	46½	Port Dickson 2/-.....	41½	41½
Bukit Mertajam 2/-.....	5½	4½	Rubber Trust 2/-.....	27½	27½
Bukit Sembawang 2/-.....	3½	3½	Sapumalkande 1/-.....	24½	24½
Carey United 1/-.....	4½	4½	Selangor.....	32½	32½
Chersonese.....	3½	3½	Sialang 1/-.....	72½	74½
Gula Kalumpung 1/-.....	36½	37	Singapore Para 2/-.....	4½	4½
Highlands 1/-.....	58½	58½	Singapore United 2/-.....	3½	3½
Java Para 1/-.....	36½	36½	Taiping 2/-.....	4½	4½
Johore Rubber Lands 1/-.....	36½	36½	Tanjong 2/-.....	86½	86½
Langen Java 1/-.....	46½	46½	Tanjong Malim 1/-.....	33½	33½
Linggi 2/-.....	27½	27½	Tebrau 1/-.....	70½	70½
London Asiatic 2/-.....	8½	8½	United Serdang 2/-.....	11½	11½
Malacca 1/-.....	5½	5½	Vallambrosa 2/-.....	23½	24½
Malayalam 1/-.....	35½	35½			
Abbottakoon (10/-).....	49½	49½	Gt. Boulder (2/-).....	10½	10½
Bechuanaand Exp.....	57½	57½	Kyshtim.....	2½	2½
Brakpan.....	58	58	Mashonaland Agency.....	4½	4½
Broken Hill Prop. (8/-).....	48½	47½	Meyer & Charlton.....	5½	5½
Cam & Motor.....	8½	7½	Modder "B".....	72½	72½
Central Mining (12½).....	6½	6½	Do. Deep.....	78	78
Chartered.....	12½	13½	Mysore.....	39½	39½
City Deep.....	4½	4½	Rand Mines (5/-).....	39½	39½
Cons. Gold Fields.....	1½	1½	Rio Tinto (15).....	61½	61½
Cons. Langlaagte.....	2½	2½	Russo-Asiatic.....	4½	4½
Crown Mines (10/-).....	2½	2½	Spring Mines.....	2½	2½
De Beers d.d. (12½ ros.).....	14½	13½	Tanganyika.....	3½	3½
East Rand.....	9½	7½	Tananyik.....	18	2½
Geduld.....	4½	4½	Van Ryn Deep.....	38½	38½
Gov. Areas Mod.....	63½	62½			

* Treasury prices.

operation that might with advantage have been carried out long ago.

Oil shares were rather irregular. Burmahs were the strongest market, and Shells also put on a fraction, but closed below the best. Mexican Eagles have been persistently weak, while

LONDON PRODUCE MARKETS.

General trade proceeded quietly in most directions, while trend of prices moved against sellers in certain cases.

SUGAR.—A sustained demand continued for all descriptions, while no alteration was made in Governmental quotations. Cuban receipts were cabled 29,700 tons, against 13,660 same time last year.

COFFEE.—A moderate assortment was offered by auction, but

CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING JULY 13, 1917.

	Last Week	This Week		Last Week	This Week
Sugar—per cwt., duty 14½, 98% polarisation	£ s. d.	£ s. d.	Wool—per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian Scoured Merino	2 6-5 0	nom.
Crushed ..	2 13 9	2 13 9	Scoured Cr'sabr'd	nom.	nom.
Granulated ..	2 6 9	2 6 9	Greasy Merino ..	1 2½ 2 10½	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Crossbred	1 1-2 9	nom.
Foreign granulated, first marks f.o.b., spot	nom.	nom.	New Zealand (scoured) Merino	4 10-5 0	nom.
German Cubes f.o.b.	nom.	nom.	Greasy Crossbred	1 9-2 0½	nom.
French Cube ..	nom.	nom.	Cape snow white	3 2-3 9	nom.
Crystallised, West India ..	nom.	nom.	Indiarubber p. lb. Plantation, Spot	0 2 5½	0 2 5½
Beet, 88% f.o.b.	nom.	nom.	Crepe ..	0 2 5½	0 2 5½
Tea—per lb., duty 1/- lb.	s. d. s. d.	s. d. s. d.	Coal—per ton		
Indian Pekoe ..	0 11-1 3	nom.	Durham, best ..	nom.	nom.
Broken ..	1 0-2 0½	nom.	Seconds ..	nom.	nom.
Orange ..	1 0-1 9	nom.	East Hartlepool ..	nom.	nom.
Broken ..	nom.	nom.	Seconds ..	nom.	nom.
Pekoe Souchong	0 11-1 2	nom.	Steamers, best ..	30 0	30 0
Ceylon Pekoe ..	nom.	nom.	Seconds ..	22 6-25 0	22 6 25 0
Broken ..	nom.	nom.	Lead—per ton	£ s. d.	£ s. d.
Orange ..	nom.	nom.	English Pig ..	nom.	nom.
Broken ..	nom.	nom.	Foreign soft ..	£ 30½-£ 29½	£ 30½-£ 29½
Pekoe Souchong	nom.	nom.	Quicksilver—per bottle firsthand	nom.	nom.
Cocoa—per cwt., duty 6½, per lb.	s. s.	s. s.	Tin—per ton		
Trinidad—per cwt.	83 0-87 0	82 0-87 0	English Ingots ..	£ 249-251	£ 242-244
Grenada ..	66 0-82 0	65 0-81 0	Do. bars ..	£ 250-252	£ 243-245
West Africa ..	55 0-65 0	55 0-64 0	Standard cash ..	£ 245-246	£ 237-238
Ceylon Plantation	70 0-90 0	70 0-90 0	Tin Plates, per box	nom.	nom.
Guayquil Arriba ..	90 0-96 0	90 0-96 0	Copper—per ton		
Coffee—per cwt., duty 42/- per cwt.			English, Tough, per ton ..	nom.	nom.
East India ..	75-105 0	75 0-105 0	Best Selected ..	£ 140-£ 136	£ 140-£ 136
Jamaica ..	66-120 0	66 0-120 0	Sheets ..	£ 165	£ 165
Costa Rica ..	75-102 0	75 0-102 0	Standard ..	£ 129½-130	£ 130-130½
Provisions—			Jute—per ton		
Butter, per cwt.			Native firsts for shipment	nom.	nom.
Australian finest	192/-196/-	190/-194/-	Oils—		
Irish Creameries ..	nom.	nom.	Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Dutch ditto ..	165/-191/-	176/-198/-	Rape, refined ..	£ 71	£ 71
Russian finest ..	nom.	nom.	" crude ..	£ 66	£ 66
Normandy baskets	nom.	nom.	Cott'n Seed, crude	£ 60	£ 60
Basin finest ..	208/-212/-	210/-213/-	Ditto, refined ..	£ 67-£ 69	£ 67-£ 69
Brittany rolls ..	20/6-22/-	20/6-22/-	Petroleum Oil, per 8 lbs.	1/2½	1/2½
doz. lb. ..	20/6-22/-	20/6-22/-	Water White ..	1/3½	1/3½
Bacon—per cwt.			Oil Seeds, Linseed		
Irish ..	143/-147/-	142/-147/-	Calcutta—per ton		
Continental ..	137/-140/-	136/-140/-	Salt ..	30 0 0	37 0 0
Canadian ..	125/-130/-	128/-130/-	Rape ..	30 0 0	30 0 0
American ..	123/-127/-	123/-130/-	Iron—per ton		
Hams—per cwt.			Cleveland Cash ..	nom.	nom.
Irish ..	152/-154/-	154/-	Tobacco—duty, unmanufactured 7¼ to 8½ per lb.		
Canadian ..	128/-132/-	130/-	Maryland & Ohio		
American ..	110/-128/-	110/-130/-	per lb. bond ..	nom.	nom.
Cheese—per cwt.			Virginia leaf ..	0 8-2 1	0 8-2 1
Dutch ..	nom.	nom.	Kentucky leaf ..	0 7-5 11	0 7-0 11
Canadian ..	nom.	nom.	Latakia ..	2 0-5 0	2 0-5 0
English Cheddar	120/ 137/	nom.	tiavana ..	1 6-6 6	1 6-6 6
Wilts loaf ..	nom.	nom.	Manila ..	nom.	nom.
New Zealand ..	nom.	nom.	Cigars, duty 10/6 per lb.	2/ upds.	2/ upds.
Rice—per cwt.	d. s. d.	d. s. d.	Timber—Wood		
Japan ..	29 6	29 6	Pitch Pine ..	300/-400/-	300/-400/-
Rangoon 2 stars ..	26 3	26 3	Indian Teak ..	38½-700/-	38½-700/-
Eggs—per 120.			Turpentine—		
English ..	23 6-24 6	25 6-26 6	American Spot ..	2 15 9	2 15 6
Irish ..	22 6-24 0	24 6-25 6	Copra—per ton	46 0 0	46 0 0
Danish ..	22 6-25 0	24 0-25 6			
Spelter—					
G.O.B. as to position ..	£ 54-£ 50	£ 54-£ 50			
Flour—per sack.					
G. R. ..	—	—			
American Patents ..	nom.	nom.			

experienced a very slow demand, and the sold portion denoted weakness regarding prices obtained. Of East India, good bold Naidabatun sold, qrs. to 93s.; fair to good bold Nairobi, 80s. to 87s. 6d. Foxy green Salvador went at 64s. to 65s. The terminal market ruled slightly firmer, but trade keeps very quiet.

COCOA.—Auctions of 12,168 bags Colonial and 826 bags foreign met a slow demand, and rates tended easier. Trinidad, fine, sold, 87s.; St. Lucia, common to fine, 66s. to 81s. 6d.

TEA.—Under the new scheme, 15,100 packages Indian offered, attracted good general support at the maximum prices imposed,

but with regard to the 29,900 packages Ceylon catalogued, common grades manifested slight irregularity, though fine qualities were well competed for.

SPICE.—Pepper market very quiet, but held for steady rates. Black Singapore, June-August, steamer, sold, 10d., c.f. and i. The market for cloves steadily hardened under a lack of sellers and good buying orders. Fair quality Zanzibar, on spot, sold, 1s. 3½d. to 1s. 3d. All kinds of Tapioca again experienced slow support, and the position proved quite nominal.

RICE steady, though rather quiet of sale. Beans in fair request, apart from Brazilian, which moved off quietly. Peas unaltered.

HEMP.—New Zealand kinds dearer, with sellers difficult to find. Fair quality, July-September, quoted £89.

SHELLAC.—Spot market quite nominal this week, buyers being scarcely in evidence. Futures dearer. August sold, 206s. 6d. to 212s.

RUBBER.—Market steady, and a moderate demand existed. Plantation spot crepe sold, 2s. 5½d. to 2s. 5¼d.; October-December, 2s. 7½d.; January-June, 2s. 8d. Ribbed standard smoked sheet, spot, sold, 2s. 5¼d. Fine hard Para, spot, 3s. 1¼d.

COPRA.—Moderate sales transpired at steady rates. F.M.S., Singapore, June-July, sold, £45 10s.; and F.M., Straits, ditto £45 5s.

CORN (Mark Lane).—Dealings have shown no expansion since last Monday, but the general tone keeps steady, quotations being generally unaltered. Wheat: English, both whites and reds, 78s. per qr. (480 lbs.), being scarce. Of imported grades No. 3 Northern Manitoba, 84s. 3d., ex ship, to arrive; Canadian feed, 71s., ex quay, 400 lbs. Flour: Imported sorts remain quite nominal. Country straight runs, 60s. to 62s. per sack, ex mill. Oats: American white clipped No. 2, 62s., Chilian tawny, 64s., both landed. Maize: American mixed new, ex ship, to arrive, 71s. 9d. to 72s.

COTTON (from our Manchester correspondent).—No increased activity has transpired in the market during the past week, and buyers and sellers have adopted a waiting attitude. The Board of Control continues to make decisions, and it is expected that before the end of the week important regulations will be put into force as to curtailing the consumption of the raw material. Statistics have now been obtained as to stocks in the hands of spinners and at the warehouses, and it has been ascertained that only a small part of the supplies in Liverpool are unsold. Adverse reports have been received with regard to the progress of the new American crop, but on the whole the outlook is rather better. There is some anxiety as to future supplies of Egyptian cotton, and prices have again advanced. A feature of interest has been the application of the card-room operatives for an advance in wages of 25 per cent., and it is expected that the operative spinners will also demand a similar rise. The inquiry in piece goods for export has run on small lines chiefly in the way of stock lots, and very few manufacturers have been able to secure orders to make. Leading buyers for India have been indifferent, and most of the offers from the other side have been quite unworkable. A favourable feature with regard to China is that the auction sales in Shanghai have been resumed, and it is quite evident certain fabrics are wanted by dealers abroad, but there is hesitancy in paying to-day's rates. A steady demand has come through for Egypt and South America, but buyers have been disposed to restrict their purchases. Reports from the home trade continue healthy. American yarns for home use have moved off slowly at irregular rates. Stocks in werts continue inconveniently heavy. There has been practically nothing doing in shipping yarns. Egyptian spinnings are again dearer on the week, and business to a large extent has been blocked.

OILFIELDS ITEMS.

Anglo-Egyptian.—Production for the past week: Gemsah 19 tons, against 20 tons previous week; Hurghada 902 tons, against 926 tons previous week.

Black Sea Amalgamated.—Production week ended June 23, 306 tons.

British Burmah.—Production (including production of the Rangoon Oil Co.) for June, 68,795 barrels.

British Maikop.—Production week ended June 23, 38 tons.

Bibi Eibat Oil.—Production for week ended June 24, 62,008 poods, or 1,090 tons.

European.—Production week ended June 24, 82,800 poods.

International Russian.—Production from well on Plot 107 for June, 81 tons.

Maikop Combine.—Production week ended June 23, 265 tons.

Maikop Orient.—Plot 435a, well 3, July 6. Production now averaging 700 poods daily. Bailing medium speed with 7 in. bailer 24 ft. long. Level oil remaining constant 65 ft. Will very gradually increase bailing speed after few days.

Maikop Pipeline and Transport.—Received for pumping week ended June 30, 237 tons.

Russian Petroleum.—Production week ended June 23, 40,500 poods.

United British of Trinidad.—Production week ended July 4, 900 tons.

State of San Paulo 5 per Cent. Treasury Bonds, 1913, and 5 per Cent. two-year Treasury Notes.—Messrs. J. Henry Schröder and Co. announce that they have further received £11,693 in respect of the surtax collected weekly, for the service of the English portion of the above bonds, and a further £17,539 in respect of the surtax collected weekly as security for the above notes.

American Business Notes.

On and after Sunday next the following commodities will not be allowed to leave United States ports except under licence:—Coal, coke, fuel oils, kerosene, gasoline, including "bunkers," food grains, flour, meal, fodder, meats and fats, pig-iron, steel billets, ship-plates, structural shapes, scrap iron, scrap steel, ferro-manganese, fertilisers, arms and ammunition and explosives. That is a pretty comprehensive array of commodities whose export will be either stopped or so controlled as to benefit first and uninterruptedly America's Allies in this war. President Wilson has explained quite clearly what he means by this measure. The American people are determined to see no more foodstuffs from the United States reach Germany through contiguous neutral countries. There is no hostility to these neutrals, such as a certain type of journalist strives so continually to excite here. What has been explained before this step was taken is that the neutral countries such as Holland, Denmark, Sweden, and, to a lesser extent, Norway, who lie between America and Germany, will henceforth have to use their own produce for their home requirements before drawing on America for any supplementary supplies. There will be no attempt to starve the neutrals into taking sides with the Allies, as the Swedish newspapers seem to imagine, but when it is found, as a correspondent of the *New York Times*, writing from this side, states, that nearly every week 10,000 head of cattle are shipped from Denmark to Germany, that these cattle are fattened on fodder much of which comes from the United States, and that America thus provides the German people with food and the German Army with clothing, and further that the supply of German ammunition makers with fats and other necessities for the manufacture of munitions is thus secured, and if, further still, it be true that Sweden has during the past two years shipped 9,000,000 tons of iron ore and 250,000 tons of pig-iron to Germany, then obviously mere self-defence, let alone the humane design to bring the war to a speedier end, justifies the policy adopted by the American Government. Rightly looked at, the American restrictions are a help to the overawed and bullied neutrals in maintaining an honest neutrality, not an interference with their independence. It is the Germans who do that.

It was time, any way, that something of the kind was done in Allied interests, for it seems that, contrary to the forecasts earlier in the year, crops in the United States promise to be splendid. We have, however, come to the time of year when crop estimates toss the figures up and down according as the "bulls" or "bears" have the upper hand in the gambling, and may not accept all the "bulls" tell us without question right off. But the Government report is not usually tainted with anything of a gambling kind, unless when "got at" and tampered with, and when it says that the maize crop may this year reach 3,124,000,000 bushels, or be, next to the crop of 1912, the largest ever reaped; that the wheat harvest may be 678,000,000 bushels, or 38,000,000 bushels more than last year's, and that other cereal crops—oats, barley, and rye—all promise splendid yields; that potatoes also are expected to provide 452,000,000 bushels, or 167,000,000 bushels more than last year, then we may well be thankful that the United States Government has taken the distribution of all this splendid "war material" in hand. Its first duty will be to see that every domestic want is provided for, and next it will allot to its Allies in the war, according to their requirements, what they need. When these likewise are satisfied, then from whatever is left neutral countries will be able to get just enough to cover their own necessities as disclosed by an investigation now in progress.

Unquestionably we have here the most effective of all methods of blockade, and by controlling the shipping as well as the crops, which the President has arranged to do, the American Government will lighten the task of our Navy in maintaining the blockade to

a degree probably as yet quite unsuspected here. Our people, indeed, have been told so little about what the Navy is doing in this direction, day and night the whole year round, that they, as a rule, are not conscious of any feeling of gratitude to it, and devote their minds much more to finding fault, to grumbling over what they call the want of success in countering and beating down the submarine piracy. But in spite of the lack of knowledge and of the continual sneering of a section of the Press—which often seems to be as emancipated from any patriotic or moral consideration as the chained up and muzzled Press of Germany—it is felt that an immense work has been accomplished in reducing Germany's food supplies from abroad by the continual searches and seizures made by the Allied navies, for the French and Italian navies mostly take charge of the Mediterranean and Adriatic. But all they could do was not sufficient, and could never be sufficient, to prevent profiteers or others in the neutral countries bordering upon Germany from contriving to import far more of such commodities as those named above than they required for home use, in order to make money by selling the overplus to the Germans at glorious prices. We could not prevent this traffic completely unless we had been prepared to descend towards the German moral level and to coerce these little countries, with no respect whatever for their rights and liberties. It was better to suffer than to do that, and we have suffered and lost much, though yet able, partly by agreement with the neutrals, to maintain an increasingly effective blockade. The condition of Germany proves that. But now America comes in behind us, and will henceforth stop the supply of these commodities at their source, which is the most effective blockade of all. We shall be interested to see how the aggressor Empires contrive to face the approaching winter under conditions thus established. Not all their threats and bullyings will now be able to wring out of the hands of Dutchman, Dane, or Swede commodities he does not possess.

Nothing could exceed the generosity with which the United States is utilising her credit to help the Allies. Not only has she placed successive large amounts of money to the credit of Great Britain and France, but she has lent at least £20,000,000 to Russia, and has since the very beginning of the war been giving away money to sustain the life of the Belgian people. The Government of Washington has even lent £600,000 to Serbia. Up to the middle of last month the total amount advanced to the Allies had been £190,000,000. Of this, Great Britain had received £100,000,000, France £40,000,000, Italy £20,000,000, Russia £20,000,000, Belgium £9,000,000, and Serbia £600,000. The lending is still in progress, for, having made up their minds to help Europe in its struggle against a barbaric survival of absolutism, there is no stint in the measures taken to procure liberty's triumph.

Insurance News.

The board of the Trustees, Executors and Securities Insurance Corporation recommend the stockholders to abbreviate the somewhat cumbersome name of the institution to the Trustees Corporation, Ltd., by which it is generally known. For the year to May 31 the accounts show a credit balance, after providing for interest on the debenture stocks, of £47,440, a decrease of £2,017. After repeating the previous year's dividend of 5 per cent. reserve is credited with £5,000 and staff pension fund with £2,500, and the carry forward is raised from £42,544 to £45,078. With the present addition the reserve is raised to £190,000 invested in separate securities. The balance at the credit of realisation account has been applied in writing down the values at which certain securities stand in the books. No revaluation of the investments has been made, as, owing to the conditions caused by the war, it is impossible to obtain reliable quotations for many securities.

Last Saturday's air raid must have brought home to a great many people living or working in the district visited by enemy aircraft the desirability of taking out insurances against death or disablement by German frightfulness. Through the medium of the Wheel and Wings Association the underwriters at Lloyd's are issuing special policies whereby for the very nominal payment of £1 premium they will insure the holder for a year against death or injury caused by aircraft, hostile or otherwise, including bombs, &c., discharged from aircraft or from anti-aircraft guns. The Century Insurance Co. is also prepared to cover those risks which an ordinary accident policy does not provide for, and other offices which have made a similar announcement are the Eagle and British Dominions and the Northern Assurance Co.; but, needless to say, most of the leading companies are accepting this class of business. As the result of a general understanding rates have been advanced during the past few days. The original rate was £1 for an insurance of £1,000, which has now been raised to £2. Not that there have been any large number of claims falling on the offices, but as the business must necessarily be of a speculative character the companies are proceeding cautiously.

For the year ended April 5 last the new business of the Life Association of Scotland showed an increase, notwithstanding the continuance of war conditions. The number of new assurances completed was 997 for £566,349—an increase of 114 in the number and of £38,154 in the amount, new premiums being £3,508 greater at £29,922. Claims by death, including bonus additions, came to £372,138—an increase of £14,329, the total including £32,843 due directly to the war. Exclusive of bonuses, the "expected" claims were 779 for £341,358, whereas the actual claims were 714 for £314,814. Cash bonuses to policyholders in Class "A" (old series) have been allocated at the same rates as presently current, to be applied in part payment of the premiums falling due in the year commencing April 6, 1918. The dividend declared is at the same rate as last year, namely, 21s. a share, less tax, payable on November 12 under deduction of the interim payment made on May 15 last.

It is announced by the North British and Mercantile Insurance Co. that, in response to their recent offer to acquire the shares of the Fine Art and General Insurance Co., acceptances representing more than 97 per cent. of the shares of that company have already been received. As the offer was subject to its acceptance by holders of not less than 85 per cent. of the issued capital of the company, the provisional agreement between the two companies has become absolute.

The Week in Mines.

The South African market has been in a lethargic condition all the week, and it was not surprising, therefore, that prices tended to ease. Numerous poor individual Rand outputs last week prepared the market for a very moderate output from the whole of the mines of the Transvaal, but the further shrinkage in the number of natives employed at the mines was a disappointment. The East Rand Proprietary Mines had a message with reference to the return for June, which stated that the decreased profit was due to reduced tonnage owing to unsatisfactory native labour position. An exceptionally good return was published by the Sub-Nigel—the best, in fact, in the history of the company. Just at the outset of the week some of the Far Eastern shares, and particularly the C.M.S. group, were in some request, but the buying died away, and, as already stated, prices drooped. Among Rhodesians a fair amount of business was passing in Chartered, and as the result of the chairman's remarks at the meeting, the price went just over 14s.; a little profit then brought the price back to 13s. 9d.

COPPER AND MISCELLANEOUS.

Almost the only Copper share to show any very great activity was Arizona, which changed hands with great freedom in anticipation of the dividend statement. Barrier shares started the week well, and then languished in the absence of sustained support. Amalgamated Zinc, however, stood out prominently firm. While this group failed to benefit from the big rise in the price of silver, some of the Canadian silver properties were in demand, and among Western Australian ventures a lively business was done in Chaffers, which rose to 13s. 9d. As regards tin shares, East Pool and Agar hardened on the dividend statement, while Ropp Tin fell to 16s. 6d. on the appearance

of the report. A fairly cheerful tone characterised the Russian group, the excellent news from Russia and the improvement in the value of the rouble bringing in a few buyers.

MINING NEWS.

TRANSVAAL GOLD PRODUCTION.—The production of gold in June amounted to £3,227,101, a decrease of £8,666 on the same month of last year. The following table shows the monthly production since January, 1912:—

Month.	1912.	1913.	1914.	1915.	1916.	1917.
January ..	£ 3,130,830	£ 3,353,116	£ 2,768,470	£ 3,037,058	£ 3,344,948	£ 3,324,418
February ..	2,989,832	3,118,325	2,660,186	2,872,406	3,201,063	3,063,976
March	3,528,688	3,358,050	2,917,346	3,202,514	3,384,121	3,343,363
April	3,133,383	3,334,358	2,904,924	3,160,651	3,205,643	3,155,121
May	3,311,794	3,373,998	3,059,340	3,243,347	3,393,377	3,310,618
June	3,202,517	3,173,382	3,049,558	3,208,224	3,235,767	3,227,101
July	3,255,198	2,783,917	3,111,398	3,272,258	3,232,891	—
August	3,248,95	3,092,754	3,024,037	3,307,975	3,318,116	—
September ..	3,176,846	2,999,686	2,982,630	3,299,423	3,277,408	—
October ..	3,265,150	3,051,701	3,116,754	3,388,122	3,365,642	—
November ..	3,216,965	2,860,788	3,040,677	3,317,534	3,326,253	—
December ..	3,297,962	2,857,938	2,952,755	3,317,949	3,289,795	—
Total ..	38,757,560	37,358,040	35,588,075	38,627,461	39,484,934	19,424,597

For the six months to date the total shows a decrease of £245,322.

NATIVE LABOUR RETURNS.—These returns show a decrease amounting to 5,051, which compares with a decrease of 6,319 in May. There was a decrease of 4,441 at the gold mines:—

Month.	Natives on Gold mines.	Natives on Coal mines.	Natives on Diamond mines.	Total natives.
June, 1916	192,809	9,859	2,105	204,773
July	192,130	9,932	3,339	205,401
August	194,112	10,086	5,146	209,344
September	197,734	10,239	6,527	214,500
October	199,330	10,907	6,358	216,595
November	196,132	11,118	5,928	213,178
December	191,547	11,487	5,194	208,228
January, 1917	188,624	11,611	5,591	205,826
February	191,095	11,598	6,268	208,931
March	190,028	11,494	6,620	208,142
April	185,975	11,435	6,314	203,724
May	180,168	11,432	5,805	197,405
June	175,727	11,258	5,369	192,354

The total at the gold mines is the smallest since January, 1915, and 34,441 below the record total in November of that year.

BRISBIS TIN AND GENERAL MINING CO.—Favourable conditions as regards water supply enabled operations to be carried on steadily throughout 1916 with the reduced labour force available. The total output of black tin from all sources was 466 tons nett dry weight, containing an average of 73 per cent. metallic tin, yielding 330 tons of metal, which realised nett £60,643, or an average of £183 6s. 5d. per ton, an increase of £10 3s. 5d. per ton. Including 48 ozs. of gold, the total revenue was £60,826 as compared with £47,940 in 1915. At the Wallace properties 1,219,200 cubic yards were dredged, yielding 5,534 ozs. of gold, value £21,375, equivalent to an average recovery of 4.21d. per cubic yard. Nett profit at £32,517 showed an increase of £12,510; depreciation required £9,001 against £4,530. A dividend of 6d. a share, the same as in 1915, is to be paid, and the carry forward is raised from £3,905 to £10,420.

PODEROSA MINING CO.—This company's nett receipts from sales of ore, interest, &c., amounted in 1916 to £119,737, an increase of £59,704, and after providing for expenses and income-tax there remained £77,806, an increase of £56,218, out of which £10,107 was allocated for depreciation and mine development, leaving £67,698. Deducting the debit balance of £3,278 brought forward, the nett balance was £64,420. A dividend of 10 per cent., tax free, for the year will be paid, against nil for 1915, and a balance of £14,420, subject to excess profits duty, is carried forward. During the year 3,948 tons of copper ore were shipped to the smelters (as compared with 3,734 tons for 1915) of an average assay of 28.73 per cent. copper (against 21.86 per cent.), and 9.41 ozs. silver per ton (against 5.93 ozs.). The satisfactory results are in a large measure due to the high price of copper, which was neutralised to some extent by the higher costs of production and ocean freights. Prospects, looking ahead for a limited period, are more favourable now than a year ago.

OROVILLE DREDGING CO.—In 1916 1,484,721 cubic yards were dredged as compared with 1,308,470 for the previous year, the gross value of the gold recovered being \$719,403, averaging 48.5 cents per cubic yard, against \$618,883 averaging 47.3 cents in 1915. Field operating cost averaged only 12.46 cents as compared with 11.4 cents.

CONSOLIDATED GOLD FIELDS OF NEW ZEALAND.—Gross revenue for 1916 amounted to £48,225, a decrease of £2,596; expenditure £26,202 against £26,108, surplus £22,022 against £22,117. Balance forward after providing for development expenditure, depreciation, &c., £24,525 against £11,898 brought in.—**WEALTH OF NATIONS MINE.**—During 1916 24,186 tons of ore were crushed, value £37,815, equal to 31s. 3.24d. per ton. Working expenditure £23,488 (19s. 5.07d. per ton);

working profit £14,328 (11s. 10.17d. per ton milled), a decrease on the previous year of £3,718, equal to 2s. 1.41d. per ton. Ore reserves at the end of the year 32,149 tons, average value 8.29 dwts., a decrease of 4,687 tons, and 2.94 dwts. in value.—**BLACKWATER MINES.**—Two dividends each of 5 per cent. (1s. a share, free of tax, were paid, the same as for the previous year; gross revenue £83,991—a decrease of £31,251. Balance forward £3,014. Ore reserves 82,704 tons, average value 11.087 dwts. against 91,251 tons, value 11.23 dwts.—**PROGRESS MINES OF NEW ZEALAND.**—In common with the other mines development work was restricted through shortage of labour. Gross revenue at £43,424 showed a decrease of £13,923, and there was a debit on year's working of £1,784 against a debit of £938 for 1915.

ARIZONA COPPER CO., LTD.—A cable has been received from the company's manager intimating that notwithstanding a liberal offer of an increase in wages over and above the existing sliding scale, which was adjusted in the beginning of last year, a strike has been called in the mining camps in the Clifton district, including that of the Arizona Copper Co.

What Balance Sheets Tell.

BROWNLEE AND CO., LTD.

With the building trade almost at a standstill, one hardly looks for prosperity in the timber industry, but such is the case in some districts. Imports into the United Kingdom have shown a shrinkage, but large markets like the Clyde have experienced comparatively little shortage, and with an extraordinary increase in price many timber merchants have found themselves in a very favourable position. This seems to have been the experience of Brownlee and Co., Ltd., of Glasgow, for although the report is singularly uninformative, profits, after making provision for excess profits duty, have jumped £85,800 to £133,720. The distribution on the ordinary shares is raised from 15 per cent. to 20 per cent., of which 10 per cent. is paid free of tax, but this disbursement only absorbs £30,000. Of the balance, £85,000 goes to reserve, and £11,525 to workmen's compensation. This is a very prudent course, for the future can only be described as uncertain, and the company has stock standing in the balance-sheet at £327,110, an increase of £156,800 on the previous year. As would be expected, the larger sums required to finance purchases have compelled a further recourse to credit, and sundry creditors and credit balances exhibit an increase of £92,920 at £290,986, but sundry debtors, bills receivable, and cash total £45,110 more, and the position, although somewhat less liquid than a year ago, is still quite strong.

LOVELL AND CHRISTMAS, LTD.

Although this firm of importers and meat and provision vendors did a larger trade in the financial year ended June 16, business was done at a reduced margin of profit, and after providing for debenture interest, nett profits come out at £76,970, a reduction of £1,485. The preference dividend and the ordinary dividend of 10 per cent., as before, take £20,250 and £27,750 respectively, and £25,000 is allocated to special contingencies reserve. Last year no corresponding allocation was made to the reserve, but £11,000 had to be provided for excess profits duty in respect of the financial year 1914-15. These disbursements left a balance of £3,990, which, added to the sum brought in from the previous year, raises the carry forward to £59,446. Considerable movements have taken place in the balance-sheet items. Sundry debtors have gone up £304,560 to £862,120, investments have increased £46,390 to £155,870, while stock-in-trade has moved up £64,800 to £220,070. On the other hand, creditors display the very large increase of £405,600 at £675,890. There is a reserve of £181,000, apart from the new contingencies reserve, and the position seems to be a strong one, but we should like to see the company separate its sundry debtors and loans, and state its investments at their market value.

COMMERCIAL BREWERY CO., LTD.

This Stepany company succeeded in increasing its gross profit £270 to £45,980, but expenses, chiefly taxes, were £3,140 higher, with the result that profit at £16,650 showed a decrease of £2,825. After providing for debenture interest and contingency reserve, together taking £6,500, the same as in the previous year, the profit available for distribution comes out at £10,150. The ordinary shares again get 15 per cent., but there is no allocation corresponding to the £2,000 set aside last year as a reserve against loans. The carry forward at £3,635 displays an increase of £540, but it is subject to excess profits duty. Liquid assets have risen by about £370 to £11,550, and sundry creditors by about £805 to £18,340, while stocks have gone up £2,440 to £16,775. There is a reserve against loans and contingencies of £27,000, a general reserve fund of £40,000, and a dividend reserve of £7,000, while issued share capital amounts to £90,040.

DAVY BROS., LTD.

The report of this firm of ironfounders and engineers, of Sheffield, does not tell us whether the profit for the financial year ended March last was struck before or after making provision for munition levy, &c., but the small increase—£400 to £39,800—seems to indicate that the Chancellor of the Exchequer has received his share. The profit for the two pre-war years averaged only about £11,000, but a year ago it was mentioned that the output was five times greater than the pre-war average, and this year it is stated that the very large demands for the special classes of machinery manufactured by the company have been met partly by increasing the output of the works, and

partly by obtaining efficient assistance from other engineering works. After meeting the debenture interest and providing for the preference dividend there remained the sum of £35,430, out of which the ordinary shares receive their usual dividend of 10 per cent., £25,000 is allocated to reserve, and the balance goes to raise the carry forward £600 to £13,560. The retention of a substantial proportion of the profits in the business is reflected in the balance-sheet, the liquid position being somewhat stronger than a year ago. Altogether the proprietors are to be congratulated on the results.

EDINBURGH EVENING NEWS, LTD.

As the report states, the rapid and bewildering changes in paper prices and supplies have made the task of conducting a newspaper one of great difficulty, and the proprietors are certainly to be congratulated upon the results for the financial year ended May last. The profit for the year amounted to £14,470, an increase of £295. After paying the preference dividend, which absorbed £5,000, $2\frac{1}{2}$ per cent. is again paid on the ordinary shares. The balance of £6,970 goes to increase the carry forward to £20,410. We agree with the directors that with the outlook so uncertain it is advisable to retain as large a proportion of the profits in the business as possible. As a result of the prudent course followed the balance-sheet position is stronger.

EDMUNDSON'S ELECTRICITY CORPORATION, LTD.

In 1916 there was a better demand for power in many of the districts served by the subsidiary companies of this undertaking, but expenses were high, and the total gross profit of the concerns shows a small shrinkage of £2,800 at £187,440. The dividends and interest received and accrued from the group fell £1,230 to £41,308, but on the other hand the company derived slightly better results from its own trading operations, which contributed £1,270 more at £6,410, so that profits at £40,540 exhibit little change from those of a year ago. After providing for income-tax and interest on the debentures, which required £1,050 more, nett profit is £960 down at £12,300. This sum just more than covers the dividend on the cumulative preference shares. In the balance-sheet cash has fallen £28,660, due apparently to a purchase of War Loan, which appears at £38,000.

HOARE AND CO., LTD.

Much better results were obtained in the financial year ended April last. Gross profit has gone up £19,600 to £103,570, and after providing for interest on the debentures and for depreciation, the amount available for the ordinary shares displays an improvement of £20,525 at £67,730. The dividend is raised from 4 per cent. to 6 per cent., requiring £45,150 or £15,050 more than in the previous year, and the balance remaining of £22,580 goes to raise the carry forward £22,580 to £41,240. The large increase is accounted for by the fact that last year £15,000 was passed to the reserve. Investments in the balance-sheet show an increase of £30,435 at £81,700, apparently representing a block of War Loan taken up. Book debts, cash, and the amount of War Loan assumed, total £103,750, and current liabilities about £114,160, but there are loans less reserves at £60,380, and stocks amount to £37,650. The reserve fund amounts to £180,000.

BOOKS RECEIVED.

New Zealand Official Year-Book, 1916. Edited by Malcolm Frazer, Government Statistician. Published by Eyre and Spottiswoode.

Nett profits of the Union Bank of Manchester, Ltd., for the half-year ended June 30, including £25,693 brought forward, amount to £107,026. The directors have declared a dividend of £1 per share for the half-year, less income-tax, absorbing £37,500, payable on the 19th instant; have provided £20,000 for income-tax, £5,000 for premises reduction, £5,000 for pension fund, and £18,500 to clear off balance of cost of purchase of Halifax and District Permanent Banking Co.'s business. Profits are arrived at after appropriating £10,000 in payment of war bonuses, &c., to members of the staff. The amount carried forward is £21,000.

Bombs on a "Magazine."—In the aeroplane raid over London the Huns did some damage of naval importance by dropping a bomb on the premises of the firm of printers who were preparing "Sea Pie," which is issued under the auspices of the Navy League and sold for the benefit of British naval prisoners in the hands of the enemy. Notwithstanding the fact that the two top stories were demolished by bombs, and the lower floors suffered severely from a fire which broke out, much of the edition of "Sea Pie" was saved, and by the energy of the publishers, and the kind help of several printers, a second edition was promptly got ready to replace the copies destroyed.

THE UNION BANK OF MANCHESTER, LIMITED.

A Dividend at the rate of £1 per Share, less Income Tax, has been declared on the present paid-up Capital of this Company (viz., £11 per share) for the Half-year ended 30th June last, and will be payable on and after Thursday, the 19th instant.

P. FORRESTER, Managing Director.

Manchester, 7th July, 1917.

N.B.—The Transfer Books are Closed till after the 19th instant.

Tea, Oil and Rubber.

There has been a firmer tone in the Rubber market this week both for shares and the commodity. The latter has fluctuated the merest fraction, while the floating supply of shares is insufficient to fill all the demands of buyers. Holders are reluctant to part, and there are still plenty of people on the outlook for a fairly large return on their money who consider that the plantation industry meets their requirements better than any of the other speculative sections of the market. Most attention has been paid to the older established companies, which are not much affected by the excess profits tax, but although the Chancellor or the Exchequer has refused to abate the duty in favour of the younger companies he has left the door open for a further appeal to the Board of Referees, and if some concession were made in the method of calculating the taxable basis it would meet the worst grievances. Anyhow, although business has been restricted the tone has been firm, and apparently investors are not worrying overmuch about a tax which they regard as merely temporary while they consider the future of the industry assured.

Java Para Rubber Estates, Ltd., continue to make satisfactory progress. Output amounted to 267,700 lbs., an increase of 127,000 lbs., which brought in an average of $1\frac{1}{4}$ d. more at 2s. $8\frac{1}{2}$ d., and the gross receipts were £32,000 higher at £88,000. Expenses at 1s. $1\frac{1}{4}$ d. against 1s. 1-5d. per lb. absorbed £15,000 more, and as the provision for preliminary, &c., expenses has not to be repeated the nett profit is £21,300 higher at £49,680. The directors, however, are content to repeat the dividend of 15 per cent. and to carry forward £36,860 (an increase of £14,000), subject to excess duty. For the current year the output is estimated at 400,000 lbs., an increase of 150,000 lbs. over last year's, but the estate is still in a comparatively early stage of development, and we look for much larger figures in the near future. Coffee output was rather larger, and brought in an average of £4 7s. 10d. per picul, or a full £1 more than last year, while the cost was 3s. 10d. less at £1 4s. $1\frac{1}{4}$ d. It would appear, therefore, to have contributed materially to the profits.

Sialang Rubber Estates, Ltd., in the year to January 31 harvested 1,232,000 lbs., an increase of 170,000 over the estimate, and of 410,000 over the previous year's crop. Average price realised was 2s. 6.15d., against 2s. 6.42d., and all-in costs were 1.73d. higher at 1s. 1.76d. Gross profits were £50,000 larger at £151,750, but the nett results were only £23,000 better at £86,420. After paying excess duty (£14,400) there was only £370, or £5,000 less, to bring forward, and the directors have prudently decided to reduce the dividend from 22 per cent. to 18 per cent. After placing £5,000 against £10,000 to development reserve there remains £45,800 to be carried forward, but this is subject to excess duty, estimated at £40,000. Output last year averaged 368 lbs. per acre, an increase of 53 lbs., and for the current year it is estimated at a total of 1,420,000 lbs. The estate has not yet nearly reached its full bearing capacity, and a large increase in production should take place in the next few years.

Lobitos Oilfields, Ltd., did not do so well last year as in 1915. Production was only 1,400 tons lower at 87,200 tons, and the nett operating revenue from oil fell £5,000 to £109,600, but depreciation and taxes required more, and the nett profit is £9,000 less at £45,620. Steamers did worse, as nett receipts were £17,000 down, and profits £10,000 smaller at £30,400. Altogether revenue shows a decrease of £19,000 at £76,950, and after providing for all charges nett profits are £32,000 down at £48,615. However, £14,000 more was brought in, and the directors very prudently reduce the dividend from 15 per cent. to 10 per cent., and carry forward £2,500 more at £35,000. Two of the company's steamers have been lost, and the insurance of one of them has still to be settled. Changes in the balance-sheet are merely normal, and do not need to be specified except for a drop in cash balances of £50,000 to £18,800. Nothing is said about the efforts of the Standard Oil group to secure control of this Peruvian Co.

DIVIDENDS ANNOUNCED.

Ashanti Goldfields.—No. 35 of 25 per cent. (1s. per share) less tax at 5s. in the £. This is the same as a year ago.

Bengal Doars Railway Co.—Interim of 3½ per cent. on ordinary stock for half-year ended March 31, payable, less English income-tax, on Aug. 1. A year ago the dividend was the same.

British Empire Trust Co.—5 per cent. per annum on preferred ordinary shares, and 7 per cent. per annum on deferred ordinary shares for year ended April 30 last.

Barclay's Bank.—Interim of 4s. per share on "A" shares, 7s. per share on "B" shares of £15 each (£4 paid), and 1s. 9d. per share on "B" shares of £4 each (£1 paid), being at rate of 10 per cent. per annum on "A" and 17½ per cent. per annum on the "B" shares, subject to tax, same as a year ago.

Bank of Bombay.—Dividend for past half-year at rate of 13 per cent. per annum; bonus at 2 per cent.; and a special bonus of 2 per cent. Transferred to credit of Government and other securities depreciation account, Rs.2,50,000; to reserve, Rs.2,00,000; forward, Rs.4,91,676.

Bradbury, Greatorex and Co.—Interim at rate of 6 per cent. per annum on the ordinary shares.

British Investment Trust.—Interim at same rate as last year—viz., at rate of 13 per cent. per annum on deferred stock for half-year ended July 1, payable, less tax, on August 1.

Bukit Mertajam Rubber Co.—Final at rate of 10 per cent., less tax, making a total of 15 per cent. for year, against 25 per cent.

Canadian Explosives.—1½ per cent. on 7 per cent. cumulative preferred shares for quarter ended June 30, payable July 16.

Champion Reef Gold Mining Co. of India.—Second interim 3d. per share (less tax at rate of 5s. in £), same as a year ago.

Dundee Coal Company.—10 per cent., against 5 per cent. a year ago.

Dominion Steel Corporation.—Dividend No. 22 at rate of 1½ per cent. on preference shares.

Direct United States Cable Co.—Interim of 2s. per share (less tax), being at rate of 4 per cent. per annum, for the quarter ended June 30 last.

East Pool and Agar.—Second interim for 1917 at rate of 1s. per share (less tax), payable Aug. 1.

Foreign and Colonial Investment Trust.—Interim for half-year ended July 10 at rate of 5 per cent. per annum on both preferred and deferred stocks, payable July 31, the same as a year ago.

Forum River (Nigeria) Tin Co.—Interim on account of the profits for the year ended March 31 of 7½ per cent. The output for the year was 325 tons of tin, being an increase of 9 tons over the preceding year.

Globe and Phoenix Gold Mining.—First interim of 2s. per share (free of tax) in respect of the year 1917, payable July 27, against 1s. per share on the same date last year.

Halifax Commercial Banking Co.—Interim of 8s. per share, at rate of 8 per cent. per annum, subject to tax, for half-year ended June 30, same as a year ago.

Jokai (Assam) Tea Co.—Final for season 1916, 12 per cent. (less tax), making 17 per cent. for the year, being the same as a year ago.

Lancashire and Yorkshire Bank.—Interim 16s. per share, subject to deduction of tax, the same as last year.

Langen (Java) Rubber Estates.—Interim 10 per cent. (actual), equivalent to 2s. per share, same as a year ago.

London and Provincial Bank.—Interim of 19 per cent. per annum, less tax, for the half-year ended June 30, payable on the 25th inst., the same as a year ago.

London County and Westminster Bank.—Interim of 9 per cent. for the half-year to June 30, less tax, the same as a year ago.

Lonely Reef Gold Mining.—Interim 10 per cent. (2s. per share), less tax at 5s. in pound.

Lloyds Bank.—Interim for half-year of 14s. 6d. per share, being at rate of 18½ per cent. per annum, payable, less tax, July 28; the dividend for 1916 was at the same rate.

Manchester and County Bank.—Interim of 5s. 4d. per share, less tax, the same as last year.

Mercantile Steamship Company.—Interim of 7s. 6d. per share, at rate of 15 per cent. per annum, on ordinary shares, against 10 per cent.

Mortgage Co. of the River Plate.—Interim at rate of 16 per cent. per annum for half-year ended June 30, less tax, on amount paid up on the ordinary shares, against 12 per cent. a year ago.

Mount Morgan Gold Mining.—Dividend of 1s. per share has been declared, payable Aug. 1 next.

National Provincial Bank of England.—Interim at rate of 16 per cent. (same as a year ago), payable, less tax, on Aug. 3.

Northern Corporation.—Interim at the rate of 8 per cent. per annum on ordinary shares for six months ended June 30, payable on Aug. 1, the same as a year ago.

Norfolk and Western Railway.—Quarterly dividend \$1 per share on adjustment preferred stock.

Ooregum Gold Mining Company of India.—On account of 1917 preference dividend of 1s. per share, and an interim of 9d. per share on both preference and ordinary shares, the same as a year ago.

Parke's Drug Stores.—Interim on the ordinary shares for half-year ended Mar. 31 at rate of 6 per cent. per annum, less tax, same as a year ago.

River Plate and General Investment Trust Co.—Interim 4½ per cent. per annum on preferred and 8 per cent. per annum on deferred stock, less tax, for half-year ended June 30 last, payable Aug. 1.

Sao Paulo Tramway Light and Power Company.—2½ per cent. on common stock, payable Aug. 1.

Sheffield District Railway.—Interim of £1 10s. per cent. on ordinary shares.

Stuttaford and Co.—Interim on ordinary shares of 5 per cent.

(1s. per share), less colonial and British income-tax, same as a year ago.

Tekka-Taiping.—1s. per share, less tax, payable on the 26th inst., the same as a year ago.

Union Bank of Australia.—At the rate of 10 per cent. per annum, equal to £1 5s. per share, and a bonus of 2 per cent., equal to 10s. per share, free of tax, £20,000 to reserve, £73,133 to be carried forward.

Union of London and Smith's Bank.—Interim for half-year ended June 30 at the rate of 10 per cent. per annum, subject to tax, same as a year ago.

West Yorkshire Bank.—Interim of 10s. 8d. per share for six months ended June 30 (10½ per cent. per annum), subject to tax, payable Aug. 1, same as a year ago.

Williams Deacon's Bank.—Interim for past half-year at rate of 14 per cent. per annum, less tax.

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and July 7, 1917:—

	Estimate for the Year 1917-1918.	Total Receipts into the Exchequer from April 1, 1917, to July 7, 1917.	Total Receipts into the Exchequer from April 1, 1916, to July 8, 1916.
Balances in Exchequer on April 1—	£	£	£
Bank of England	—	25,209,917	25,111,065
Bank of Ireland	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs	—	19,339,000	17,808,000
Excise	—	9,331,000	11,925,000
Estate, &c., Duties	—	9,323,000	8,321,000
Stamps	—	1,561,000	1,940,000
Land Tax	—	310,000	310,000
House Duty	—	—	—
Property and Income Tax and Super Tax	—	28,262,000	22,915,000
Excess Profits Duty (including Munitions Levy)	—	44,228,000	7,673,000
Land Value Duties	—	186,000	70,000
Post Office	—	7,800,000	8,800,000
Crown Lands	—	110,000	110,000
Receipts from Sundry Loans, &c.	—	293,687	474,444
Miscellaneous	—	7,360,599	1,866,603
Revenue	—	128,110,286	82,156,053
Total, including Balance		154,546,145	107,731,059
OTHER RECEIPTS.			
Repayment of Advances for Bullion	—	670,000	1,200,000
For Treasury Bills (for supply)	—	517,970,000	449,344,000
For 4½ per Cent. War Loan, 1915-1915	—	—	474
For 5 per Cent. Exchequer Bonds, 1919	—	—	21,655,000
For 5½ Exchequer Bonds, 1920	—	—	76,691,000
For 5 per Cent. Exchequer Bonds, 1921	—	—	33,866,000
For 5½ per Cent. Exchequer Bonds, 1922	—	50,506,000	—
For War Expenditure Certificates	—	—	13,197,600
For War Savings Certificates	—	10,500,000	5,250,000
For other Debt created under the War Loan Acts, 1914-1916	—	159,817,447	10,000,000
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947	—	163,050,000	—
Temporary Advances—			
Ways and Means (including Treasury Bills £247,878,000 in 1916-1917)	—	318,611,500	295,878,000
Total		1,375,691,092	1,017,843,083
EXPENDITURE AND OTHER ISSUES.			
EXPENDITURE.			
Permanent Charge of Debt ..	—	7,339,439	9,442,046
Interest, &c., on War Debt ..	—	55,154,081	36,571,175
Payments to Local Taxation Accounts, &c.	—	1,040,126	1,032,674
Other Consolidated Fund Services	—	468,593	465,873
Supply Services	—	662,157,200	434,211,631
Expenditure	—	726,159,429	481,713,399
OTHER ISSUES.			
For Advances for Bullion	—	820,000	1,492,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	—	84,999	31,457
Under Telegraph (Money) Act, 1913	—	30,000	130,000
Under Post Office (London) Railway Act, 1913	—	—	50,000
Under Housing Act, 1914	—	175,400	18,900
For Treasury Bills for Supply	—	300,145,000	442,743,000
For Exchequer Bonds under Section 61 of the Finance Act, 1916	—	168,220	—
For other Debt under the War Loan Acts, 1914 to 1916	—	14,467,156	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908	—	—	10,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	—	20,000
Temporary Advances repaid—			
Ways and Means (including Treasury Bills £23,703,000 in 1916-17)	—	309,526,500	51,604,500
Total		1,351,576,614	977,810,256
Balances in Exchequer—			
Bank of England	1917. July 7.	1916. July 8.	
Bank of England	22,685,216	38,770,761	
Bank of Ireland	1,423,232	1,252,066	
Total		24,108,478	40,032,827
Total		1,375,691,092	1,017,843,083
MEMO.—Treasury Bills outstanding on July 7, 1917....			
* £651,762,000			
* Includes £240,000, the proceeds of which were not carried to the Exchequer within the period of the account.			

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Assam Bengal ..	May 26	Rs. 1,30,000	+ 6,147	†	Rs. 9,74,000	— 67,305
Barsi ..	June 2	16,300	+ 1,800	†	1,05,600	— 16,700
Bengal & N.W. ..	May 26	4,72,570	+ 23,544	†	35,54,440	— 3,56,435
Bengal Nagpur ..	June 2	10,64,000	+ 74,000	†	94,91,000	+ 3,13,161
Bombay, Baroda ..	June 30	17,19,000	+ 3,52,000	†	2,03,60,000	+ 9,32,000
Burma ..	May 19	4,16,024	+ 6,952	†	31,95,661	+ 71,060
Delhi Umballa ..	July 7	76,700	+ 14,682	†	10,88,800	+ 1,31,544
East Indian ..	June 30	21,77,000	+ 39,000	†	3,47,94,000	+ 9,01,000
Gt. Indian Penin. ..	June 30	23,52,700	+ 3,08,700	†	2,90,02,200	+ 19,03,426
Lucknow-Bareilly ..	May 26	55,523	— 145	†	4,07,418	+ 4,287
Madras and S. ..	June 2	11,25,000	+ 45,466	†	95,40,000	— 47,228
Madratta ..	May 26	1,26,983	+ 3,392	†	10,75,330	+ 52,571
Nizam's Gd. (Broad) ..	May 26	69,519	— 3,024	†	6,57,902	— 1,061
Robilkund and ..	June 2	59,172	+ 5,347	†	3,85,232	+ 16,241
Kumaon ..	June 2	6,82,119	+ 34,300	†	60,33,802	+ 2,84,411
South Indian ..	June 2	6,82,119	+ 34,300	†	60,33,802	+ 2,84,411

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Bristol ..	July 6	£ 12,341	+ 1,893	†	£ 273,645	+ 15,756
Dublin United ..	June 8	8,130	+ 1,666	†	172,106	+ 20,851
Hastings and Dist. ..	June 8	1,352	+ 220	†	28,282	+ 4,792
Isle of Thanet ..	June 7	377	— 69	†	11,093	— 207
Lancashire United ..	June 4	3,331	+ 1,277	†	56,413	+ 10,290
Provincial ..	June 7	2,808	+ 124	†	86,252	+ 167
Yorks. (Wst. Rdng.) ..	June 8	2,326	+ 542	†	53,985	+ 8,382

* From Oct. 1. † From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Anglo-Argentine ..	July 8	£ 50,782	— 807	†	£ 1,387,841	+ 10,103
Auckland Electric ..	June 30	23,593	+ 1,888	†	282,694	+ 7,031
Brazilian Traction ..	May 3	M4,289,000	+ M181,000	†	M20,380,000	+ M128,000
Brisbane Elec. Inv. ..	June 2	32,475	+ 1,085	†	193,595	+ 755
British Columbia ..	May 3	872,729	+ 9,899	†	1,042,130	+ 244,747
B.A. Lacroze ..	June 2	38,020	+ 1,807	†	464,007	+ 25,457
Burmah Electric ..	May 17b	Rs.24,906	+ Rs.1,321	†	—	+ Rs.27,698
Calcutta ..	July 7	Rs.67,558	+ Rs.3,383	†	Rs.1,672,031	+ Rs.16,457
Cordoba Light ..	June 2	13,735	— 1,134	†	27,395	+ 1,546
P. & T. ..	June 12	123,523	+ 15,115	†	250,253	+ 4,574
Hongkong ..	June 6	3,852	+ 117	†	25,144	+ 761
La Plata ..	May 15	15,532	+ 1	†	8,317	+ 3,685
Lima ..	June 30	Rs.32,492	+ Rs.3,242	†	Rs.408,416	+ Rs.38,074
Madras Electric ..	Nov. 3	Rs.25,256	+ Rs.108,669	†	3,193,106	+ 197,229
Mexico ..	June 30	4,383	+ 778	†	28,727	+ 3,039
Rangoon ..	May 25	Rs.13,175	+ Rs.7	†	Rs.23,111	+ Rs.16,064
Singapore Electric ..	June 6	476,296	+ 18,422	†	2,343,762	+ 192,179
Toronto ..	June 6	27,458	+ 2,156	†	242,796	+ 1,728
United of Monte V. ..	Apr. 8	60,200	—	†	215,800	—
Vera Cruz ..	Apr. 8	64,145	— 39,132	†	3,386,233	— 156,704
Winnipeg ..	June 8	64,145	— 39,132	†	3,386,233	— 156,704

b 28 days. * From Jan. 1. † Net. a From July 1. c Two weeks.

UNITED STATES OF AMERICA.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Chesapeake & Ohio ..	June 21	\$ 999,000	+ 25,000	†	\$ 24,345,000	+ 1,198,000
Chicago G.W. ..	June 21	373,000	+ 81,000	†	16,076,000	+ 1,370,000
Colorado & South'n ..	June 21	294,000	+ 31,000	†	7,995,000	+ 910,000
Denver & Rio Gran. ..	June 28	620,000	— 3,000	†	13,499,000	+ 2,072,000
Louisville & Nashv'l ..	June 21	1,419,000	+ 242,000	†	33,527,000	+ 4,000,000
Minn. S.P. (Soo) ..	June 7	698,000	+ 106,000	†	13,253,000	+ 615,000
Missouri Kansas ..	June 21	667,000	+ 75,000	†	18,030,000	+ 3,162,000
Southern ..	June 21	2,080,000	+ 330,000	†	102,291,000	+ 12,291,000

† Includes Wisconsin Central. † From Jan. 1. † From June.

FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Alcoy and Gandia ..	July 7	Ps. 16,500	— 1,500	†	Ps. 301,870	— Ps. 85,030
Antofagasta (Chili) ..	July 8	47,915	+ 15,050	†	1,046,005	+ 146,845
Arauco ..	May 31	11,000	+ 1,200	†	55,000	+ 11,800
Argentine N.E. ..	July 7	8,900	+ 3,400	†	8,900	+ 2,769
Bilbao R. and Canta ..	June 7	1,908	+ 2,417	†	21,008	+ 3,769
Bolivar ..	June 7	10,000	+ 3,684	†	122,250	+ 13,017
Brazil ..	Apr. 7	M3,781,000	+ M350,510	†	M158,290,000	+ M138,280
Brazil Gt. Southern ..	July 7	M15,456,000	+ M10,280	†	M170,990	+ M29,000
B. Ayres & Pacific ..	July 7	73,000	— 15,000	†	73,000	— 27,000
Do. Central ..	May 7	25,929	— 22	†	268,840	+ 1,740
Do. Gt. Southern ..	July 7	86,000	+ 6,000	†	97,705	+ 17,549
Do. Western ..	June 8	40,000	+ 6,000	†	42,000	+ 12,000
Central Argentine ..	June 7	76,800	+ 30,200	†	76,800	+ 43,900
C. Uruguay of Mto V. ..	June 7	15,450	+ 3,939	†	15,450	+ 1,767
Do. East'n Ex. ..	June 7	5,620	+ 719	†	5,620	+ 107
Do. North'n Ex. ..	June 7	2,564	+ 766	†	2,564	+ 346
Do. West'n Ex. ..	June 7	1,397	— 136	†	1,397	— 319
Cordoba Central ..	June 7	41,000	+ 2,310	†	41,000	+ 4,450
Costa Rica ..	Mar. 3	4,939	+ 1,996	†	185,662	+ 3,040
Cuban Central ..	July 7	3,997	+ 4,985	†	13,997	+ 3,627
Dorada Extension ..	May 7	9,600	+ 1,700	†	45,700	+ 10,300
Egyptian Delta ..	June 31	5,749	+ 815	†	33,867	+ 5,104
Entre Rios ..	July 7	12,400	+ 1,400	†	12,400	+ 300
French Sante Fé ..	Dec. 7	81,752	+ 1,139	†	1,080,727	+ 156,858
Gt. South'n of Spain ..	June 30	Ps. 74,220	+ Ps. 5,400	†	Ps244,221	+ Ps639,862
Gt. West'n of Brazil ..	July 6	11,000	+ 2,900	†	322,650	+ 80,450
Havana Central ..	June 23	7,719	+ 1,064	†	333,650	+ 83,359
Inter. of C. Amer. ..	May 7	31,028	+ 3,895	†	177,234	+ 9,925
La Guaira and Car. ..	June 7	7,250	—	†	50,250	+ 1,000
Leopoldina ..	July 7	32,359	+ 11,107	†	668,048	+ 112,163
Manila (N. & Sth.) ..	Apr. 6	10,389	+ 1,997	†	10,389	+ 1,997
Midland Uruguay ..	May 7	12,766	+ 1,258	†	142,782	+ 128,588
Mogiana ..	Apr. 7	M1,476,000	+ M253,117	†	M5,386,000	+ M117,162
N.W. of Uruguay ..	May 7	27,000	+ 4,939	†	269,000	+ 25,189
Nitrate ..	June 30b	32,252	+ 4,361	†	346,911	+ 66,649
Paraguay Central ..	July 7	2,080	+ 780	†	2,080	+ 780
Paulista ..	Apr. 7	M1,880,000	+ M230,979	†	M7,721,000	+ M240,648
Peruvian Corp'n ..	June 7	S 965,420	+ S 35,920	†	S11,128,092	+ S136,595
Salvador ..	July 7	19,550	+ 2,050	†	19,550	+ 2,050
S. Paulo (Brazilian) ..	June 7	22,662	+ 4,752	†	580,178	+ 7,776
Sorocabana ..	Apr. 7	M1,451,000	+ M163,524	†	M6,322,000	+ M584,837
Taita ..	June 7	22,635	+ 1,492	†	234,090	+ 3,181
United of Havana ..	July 7	36,829	+ 7,279	†	36,829	+ 2,604
West'n of Havana ..	July 7	7,160	+ 2,021	†	7,160	+ 1,029
Zafra and Huelva ..	May 7	11,544	+ 185	†	52,240	+ 5,518

* Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Beira ..	April 7	£ 55,042	+ 2,908	†	£ 476,973	+ 18,275
Canadian Northern ..	July 7	\$902,300	+ \$17,200	†	\$902,300	+ \$17,200
Canadian Pacific ..	June 7	\$3,101,000	+ \$485,000	†	\$73,907,000	+ \$2,279,000
Gr. Trk. Main Line ..	June 7	212,589	+ 31,582	†	5,175,437	+ 666,633
Gr. Trk. Western ..	June 7	40,788	+ 205	†	1,003,343	+ 18,301
Detroit G. H. & M. ..	June 7	13,140	+ 2,205	†	355,172	+ 4,878
Gr. Trk. Pacific So. ..	June 7	21,385	+ 6,174	†	21,385	+ 26,147
Nashionaland ..	Jan. 7	54,122	+ 8,094	†	—	—
Mid. of Westn. Aus. ..	May 7	6,428	— 513	†	84,036	+ 870
New Cape Central ..	June 2	1,532	+ 229	†	41,330	+ 6,442
Rhodesia ..	April 7	86,487	+ 11,307	†	374,662	+ 42,113

* Months. † July 1. † Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year	No. of Mths.	Amount.	In. or Dec. on last year
		Dols.	Dols.		Dols.	Dols.
Atchison T. & S. Fé	May	4,304,000	13,000	11	48,329,000	+ 8,251,000
Atlantic Coast Line	"	752,000	104,000	5	5,807,000	+ 315,000
Baltimore & Ohio ..	"	3,170,000	+ 315,000	5	11,570,000	+ 635,000
Canadian Northern	"	1,054,400	327,200	11	9,316,800	+ 1,764,000
Canadian Pacific ..	"	4,552,000	+ 180,000	5	17,082,000	+ 1,170,000
Chesapeake & Ohio	"	1,033,000	285,000	5	5,639,000	+ 75,000
Chicago & N.W. ..	"	2,252,000	+ 388,000	5	8,681,000	+ 1,342,000
Chicago Burl. & Q.	Apl.	2,868,000	+ 619,000	4	11,952,000	+ 620,000
Chicago G.W. ..	"	232,000	28,000	10	3,746,000	+ 153,000
Chicago Mil. & S. P.	May	2,746,000	+ 448,000	5	8,528,000	+ 1,866,000
Chicago, Rock I. & P.	Apl.	1,497,000	+ 70,000	4	4,942,000	+ 575,000
Colorado & Southern	May	407,000	+ 15,000	5	2,349,000	+ 441,000
Cuba ..	Mar.	822,148	478,952	9	1,202,298	+ 1,188,363
Delaware & Hud. ..	Apl.	395,000	227,000	4	1,325,000	+ 1,132,000
Denver & Rio Gran.	"	697,000	44,000	4	2,461,000	+ 53,000
Erie ..	May	1,779,000	82,000	5	2,239,000	+ 3,686,000
Gr. Tr. Main Line ..	"	£166,550	£55,950	5	£749,400	+ £136,800
Grand Trunk Westn	"	£2,350	£47,050	5	£24,150	+ £202,650
Detroit G. H. & Mil.	"	653,500	£12,400	5	£39,700	+ £49,400
Gt. Northern ..	Apl.	1,351,000	354,000	4	3,973,000	+ 1,062,000
Illinois Central ..	May	1,735,000	+ 466,000	5	7,933,000	+ 2,174,000
Kansas City Southn.	"	369,000	+ 23,000	5	1,819,000	+ 397,000
Lehigh Valley ..	"	1,282,000	+ 30,000	5	3,327,000	+ 1,445,000
Louisville & Nashv.	Apl.	1,366,000	194,000	4	6,321,000	+ 12,000
Minn. S.P. (Soo) ..	"	751,000	171,000	4	2,243,000	+ 1,506,000
Miss. K. & Texas ..	May	698,000	+ 280,000	5	2,117,000	+ 1,368,000
Missouri Pacific ..	Apl.	1,563,000	+ 579,000	4	6,159,000	+ 2,474,000
New York Cent. & H.	May	4,214,000	1,383,000	5	15,497,000	+ 8,657,000
N. Y. N. Haven & H.	May	2,017,000	+ 142,000	4	6,430,000	+ 568,000
New York Cent. & W.	May	188,000	16,000	5	625,000	+ 115,000
Norfolk & Western.	"	1,745,000	543,000	5	8,538,000	+ 1,336,000
Northern Pacific ..	"	2,617,000	+ 175,000	5	11,199,000	+ 292,000
Pennsylvania East	"					
and West Lines ..	Mar.	6,934,000	973,000	3	13,253,000	+ 7,369,000
St. Louis & San F.	Apl.	1,204,000	+ 84,000	10	13,773,000	+ 2,603,000
Seaboard Air Line.	"	627,000	34,000	4	2,867,000	+ 15,000
Southern ..	May	2,212,000	+ 79,000	11	22,380,000	+ 2,530,000
Southern Pacific ..	"	5,992,000	+ 1,897,000	5	25,866,000	+ 7,240,000
Union Pacific ..	"	4,237,000	+ 851,000	5	14,397,000	+ 493,000
Wabash ..	"	1,124,000	+ 122,000	5	4,473,000	+ 469,000

COMPANY MEETINGS.

JAVA PARA RUBBER.

The sixth annual general meeting of the Java Para Rubber Estates, Limited, was held on Friday, in the Council Room of the Rubber Growers' Association, 38, Eastcheap, E.C., Mr. R. J. Arnold presiding.

The Secretary (Mr. J. J. Sneddon, A.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that was the third year in succession he had presided at the annual meeting in the absence on active service of the Chairman, Lieut.-Colonel Frank Johnson. He also apologised for the absence of Major the Hon. E. Coke, who was at the front. The past year had been one of great prosperity for the company, as the crops realised the magnificent sum of £84,647. That was mainly due to the high price realised for coffee, a price which the board obtained by selling forward practically the whole of the crop. Last year he foreshadowed that their coffee would realise £52,000 and their rubber £35,000, and both estimates had been exceeded, the coffee netting over £53,600 and the rubber £31,000. Both crops exceeded the estimate in quantity, and the rubber both in quantity and price. A small amount of the coffee crop being of slightly inferior quality did not fetch the price foreshadowed. Their costs were slightly in excess of expectation, owing mainly to a larger crop, the extra cost of freight on rubber and the various items of supplies in the East, all of which had considerably risen in price. Nevertheless, the net profit of £49,683 was considerably in excess of anticipation, but it did not enable them to pay a larger sum than last year owing to the very heavy amount they would be called upon to pay for excess profits duty, amounting, he was afraid, to half their earnings. The amount would be something like £24,000, which would only leave them about £12,000 in hand to carry on with. He would like to state that all buildings and machinery had been well kept up, and that a sum of £3,792 had been spent during the year on buildings and additions to plant. That was, of course, in addition to the ordinary wearing and tear, and was necessary for dealing with large crops. There was little else in the accounts to which he need draw attention, except that they had written off £2,069 for depreciation of buildings and machinery, factory, bungalows and coolie lines, an item which was very necessary on account of the heavy deterioration which took place in tropical climates, but an item which he feared was not always allowed in full by the Inland Revenue. He thought that was rather hard, and could scarcely have been well considered by the authorities at home, who had but little experience of conditions in the tropics compared with those people who knew the East. It did certainly seem hard that whilst they had made close on £50,000, they were only able to distribute £24,000, of which, in turn, the Government would take 5s. in the £1, and that they could not deduct fair wear and tear of their buildings. The accepted method seemed to be that they might book expenditure a new roof and at another time new walls, but they could not always catch up in that manner, as their staff might then have to pass the night in the open air—so that old buildings frequently had to be abandoned and the materials used for patching, and an entirely new building put up. He maintained that 15 if not 20 per cent. depreciation on all tropical structures should be fairly chargeable to revenue. It was the somewhat drastic manner in which their well thought out and carefully considered accounts, which had been passed by their very watchful auditors, were afterwards pulled to pieces by the Assessing Authorities, which he protested against. The debenture debt, originally amounting to £30,000, had been entirely liquidated—the last £5,315 appearing in the accounts as still outstanding on December 31 was finally paid off on June 30 at a premium of 2½ per cent.—the rest was all paid off at or under par. The company was therefore entirely free from debenture debt, and nothing whatever stood in front of the shareholders. In regard to the future, their coffee crop would not be as large as last year, nor would the price reach anything like the high-water mark of last year. With regard to the smaller crop, that was partly due to a considerable amount of the coffee having been cut out to make room for rubber, but also an account of the weather having been so favourable during the blossoming period. The price would be lower on account of export restrictions. Thus the question which had ever been before them of having to decide which product they would favour was now largely deciding itself, and whereas their coffee estimate this year was only 7,000 piculs, their rubber estimate had taken the large jump to 400,000 lbs. The prices of both products he could not predict, but their margin between costs and yields were so good that very fine profits would appear to be quite secure. It would be seen that their acreage statement was different from last year, and for the first time they had a substantial acreage of 500 under rubber only. Their rubber-coffee area had not, however, depleted by a like acreage, because they had added over 300 acres to the dual product during the year, and they intended to add 110 acres more during the coming 12 months. A large and very fine addition to the estate would come to them free of cost at the end of 1920. That lease was granted when the company was not so well off as at present. The South Preanger Company entirely belonged to their own company, and it would stand them in about £35,000 all told, which was not a large amount for 470 acres, considering the

very fine block of over 900 acres of unplanted land. After this year he thought it would be wise to show all their expenditure on estates and crops under one head, and when their leased land fell in there would be few estates in Java to vie with them in size and importance.

Mr Noel Bingley seconded the resolution, which was carried unanimously. Dividends as recommended were authorised.

EMPIRE OF INDIA AND CEYLON TEA.

The 21st annual ordinary general meeting of the Empire of India and Ceylon Tea Co., Ltd., was held on Tuesday, at the registered offices of the company, King William House, 2A, Eastcheap, E.C., Major A. Yalden Thomson (chairman of the company) presiding.

The Managing Director (Mr. H. F. Turner) having read the notice convening the meeting and the report of the auditors,

The Chairman, after referring to the loss the company had sustained through the death of its late chairman, Mr. F. T. Veiner said: In the report sent you you are given details of the results from the various estates, so I need not detain you long on that subject. Sonajuli, as usual, holds pride of place with an outturn of 985 lbs. and a net profit of £21 4s. per acre. Dhulapadong is the only other garden showing an increased outturn compared with last season, when yields were abnormally high, but all the gardens in the Assam group show improved profits. The superintendent, Mr. E. H. Hannay, and the staff in Assam are to be congratulated on obtaining very fine results indeed. Among the Dooars group, Tasati again shows the best results, with a profit of £17 12s. 6d. per acre, and Good Hope a much improved profit compared with any previous season. Our superintendent in the Dooars, Mr. L. C. Daunt, consented to remain out in India to help to tide us over these critical times. Ceylon has had special difficulties to contend against, but even so the results, being largely due to a short crop, are disappointing. Mr. Daunt, in whom the directors have every confidence, has consented to visit our Ceylon properties and advise us, after consulting with our visiting agent, as to the best steps to take to improve matters. The "all-in" cost per lb. over the whole of the estates—namely, 7.43d.—is 1.48d. higher than the average "all-in" cost for the ten years previous to the war. This is less than it would have been had we not sold a portion of our crop f.o.b. Calcutta. It shows careful and economical working on the Assam and Dooars groups. The 32,500 £1 shares in the British Malay Rubber Co., Ltd., are now fully paid, and we are to be congratulated on securing this investment, on which a first dividend of 10 per cent. was authorised this morning. Unfortunately, the incidence of the excess profits duty will hit that company very hard, but we all hope this inequitable imposition will not long be with us. The Tezpor Tramway Co., Ltd., shares have now been written down to £2,780 16s. 2d., their face value being £4,880. It has declared a dividend of 6 per cent. on the ordinary shares and the usual 6 per cent. on the preference on account of 1916. I now come to the results of the season's work. The actual nett profit is in excess of last season's by £21,986, but of this Government takes approximately £17,000 as excess profits duty. Compared with 1915 results, the Assam group has made an increased profit of £3 4s. 2d. per acre, the Dooars group £1 19s. 10d., while the profit per acre from the Ceylon gardens shows a drop of 18s. 5d. per acre, owing mainly to a short crop. Ceylon has been handicapped by a higher rate of freight than India, the amount paid on this account on the smaller crop being £1,795 in excess of freight paid on account of the 1915 crop. In proposing that the dividends to be now declared should not exceed those for 1915, I feel it my duty to attempt briefly to put before you our present position and immediate prospects. As you are aware, a suggestion was made to restrict the output of tea from India and Ceylon during the current season, as there appears no possibility of sufficient shipping being available to carry the normal crops to this market. This proposal, so far, has been blocked by certain companies refusing to join in any such undertaking. We have all got to face the possibility of not being able to get our whole crop to market and the certainty of great delay in doing so. If shipping facilities could be found I think we should soon see teas selling at pre-war prices, and a large majority, if not the whole of the tea-growing industry, welcoming that state of affairs. Failing the necessary shipping accommodation, other schemes have been, and are being, experimented with in the attempt to prevent short supplies meaning long prices to the consumer. Unfortunately it is impossible to judge how long one scheme will last, or what other scheme will replace it. There is some talk of the Food Controller taking over the whole of the Indian crop in Calcutta and allowing a fair pre-war rate of profit to the producer. If this can be arranged, it would be an immense boon to the poorer consumer, and, in my opinion, to us also. I would not then feel fully justified in suggesting that we carry forward a balance of £99,557 13s. 5d. (subject to excess profits duty of some £52,700), but in the present uncertain state of affairs I do. In so doing, while distributing a high rate of dividend, we are strengthening the financial position of the company. These results have been obtained by our European staff in the East under exceptional difficulties. They have been in several instances short-handed, and carrying out their military service duties in addition to their arduous work on the plantations.

Mr. W. K. Darley seconded the resolution, which was carried unanimously.

SOUTH-WEST AFRICA CO.

The ordinary general meeting of the South-West Africa Co., Ltd., was held on Thursday at Winchester House, Old Broad Street, Mr. Edmund Davis presiding.

The Secretary (Mr. C. Launspach) read the notice convening the meeting.

The Chairman, in dealing with the profit and loss account, said that the receipts under farm rents, interest, and sundry receipts, South-West Africa, £1,577, compared with £4,330 shown in the previous profit and loss account, as the receipts in respect of the two years 1914 and 1915, whilst dividends on investments and interest, London, at £25,196, showed a reduction of nearly £1,200 compared with the previous accounts. The result of the year's operations was a loss of £8,081, principally due to loss on investments and shares sold, £5,602. In the year under review none of the investments were realised at a profit, whereas in 1915 £10,596 stood to the credit of profit and loss account under this heading. The investments stood in the balance-sheet at £1,320,107 on December 31 last. Since then they had not only converted the £250,000 of Four and a-Half per Cent. War Loan, but had subscribed an additional amount, making the company's total holding at this date £300,000 of Five per Cent. War Loan. They had realised several investments since the close of the year under review, and as regarded the investments inscribed or deposited in Germany, their present figure was £17,257 lower than that shown at December 31, 1915, the difference being due to redemptions of Prussian Four per Cent. Treasury bonds and small amounts of Rumanian and Chinese bonds held in Berlin. The operations of the Otavi Exploring Syndicate, Ltd., were being carried on on a limited scale, the high-grade copper ore the syndicate was shipping being realised at satisfactory prices. A considerable amount of the shares of this company was enemy-owned, and during the year under review the affairs of the company had been investigated by the Parliamentary Committee appointed for the purpose of inquiring into the nature of concerns in which there was a large enemy-owned interest. The Committee expressed a desire, which the Board shared, to see the German interest as far as possible eliminated, and advised the Board of Trade to this effect. They therefore applied to the Board of Trade for authority to enter into negotiations with representatives of the German shareholders with the object of effecting a transfer of enemy-owned shares into British hands, this course having been followed in other cases and having resulted in a settlement. In their case authority had not been given, but they hoped the Board of Trade might see its way to reconsider its decision, as the directors were anxious, and they knew the shareholders would approve, to make some satisfactory settle-

ment with the least possible delay. In conclusion, he moved the adoption of the report and accounts.

Mr. F. Eckstein seconded the motion, which was carried unanimously.

Answers to Correspondents.

* * A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.

Deposits against future queries may be lodged with the Publisher.

Curator.—We should advise waiting, although the war will probably postpone any substantial improvement in that part of the world.

J. R. R.—Not wholly. No. 1 is too dear. (2) This is a much more solid business. (3) Excellent also, but price quite high enough. Still the yield is tempting and a few of both these may be bought.

Sluggard.—Probably yes, but it is pure gambling. The market is moving up now.

R. A. C.—We advise you to leave them alone; we do not trust the people connected with it.

M. D.—The road is doing very well, and we see no objection to your proposal.

Caius.—Still fairly high, and we see no reason to anticipate any rise under present conditions. Better wait.

D. R. H.—3½ per cent. War Stock interest can be re-invested automatically.

A. B.—The interest is, we think, safe, and you might buy a little more to average.

Wren.—We think you should take it.

E. B.—It is possible the shares may be driven up, yet we fear it is a case of throwing good money after bad. The prospects are a gamble.

Gurth a Swineherd.—Ordinary are about 34s.-40s., but we do not think you will be able to deal. They will probably be taken in big blocks. The preferences are not likely to be obtainable either; they are nominally on 6½ per cent. to 7 per cent. basis.

The Manchester and Liverpool District Banking Co. has declared the usual dividend at the rate of 17½ per cent., less tax. In future meetings will be held yearly in January instead of half-yearly as hitherto. Deposits show an increase of £4,500,000, and cash is up £800,000, while advances are £4,300,000 higher.

GENERAL MINING AND FINANCE CORPORATION, LTD.

(INCORPORATED IN THE TRANSVAAL.)

Extracted from the Directors' Report for the Year ended 31st December, 1916.

To be Submitted to Shareholders at the Seventeenth Ordinary General Meeting to be held on 17th August, 1917, in Johannesburg.

ACCOUNTS—The working profit for the year ended 31st December, 1916, after deducting administration expenses, interest, etc. amounted to £38,304 2s 7d. On the other hand, it has been deemed advisable to make the following provision, which has been debited to Profit and Loss Account:—Loss on Mining Ventures £2,688 0s. 8d., leaving a balance (being profit for the year) carried to Balance-sheet of £35,616 1s. 11d. From this must be deducted the debit balance of £30,522 16s. 6d. brought forward from the previous year, leaving a total amount standing to the credit of Appropriation Account of £5,093 5s. 5d. The Corporation's holdings of shares and Debentures of other companies, which at the close of the previous year showed a depreciation (in the aggregate) of £983,823 0s. 2d. as compared with the market prices then ruling, reflect a total depreciation of £1,017,855 0s. 2d. if taken at the prices obtaining at the 31st December last. Your Directors desire again to point out that this depreciation does not represent a realised loss, but that any material amelioration is largely dependent upon the refinancing of certain of the companies under the Corporation's control which require additional working capital for the recommencement and continued prosecution of mining operations.

ASSETS—The major portion of the share and Debenture investments is in the nine mines under the management and control of the Corporation. These are as follows:—Outcrop Mines—Producing—Aurora West United Gold Mining Co., Ltd., Meyer and Charlton Gold Mining Co., Ltd.; New Goch Gold Mines, Ltd.; Roodepoort United Main Reef G.M. Co., Ltd.; Van Ryn Gold Mines Estate, Ltd.; West Rand Consolidated Mines, Ltd. Deep Level Mines—Partially developed or waiting development—Cinderella Consolidated Gold Mines, Ltd.; New Steyn Estate Gold Mines, Ltd.; Rand Collieries, Ltd. Shares are also held by your Corporation in other mining, estate, financial and miscellaneous companies. The book value of these at the 31st December last was £195,111 13s. 4d. The Corporation holds various mining properties, real estate and house property, etc., standing in the Balance-sheet at £237,275 8s. They include 564 claims in different sections of the Witwatersrand. The real estate and house properties are all situate in Johannesburg and produce fair rentals; the Reserve Account against possible loss in this connection still remains at £70,000.

GENERAL—The position of the Corporation as disclosed by the accompanying Balance-sheet shows a material improvement from the financial point of view. Although there is an addition of £300,000 to Contingent Liabilities in respect of the loan to the Roodepoort United Main Reef G. M. Co., Ltd. (which has been taken over by one of the banking institutions under the guarantee of your Corporation), on the other hand the Corporation's direct liabilities under the headings of Sundry Creditors and Deposits have been reduced during the past year by £356,312 3s. 6d. and £97,479 2s. respectively, or a total amount of £453,791 5s. 6d. With regard to the gold producing companies under the management of the Corporation, mining operations have again been fully maintained, although the adverse factors referred to in the previous annual report of your Directors (e.g., increased cost of mining supplies and the absence of employees on active service) have been even more pronounced during the past year. The boring operations on the farm Rietfontein No. 327 (adjoining the property of the Daggafontein Mines, Ltd., on the Far East Rand), also referred to in the previous report of your Directors, were continued during the year under review, but up to the present the results have not been encouraging.

On the occasion of the invitation of the Union Government, in August last, for applications for the lease of the Government ground adjoining the Brakpan Mines, a tender was submitted on behalf of your Corporation, the whole of the preliminary working capital of £800,000 required in terms of the Government Notice having been guaranteed to your Corporation from South African sources. Your Directors regret however, that they were not successful in obtaining the lease, although it is understood that the terms of the Corporation's offer were very close to those of the successful tenderer.

DIRECTORS—In terms of the Articles of Association, one of your Directors, Mr. Jacob Freudenthal, retires, but, being eligible, offers himself for re-election.

Johannesburg, 2nd June, 1917.

Copies of the full report and accounts can be obtained at the London Office of the Corporation, Winchester House, Old Broad street, E.C. 2.

GEORGE ALBU, Chairman.



ACT—

—NOW

PROTECT YOUR EMPLOYEES

in the event of **DEATH** or **ACCIDENT**, direct or indirect,
ARISING FROM AIRCRAFT.

To Employers : NEW SCHEME :

IN the unfortunate event of any of your staff being injured or losing their lives as a result of an air raid, you would naturally feel some moral responsibility—apart from any question of legal liability—for the welfare of the sufferers and their dependants. Probably you, in common with other employers, have already given some thought to the question of your attitude under such circumstances.

As a consequence of the many requests to quote rates for such risks, The Eagle and British Dominions Insurance Co., Ltd., have devised a new scheme by which for a moderate premium employers

can provide against this responsibility, and thus have the satisfaction of knowing that provision will be made for those who may suffer.

Under this Scheme Employers can insure the whole of their Staff against Accident or Death arising from Aircraft, under One Policy: the Premium payable being based upon the total Annual Salary and Wages of the Staff.

Many leading firms have already taken advantage of this special policy, and in some cases the staff are themselves contributing to the premium paid by their employers.

THESE Policies are of a specially comprehensive character, and cover Bodily Injury resulting in Death, Loss of Limb or Limbs, or Disablement caused directly and immediately by Aircraft—hostile or otherwise—including Bombs, Shells, and Missiles dropped or thrown or fired therefrom, or fired thereat; and also against the same contingencies arising from what may be termed INDIRECT causes, such as Falling Glass, Falling Buildings, or Building or other Material, Splinters, Ricochetting Shrapnel, or other matter.

Scale of Rates, Benefits, and Example :

WHERE THE INJURY RESULTS IN—

DEATH	Three Years' Wages (of the deceased).
LOSS of BOTH HANDS or BOTH FEET or BOTH EYES or ONE HAND and ONE FOOT, or ONE HAND or FOOT and ONE EYE	Three Years' Wages (of the injured person).
LOSS of ONE HAND, ONE FOOT, or ONE EYE	One Year's Wages (of the injured person).
PERMANENT TOTAL DISABLEMENT (other than the loss of limbs provided for above) ..	One Year's Wages (of the injured person).
TEMPORARY TOTAL DISABLEMENT, payable for a period not exceeding 52 weeks ..	Half Wages (of the injured person).

RATES OF PREMIUM :

Table A.—Where the policy is only required to cover the staff in respect of injuries happening at the Insured's premises, or whilst the injured person is engaged upon the Insured's work **5/-** per cent.

Table B.—Where the policy is required to cover the staff anywhere and always—either at work, in the street, or at home **7/6** per cent.

These rates are payable on the total annual salaries and wages paid by the Insured, and the premium is subject to adjustment in the same way as an ordinary Employers' Liability Policy.

EXAMPLE :

An employer paying say £4,000 per annum in wages can for a premium of £10 secure a policy which, in the event of an employee earning say £208 per annum being killed in the course of his employment as a result of an air raid, would provide £624, or in the event of temporary total disablement an allowance of £2 per week.

It is not necessary to give the names of the individual members of the staff to be insured or to advise the Company of any alterations which may be made. The policy applies to the whole of the staff insured without any distinction as to occupation, age, or sex, provided their earnings are included in the estimate upon which premium is paid.

SEND THIS PROPOSAL FORM TO-DAY.

NAME OF PROPOSER IN FULL

ADDRESS

TRADE OR BUSINESS

SCHEDULE OF EMPLOYEES.

DESCRIPTION OF EMPLOYEES.	Approximate No. of Employees.	Approximate Total Annual Wages and other Earnings.
(a) CLERICAL STAFF		£
(b) COMMERCIAL TRAVELLERS		£
(c) GENERAL STAFF		£
Total		£

RATE..... %

PREMIUM £ : :

Do you require the Insurance under Table A or B ?

State Schedule of Addresses at which your staff are employed, and Approximate maximum No. on the various premises at any one time.

For PROPOSAL FORMS or REQUEST for COMPANY'S REPRESENTATIVE to call, write the Company's Offices or Branches.

THE EAGLE AND BRITISH DOMINIONS INSURANCE COMPANY, LIMITED,

British Dominions House, Royal Exchange Avenue, London, E.C. 3. West End—79, Pall Mall, London, S.W. 1.

Branches and Agencies throughout the United Kingdom.

"The Most Progressive Office for all classes of Insurance."

ASSETS EXCEED £4,000,000

Applications for Agencies Invited.

The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

Vol. XL.—No. 1,020.]
NEW SERIES.

[Registered as a
Newspaper.]

SATURDAY, JULY 21, 1917.

[Price 6d.]

CONTENTS.

Passing Events :—Revenue — Royal House of Windsor — Reshaping the Ministry — New German Chancellor — German Plotters — Chinese Republic . Re-established — Swiss Finance — Canadian Car and Foundry — Anchor Line — English Sewing Cotton — British North Borneo — Australian Estates and Mortgage—Ebbw Vale Steel, Iron, and Coal — Brooke, Bond — General Mining and Finance (pp. 51-6).

Leading Articles :—Banks, State Borrowing, and the National Credit — Trade After the War — The Banking Half-Year — What Has Become of the Gold? — Six Months' Foreign Trade — By-the-Way War Notes (pp. 56-62 and 69-72).

Money and Credit Notes :—Unruffled Money—Bank Return—Wide Fluctuations in Silver—India's Arrangement with the United States—Further Depreciation of the Rouble—Silver (pp. 64-66).

American Business Notes :—Money for 22,000 Airplanes—Federal Reserve Banking Amendments—Preventives Against Panics (p. 72).

The Week's Stock Markets (pp. 66-7).

Tea, Oil and Rubber :—Rubber Market—Assam Oil—Ural Caspian Oil Corporation (p. 68).

Mining News :—Mount Morgan—Ropp Tin—New Vaal River Diamond—Henderson's Transvaal Estates—Chenderiang Tin Dredging (p. 74).

What Balance Sheets Tell :—Howard and Bullough—D. Watney and Sons—J. C. and J. Field—Lancashire Power Construction (p. 75).

Company Meetings :—National Bank of New Zealand — General Electric Co. — Henderson's Transvaal Estate—Assam Oil—The "Bodega" Co. (pp. 76-78).

Answers to Correspondents (p. 62).

Traffic Returns (p. 63).

London Produce Markets (pp. 67-8).

Oilfields Items (p. 68).

Insurance News (p. 72-3).

Mining Returns for June (p. 74).

The Week in Mines (p. 73).

Books Received (p. 73).

Letters to the Editor (p. 74).

Dividends Announced (p. 78).

THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - - - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital Yen 48,000,000
Capital Paid Up Yen 36,000,000
Reserve Fund Yen 21,300,000

Head Office: YOKOHAMA.

Branches and Agencies at

Antung-Hsien.	Harbin.	Nagasaki.	Shanghai.
Bombay.	Honolulu.	Newchang.	Singapore.
Calcutta.	Hong Kong.	New York.	Sydney.
Changchun.	Kobe.	Osaka.	Tientsin.
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The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital £4,000,000
Paid-up Capital 1,800,000
Reserve Fund 2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILI—Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71 Old Broad Street, E.C. 2.

Subscribed Capital £1,278,747 10 0
Paid up Capital 669,670 0 0
Reserve Fund and Undivided Profits .. 375,680 11 8
Reserve Liability of Proprietors .. 606,962 10 0

REMITTANCES made by CABLE.
DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.
DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

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Established 1836.

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SPECIAL FACILITIES FOR COLLECTION OF BILLS, &c.

Deposits received at rates which may be obtained on application.

ALL KINDS OF BANKING BUSINESS TRANSACTED

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INCORPORATED 1865.

HEAD OFFICE: WINNIPEG.

PAID-UP CAPITAL \$5,000,000
REST AND UNDIVIDED PROFITS \$3,600,000
TOTAL ASSETS EXCEED \$100,000,000

The Bank has over 300 Branches in Canada, and Agents in the principal cities in America. GENERAL BANKING BUSINESS CONDUCTED.

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STANDARD BANK OF SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province, to the Imperial Government in South Africa, and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL	£6,194,100
PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

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OVER 250 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

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DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

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The Officers of the Bank are bound not to disclose the transactions of any of its customers.

FRANCIS SHIPTON, London Manager.

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA, 38, Bishopsgate, London, E.C. 2.

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	[Esq.]

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Sub-Manager: W. E. PRESTON.

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The Corporation buy and receive for collection Bills of Exchange, grant Drafts and transact general banking business connected with the East.

DEPOSITS OF MONEY are received for fixed periods on terms which may be ascertained on application. Interest payable half-yearly, 30th June and 31st December.

FARROW'S BANK

Incorporated under the Joint Stock Companies Acts. LIMITED

Authorised Capital, £1,000,000. Shares Issued, 700,000.
Shareholders, 4,000.

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EVERY DESCRIPTION OF JOINT STOCK BANKING TRANSACTED.

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DEPOSIT ACCOUNTS. Interest paid according to notice of withdrawal.

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73 Branches throughout the United Kingdom.

A.H. & CO

THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,960,000; together £3,960,000

Reserve Liability of Proprietors 4,000,000

Total Capital and Reserves £7,960,000

HEAD OFFICE - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

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Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	£1,500,000
Capital Issued	1,125,000
Capital Paid Up	562,500
Reserve Fund	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

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On current accounts interest is allowed at 2 per cent. per annum on daily balances.

INSURANCE.

ALLIANCE ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C. 2.

ASSETS EXCEED £24,000,000.

Chairman:

The Hon. N. CHARLES ROTHSCHILD.

The operations of the Company embrace all branches of Insurance.

Full information respecting ESTATE DUTY AND CHILDREN'S EDUCATIONAL POLICIES

issued by the Company may be obtained on application to the Head Office as above, or to any of the Offices or Agencies of the Company.

O. MORGAN OWEN, General Manager.

N. P. I. WAR LEAFLETS.

1. Dividend Saving.
2. Farmers and the Budget.
3. Private Investment and Depreciation.

Copies of any of these leaflets will be sent post free to readers of the INVESTORS' REVIEW on application to the

NATIONAL PROVIDENT INSTITUTION,
48 GRACECHURCH STREET, LONDON, E.C. 3.

NOTICE.

THE STOCK EXCHANGE.

NOTICE.

MEMBERS of the STOCK EXCHANGE are NOT ALLOWED to ADVERTISE for business purposes, or to issue Circulars or Business Communications to persons other than their own Principals. Persons who advertise as Brokers or Share Dealers are Not Members of the Stock Exchange or in any way under the control of the Committee. Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature. A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew-lane entrance to the Bank of England, or obtained on application to

EDWARD SATTERTHWAITE,

Secretary to the Committee of the Stock Exchange

Committee Room, The Stock Exchange, London, E.C. 2.

The Investors' Review.

Vol. XL.—No. 1,020.
New Series.

SATURDAY, JULY 21, 1917.

(Registered as a Newspaper.) Price 6d.

PUBLISHER'S NOTICES.

The Investors' Review is a Subscription Journal, and will be delivered to subscribers in London by the first post, or sent to the country and abroad by the first mail, on Saturday Morning, on the following terms:—

One Year, £1 5s. 0d. Six Months, 12s. 6d. Three Months, 6s. 6d.

For the Colonies and Abroad the charge is

One Year, £1 8s. 0d. Six Months, 14s. 0d. Three Months, 7s. 0d.
Short of Three months the Price is 8d. per Copy Inland, and 1d. Abroad, Post Free.

Cloth cases for binding the Half Yearly Volumes price 1s. 8d., postage 4d. extra. Bound Volumes 15s. 6d., or 16s. 3d. post free.

Cheques and P.O. Drafts should be made payable to
"Investors' Review,"

Norfolk House, Norfolk Street,
London, W.C.

Telephone No.:
Gerrard 9132.

Telegraphic Address:
"Unveiling, London."

The Editor cannot undertake to return rejected communications.

Letters from correspondents must, in every case, be authenticated by the name and address of the writer.

The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and they cannot accept responsibility for statements made therein.

ANSWERS TO QUERIES.

One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

Telegrams advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

Private Letters in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

Passing Events.

At first sight, it is disappointing to find the sale of Exchequer bonds for the week ended Saturday last down to the lowest figure yet touched since the present issue began. Only £2,366,000 was encashed, and the lowest previous figure was £2,502,000 for the week ended June 2. Altogether since April 14 only £52,872,000 has been attracted to the Treasury by these bonds, and that is not enough, not by a long way. It must not be overlooked, however, that July is an unfavourable time for making large sales of any form of debt. People have rates to pay and the second half of their income-tax; many, too, are arranging for holidays, and, therefore, we need not be surprised to see this apparently poor response to the strenuous advertising of the Exchequer continue more or less pronounced for some weeks yet. The total expenditure last week was £81,362,000, and of that supply took £72,876,000, being at the rate of nearly £10,411,000 a day. The aggregate was made up by the redemption of £7,652,000 of due Treasury bills. As only £36,410,000 of Treasury bills were sold for supply, £28,332,000 had to be availed of from other forms of war debt, unspecified, but presumably American help. Besides the sum above mentioned received from Exchequer bonds, the Treasury got £800,000 from Savings Certificates, and another £850,000 came in on account of the 4 and 5 per cent. War Loans, so that altogether the requirements of the week were met with £724,000 left over to be added to the Exchequer balances. The aggregate of the cash received from the War Loans is now £944,277,000, and the total of the floating debt in Treasury bills was last Saturday £710,473,000. Revenue came in rather more liberally, but the week's total was only £13,288,000, and of that £6,847,000 came from the income-tax and excess profits tax, including munitions levy. The one gave £3,561,000 and the other £3,286,000. Between them these two sources of revenue have, in the current fiscal year up to date, contributed £79,337,000 out of total receipts amounting to £141,399,000.

Almost more than to ourselves, the step the King has taken in divesting himself and all his family of every scrap of German dignities and titles should in-

terest the Germans, for surely it is a step which stamps with the highest sanction the sentiments of repulsion, of indignation, of horror even, with which Germans and everything German has, thanks to the triumph of Prussian savagery, come to be regarded all over the world. During his recent visit to France the King is said to have gazed long and with growing indignation and disgust upon the wanton destruction wrought by the brutalised German troops in Peronne, and feelings of that kind have undoubtedly contributed to the decision by which the Saxe-Coburg and Gotha dynasty has become the Royal House and Family of Windsor. The next step must be to deprive every Germanised member of the family of all their property in the United Kingdom. It should be sold and the proceeds given to the poor.

We are glad to see that in re-shaping his Ministry Mr. Lloyd George has had the courage to do justice to Mr. Winston Churchill. No man has suffered more at the hands of a partisan and cad-inspired Press than this able politician. That he was rash, that he made blunders, all that is no doubt true enough—it is only journalistic censors who never make any—but he was both able and energetic as an administrator, and his treatment by the Bathursts and Harmsworths, with journalists of lower quality still, yapping in concert, has been abominable. For the rest, the members brought into the Ministry as consequence of Mr. Austen Chamberlain's very proper and dignified resignation, should all be acquisitions. Mr. Montagu did not always please the Indians when he was Under-Secretary for India in a previous Ministry, but he proved himself to be a man of ready sympathies and open mind. He is also an English Jew of excellent abilities, and, being now put on his mettle, we see no reason why he should not prove an admirable chief at the India Office during the transition period which that country is now entering upon. And that fortunate young man, Sir Eric Geddes, ought to be a better First Lord of the Admiralty than Sir Edward Carson, whose greatest distinction in political life hitherto has lain in the boldness and skill with which he imported German rifles into Ireland in defiance of a soft Government and of all good citizenship. Perhaps that qualifies this political fanatic for transfer to the War Council, but Mr. George may rest assured that the confidence of the nation in the wis-

dom and capacity of that Council will not be strengthened by the change. As for Dr. Addison, he has done better at the Ministry of Munitions—although he has not been able to rescue it from submergence beneath the monstrous swathings of red tape—than was expected, and deserved a less exacting job. And Mesopotamia? Ah, it has again become a blessed word, and those who wish the war to be pursued with vigour to a satisfactory end may well be thankful that the Government reached common-sense at last. Its own bungling has been fully as great, and threatened to become as disastrous, as that of the high functionaries who managed the first expedition all in the manner of former feats of invasion in Afghanistan. Their greatest sin was ignorance and a lack of soldierly imagination; creatures of routine, and victims, they let things drift, and when the result was a mess, disgusting cruelty to the troops, and defeat, they lost their nerve and their heads. Had Lord Hardinge been as resolute an administrator as he is an amiable, high-minded, and accomplished gentleman, he would have punished the transgressors on the spot. He did not, and it is now too late. The Government does well to drop its mud-stirring.

We shall not be in time this week to see what variety of political low comedy the new German Chancellor, Dr. Michaelis, is going to rehearse before the Reichstag, but it is not necessary to wait in order to understand whose has been the victory. Bethmann-Hollweg has gone, and contumely is heaped upon the wretched functionary's head, both in Germany and abroad, but chiefly by the bloodhounds who have worried him till he went. "He has only been a ventriloquist's dummy," our own *Daily Telegraph* tell us, meaning that he has merely been the mouthpiece of the Kaiser. And that is probably true enough, for the man was weak, not without intelligence or understanding, but without manly courage, possessed of a slave's soul. Yet he did struggle according to his lights, and in a dully, pithless way, against militarism once and again, so that now he has vanished we need not go out of our way to be amongst those who throw mud at him, the Kaiser's tool. His fate is nothing to us. He was, in a way, and now and then, a kind of good moral asset to the Allies through the occasional, and often involuntarily, honest lapses into truth which marked his public utterances, and some of his phrases did more to enlighten the world on the true inwardness of German political methods than any speech of the Kaiser's, partly because the world thought Bethmann-Hollweg sane, though servile, and William II. the daft lunatic.

But now the lumbering functionary interests us no more. He has vanished and another has taken his place. What or who is this new nonentity? Nobody knows, not even in Prussia, beyond the fact that the new Chancellor is merely a Prussian bureaucrat. But nothing can be clearer than that Dr. Michaelis is the nominee of the road-to-ruin, no-democratic-concessions war party. The vicious Crown Prince, the brutal Hindenburg, his more able colleagues Ludendorff, Capelle, Tirpitz, and others, backed by all the power of the Junkers, have chosen the Prussian official to be their executant in stamping down the people who are now volubly clamouring for "liberty." We are not sorry that it should be so. An opportunity will now be given the German people to show whether there is any backbone, any real courageous manliness in them or not. If they allow themselves to be mocked or played with, or to be beaten and set down after all their speechifying and effervescing, and consent to remain under the repressive rule of their Junker masters, they must be left to their fate. The Allies can do nothing with them or for them, either in the way of making peace with them or of helping them to their feet. Once Prussianism has been defeated by the warriors of deliverance they will be left to perish and may run danger of becoming a race lost.

But surely there are glimmerings of better things within the country, and the explosive energy of the reformers may be greater than we can form any idea of from the spates of words in which it is muffled. The Press repression may be hiding much, and events in Berlin may accordingly prove to be both interesting and more exciting for some time to come than the burlesque played before the world in the Reichstag would prompt us to think. Should the criminal obstinacy of the ruffians who made and, who, because their vain conceit forbids confession of failure, persist in carrying on this war, keep the fighting up through another winter, the miseries thereof might goad what would then be left of the German populations into active revolt, but we fear the uprising would have come too late to save. Meanwhile, how feverishly active in all impish, anti-humane ways the German continues to be everywhere, how diabolical the manifestations of his *Kultur* wherever he can burrow his way and get to work. The disturbances that have been threatening in Petrograd to dissolve all Government in Russia are only too probably the fruit of German intrigue and German bribery. A sullen, Germanised Court in durance, backed by members of the dispossessed oligarchies, and followed by masses of dismissed officials, must give rise in Russia to an infinity of opportunities for intrigue, and swarms of individuals will prove easily accessible to German persuasion and German bribes. Evidently the German plotters now busy trying to ichneumonise the new-won liberty are aiming to bring about a dismemberment of Russia as the best way of making her impotent and an easy prey. The revolt of the Ukraine, the factious Finnish declaration of independence, the spurts of revolt everywhere look like incidents of common origin, as well as the efforts made to sectionalise the army and render it scornful of discipline. They all indicate that behind the agitation are minds intent upon destroying Russian unity in order to paralyse Russia's power of offensive in the field, and Russia's efforts at industrial and economic independence, for German purposes. And the Allies of Russia can do little in an open way to help her present Government. Happily it has triumphed thus far, and there are men in it who, if they can but hold on, are capable of out-riding the storm. To these we must give our unwavering support in field and council chamber if the Germans are here also to be once more put to shame.

As encouragement to hope for the best in Russia we may note with satisfaction how quickly the German plot against China came to confusion. That German gold and German scheming had much to do with the attempt to restore the Manchu tyranny is probably true. The whole thing was got up after the German style, and the discomfiture which befel the attempt was just the one Teutonic conceit and surface-knowledge would prepare for. China may quite possibly fall apart into several independent States—it may be republics; it may be oligarchies or even despotisms—but nobody but fools could have seriously proposed to set up again the absolutism of the hated Manchus. Those, however, who tried that plan knew so little of China that they thought to secure success by making the *dénouement*. Their boy puppet Emperor hardly shimmered a week before his "court," and now the triumphant Republicans are busy re-establishing their power, busy also, we may be sure, in meting out retribution to those of the rebels they can lay hands on. If the Germans had a notion of getting back Kaio Chou as reward for restoring an emperor, they have missed the chance.

How universal is the disturbance and loss caused by this war is illustrated by the position of Swiss finance. An elaborate exposition of the Confederation's Budget has been published by the Société de Banque Suisse, and from that we learn that in the three years 1914 to 1916 inclusive the expenses have exceeded the revenue by nearly £3,400,000. For 1916 the shortage was still £666,000, although the revenue had been aug-

mented by £3,592,400 to a total of £7,563,280. The Government has had to run into debt. In 1912 the nett total of the debt, the total, that is, after deducting sinking funds, was £3,368,000, and at the end of last year it was £31,741,000. But the curse of militarism goes much further back than to 1914. The debt of the Swiss Republic has been expanding for many years, in spite of the solicitude with which the Government provided for its liquidation, at any rate since the end of last century. Since the Prussians plunged Europe into war the expenses of mobilisation appearing in the Budget have grown heavier; they were £1,834,000 in 1913, and were only £2,454,000 last year. The totals for the four years ended December 31 last were, however, vitiated for comparison because the cost of mobilisation was left out of the accounts. Also the monopolies devoted to the equipment of the army cannot be regarded as a source of revenue, although they may produce nett a profit of account or the reverse, and in consequence the drain upon the Federal Treasury may be less or more, one year with another, but it is all waste from the point of view of a nation's progress in well-being and in civilisation. It is otherwise with the Post Office, which in Switzerland undertakes many duties unknown or avoided here. Before the war the liberality of the administration had the effect of imperilling the profits of the department, which showed a nett revenue of little more than £40,000 on an overturn of £2,657,000 for 1913, and the deficit for the past three years has aggregated nearly £400,000. This, however, has been made good and more by the profits of the telegraph and telephone department, which have totalled £476,000 in the same three years. Last year alone the profit was £248,000. We cannot follow the statistics which profess to present the economic position of the Republic in the form of a balance-sheet, wherein the productive and unproductive assets are duly valued and the "*fortune nette*" brought out, because many of the assets can only be measured as to value by what they cost. The table given does, however, reveal a decline in the

fortune nette since the war overwhelmed Europe. In 1910 the surplus of assets over liabilities, as we should call it, was over £4,800,000, and it never fell below £4,000,000 until 1914. At the end of last year it was below £1,600,000. That means to say that the assumed liquid assets of the Republic are being drawn upon to an extent which must involve efforts to readjust taxation to meet the necessities of the Government before long. It would be imprudent to throw the whole strain upon the national debt.

The announcement recently made by the Canadian Government that an order for 5,000 freight cars, to cost \$12,500,000, has been closed with the Canadian Car and Foundry Co., is particularly welcome news just now, for the report to September last has come as a rather cold douche to the majority of people. Once again the great Russian contract has failed to bring any grist to the mill, and an initial loss has been sustained on the export trade. The other operations of the company resulted in a surplus after payment of interest charges, in comparison with a deficit for each of the two preceding years, but the profit is very small, and no payment on account of preference arrears is recommended. The directors tell us that they hope to make a statement of the earnings from the special contract at the meeting, that the profit from the contract will be included in the statement for the fiscal year ended September next, and that, in their opinion, the Russian shell contracts and the ordinary business, as evidenced by the orders on hand, will place the company in a very satisfactory financial position; but we are rather afraid that the fire and explosion which occurred last January have taken a great deal of the gilt off this Russian contract, and that it will be found to yield nothing like the enormous profits noised about in many quarters last year. Still, with the help of the Canadian Government order, the company will have \$35,000,000 worth of unfilled orders on its books, which should yield a substantial profit, and the future is not



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CAPITAL SUBSCRIBED	£31,304,200
CAPITAL PAID UP - - -	5,008,672
RESERVE FUND - - -	3,600,000
DEPOSITS, &c. (June, 1917)	141,053,601
ADVANCES, &c. do.	67,573,903

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unlikely to see a better demand for railway equipment. Of the three subsidiary companies, the Canadian Steel Foundries rendered the best account of itself. We are told that not only has its production of munitions been increased, but that the general commercial business is very good, and that the order books of the company assure continuous operation to capacity beyond 1917, unless causes intervene which the management cannot control. The works of the Pratt and Letchworth Co. produce malleable iron products, and are not well adapted for the manufacture of munitions, and, the stagnation in the railway equipment business continuing, the company operated at a small loss. Its present order book, however, shows a satisfactory volume of business, and a substantial profit is expected from the year's operations. The Rhodes Curry Co., engaged primarily in building construction, showed a small profit, and is looking forward to participation in the reconstruction work after the war. The combined output of the Associated Companies, apart from the Russian shell contract, was \$14,300,000 in value, compared with \$5,500,000 in 1915 and \$27,000,000 in the last pre-war year. The profits of the combined undertakings, after providing for depreciation, renewals, &c., including \$600,000 written off in respect of special war expenditure, amounted to \$942,105, an increase of \$938,945, and after providing for bond and note interest, which called for \$588,850, the available profit comes out at \$353,250, compared with a deficit of \$558,470 in the previous year. This, added to the amount brought forward, raises the surplus to \$1,427,000. The addition of \$187,511 to cost of properties account relates to expenditure other than on munitions account. In order to finance the Russian shell contract, the common and preference issues have been increased during the year by \$250,000 and \$500,000 respectively. In addition, \$1,000,000 6 per cent. one-year notes of the Canadian Steel Foundries were sold, of which there are \$560,000 outstanding, \$500,000 of which, we understand, have been renewed. The company has, however, during the year received back \$2,020,770 advanced to the Agency Co., and the Russian Government liabilities, which appeared in the previous year's balance-sheet at \$3,718,980, have been wiped out. Accounts and trade bills payable are \$1,114,500 up, but the balance of the money advanced to the Agency Co. has been returned since the date of the balance-sheet, and liabilities, presumably, further reduced.

The report of the Anchor Line (Henderson Brothers), Limited, for the year to April 30, records a substantial advance in profits, but it is, of course, far from indicative of present earnings. Since the close of the financial year, the whole of the company's steamers have been requisitioned by the Government, and although continuing under the management of the company, are now entirely subject to the orders of the Controller as to the destination of voyages. The profits for the year, after providing for depreciation and a special reserve for war taxation and contingencies, amounted to £366,955. In the previous year the profit of £323,540 was struck before providing for depreciation, which called for £128,670. Making this adjustment, the profit represents an increase of £172,115. After providing for debenture interest and preference dividend, there remains an available balance of £339,300, and this is dealt with conservatively. The same dividend and bonus, 20 per cent., as in the previous year is paid, and £250,000, against £100,000, set aside to reserve, which leaves the carry forward £39,300 up at £146,910. A great many changes have taken place in the balance-sheet. An arrangement has been made between the company and the Donaldson Line for a fusion of interests of the two companies in the cargo and passenger service between Glasgow and Canada. A new company, the Anchor-Donaldson Line, has been formed, and the company's interest in it appears amongst the assets forming the item value of company's fleet, &c., which has gone up £254,090 to £2,045,150. Debts due on open accounts display an increase of £254,100 at £659,750, while cash in banks

on current accounts, Treasury bills, War Loan, &c., has risen £822,270 to £1,122,900. On the other hand, balances on current and open accounts, bills payable, &c., are £1,195,160 more at £1,990,390, and the liability in connection with voyages pending has increased £217,100 to £349,480. The reserve now amounts to £750,000, and the debentures outstanding have been reduced to £379,030. The company has five new vessels on order, but, owing to the restrictions on merchant ship-building, no progress has been made on any of the vessels.

From the complete report of the English Sewing Cotton Co., Ltd., whose preliminary statement we dealt with last week, it appears that the higher dividend (20 per cent. against 18) comes entirely out of the larger amount brought forward. Nett profits were £19,000 down at £404,000, but £53,000 more was brought in, bringing the total available up to £577,950. The extra dividend takes £20,000 more, £150,000 is placed to reserve for stock contingencies, against £140,000 placed to other reserves last year, and £4,000 more at £177,950 is carried forward. The various reserve funds now amount to £1,153,000, and the company is now in a very strong position. Nett profits, it should be mentioned, are arrived at after providing for excess duty, and as they showed an increase of £228,000 a year ago, the item is likely to be a fairly heavy one. Stocks have increased £400,000 to £980,000, and creditors are £143,000 up at £278,000. Other changes in the balance-sheet are unimportant, but we may note that the company owes its bankers £141,000 on War Loan account, reducing its nett cash balance from £145,000 to £18,000.

Steady progress continues to be made by the British North Borneo Co., and the total receipts in 1916 amounted to £277,540, an increase of £15,000. Most of the headings of revenue show an improvement, but Customs and railway earnings were slightly lower. Expenditure amounted to £136,670, an increase of £5,000, and the nett profit is £10,000 up at £140,860. With £10,000 more brought in, the available balance is £20,000 higher at £174,690, and it is proposed to raise the dividend from 3 per cent. to 3½ per cent., leaving £41,000, or £7,000 more, to be carried forward. With regard to the 4½ per cent. debentures and 5 per cent. certificates of indebtedness, amounting in all to £1,175,000, it is the intention of the directors to inaugurate a sinking fund for their redemption, and £25,000 has already been set aside for this purpose. Capital expenditure last year amounted to £48,670, as against £133,220 in 1915, and in several respects the position of the company has improved. Advances to rubber companies, under guarantee of dividends during the unproductive period of six years, have been reduced £13,000 to £234,500, and the amount ought now to be rapidly paid off, while the parent company will benefit in many ways when the rubber industry is fully established, and the prospects may be regarded as encouraging; but we should like to see the railways run at a profit instead of at a loss of £6,000, as was the case last year.

During 1916 the conditions experienced by the Australian Estates and Mortgage Co., Ltd., were, on the whole, very favourable, although the after-effects of the severe drought in 1915 continued to prejudicially affect some of the properties. In November the Imperial Government took over the whole of the 1916-17 wool clip, and the prices obtained by the company are regarded as satisfactory, although not so high as would have been the case in open market. Prices for live stock still rule at a high level, and the gross profits for the year amounted to £247,940, an increase of £37,000, so that the decline of £29,000 in 1915 has been more than made good. Expenses were a little higher, and income-tax took £16,600 more, leaving a nett profit of £173,975, an increase of £18,000. After providing for debenture interest, it is proposed to place £35,000, or £10,000 more, to reserve, raising it to £330,000,

and to pay a dividend of 7 per cent., against 6 per cent., leaving £7,420 to be carried forward, an increase of £2,300. Properties and stock have been reduced £48,000 to £2,005,000, but investments are £97,000 higher at £333,750, and cash is £33,000 up at £192,630. Debtors are £15,000 lower at £740,000, while sundry creditors have increased £27,000 to £177,200. The shareholders have every reason to be satisfied with the result of the year's operations.

Results of the Ebbw Vale Steel, Iron, and Coal Co., Ltd., in the year to March 31 were very similar to those of the previous twelve months, gross profits amounting to £299,500, an increase of £3,400, but a year ago there was a gain of £135,000. Interest on special loans required £8,000 more, but there was a saving of £22,000 on war allowances and expenditure on new work, so that nett profit comes out £18,000 higher at £185,500, and £20,000 more was brought in. After again placing £50,000 to reserve, it is proposed to raise the dividend from 12½ per cent. to 15, and the balance forward is reduced £16,000 to £13,220. Wages paid during the year amounted to £1,748,000, an increase of £470,000. Application was made to the Treasury for permission to issue £600,000 ordinary share capital, but authority could only be obtained for £250,000, and this was duly issued at a premium of 10 per cent. The additional capital, however, is inadequate for the company's requirements, and a further issue will be necessary when the Treasury permit. During the year the expenditure on plant and works amounted to £260,000, and the total of the item is now £2,018,000. In conjunction with T. Benyon and Co., Ltd., the company has acquired the share capital of Powell's Tillery Steam Coal Co., Ltd., and of John Lancaster and Co., Ltd., but none of the profit derived from these two sources have yet been brought into the accounts. Creditors has increased £460,000 to £1,345,000, owing to an item of £528,000 for unpaid purchase moneys, debtors are £200,000 higher,

and investments have increased £330,000, so that the need for more capital might be evident, even to Treasury officials.

Dealing in tea is a difficult matter in these days, and we congratulate Brooke, Bond and Co., Ltd., on the excellent results derived during the year to June 30. The profit, after making provision for all charges and depreciation, comes out at £26,130, an improvement of £560. The company makes the usual distribution on the ordinary shares, 10 per cent., and carries £7,500, as before, to reserve and contingency fund. This leaves a balance of £3,630, which, added to the amount brought in, which was £3,060 larger, raises the carry forward to £12,085. Stocks are down £38,290 to £618,330, cash is £18,500 less at £8,525, and the loan from bankers has risen £19,400 to £127,000, but, on the other hand, sundry creditors have been reduced by £73,245 to £313,785, and £3,700 more has been invested in associated trading companies. There is a reserve fund of £150,000, and goodwill has been written down to nothing. We should imagine that, with the existing import and other restrictions, the company is likely to find business increasingly difficult during the current year, but the management will doubtless be able to give a good account of itself.

A further and appreciable improvement in the position of the General Mining and Finance Corporation is shown in the report for 1916, but the prospect of a resumption of dividends—in abeyance since 1910—is still very remote. The working profits rose from £17,417 to £38,304, the highest figure since 1913, and after writing off £2,688, against £2,309, for losses on mining ventures, the nett profit is £35,616, against £15,107. This is sufficient to wipe out the debit balance brought forward, and to leave a credit balance of £5,093. But on the share and debenture holdings, valued in the balance-sheet at £1,750,000, there is a

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Authorised Capital £13,500,000 Subscribed Capital £12,679,440
Paid-up Capital - £4,594,443 Reserve Fund - £2,200,000

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depreciation of no less than £1,017,855, which compares with £983,823 at the close of 1915. This will have to be dealt with in some way before the company will be in a position to pay dividends again. This depreciation, of course, does not represent a realised loss, but any material amelioration of the position is largely dependent upon the refinancing of certain of the companies controlled by the corporation, which require additional working capital for the resumption of active operations. Although there is an addition of £300,000 to contingent liabilities in respect of the loan to the Roodepoort United, on the other hand, the corporation's direct liabilities under the heading of sundry creditors and deposits have been reduced during the past year by £356,312 and £97,479 respectively, or a total of £453,791. Boring operations on the farm Rietfontein No. 327, adjoining the Daggafontein Mines, Limited, on the Far East Rand, were continued during the year, but up to the present the results have not been encouraging.

Banks, State Borrowing, and the National Credit.

"No one must imagine for a moment that the country could go on spending money at the rate at which it was being spent on the war without serious disadvantage to the country," so said the Chancellor of the Exchequer, Mr. Bonar Law, in the House of Commons last Tuesday, and he proceeded to enforce his warning in a passage so wise that it must be quoted here as it stands:—

"So long as we were raising by loan the money we were spending on the war we were living in a false atmosphere; and he did not hesitate to say that when the war was over the position would be such as would require all the skill and ability which the Government then in power and the House could exercise to prevent a serious situation from arising, even after we had won a victory in the terrible struggle in which we were now engaged. (Hear, hear.) In the meantime, what we had to do was to try to finance the war in such a way as would do the least harm to the country after the war. He would have liked, if it were possible, to have raised much more of the expenditure out of revenue. Different views were taken as to the merits of raising the money by loan or by taxation. They could not, however, try to get a large part of the expenditure necessary for the war out of loans and at the same time tax industry to such an extent that it could hardly go on, and there was no surplus which could be lent to carry on the war. In his belief nothing would be worse than to lay taxation on such an overwhelming basis that every means of carrying on the war would be taken away. He thought that so far, considering the amount of the expenditure, and considering the length of the war, the credit of the country had been wonderfully maintained. (Cheers.) He believed that was largely due to two things—first, to the willingness with which all classes had submitted to taxation in a way that would have been utterly impossible but for the war, and, on the other hand, to the readiness with which they had lent money to the State. They were often told that the people who had lent money to the State were making a very good investment—and no doubt that was true—and were thinking only of themselves, which was not true. In the case of the last loan he knew that people went to great lengths, not only putting themselves to inconvenience, but running great risks in order to help the country. As to what he proposed to do in the future in the way of raising the necessary money, he would say nothing now. He was convinced, however, if the occasion came for another loan—of course, no one would ever dream of raising the same amount as was obtained last time—that they would get as far as possible the same response from the patriotic people who had money to lend." (Cheers.)

There can, however, be no manner of doubt that the great bulk of the people in this country have failed to realise the intimate relation between the loan raising and enormous expenditure the war has involved. It

is not to be expected that those actually engaged in fighting should stop to count the cost, for that is none of their business, but the ordinary citizen should be at least beginning to learn in various ways that the conditions surrounding the life he has hitherto led are changing, and that when the war comes to an end the world we shall then enter upon, those of us who survive, will be altogether different from the one we were driven out of at the beginning of August, 1914.

Note what Mr. Law said about further borrowing. "No one would ever dream," he declared, "of raising the same amount as was obtained last time," but he was convinced that they would get, to the extent of their capacities, the same response from the patriotic people who had money to lend. We think that anticipation warranted; but why should it be impossible to raise next time as big a loan as the last? The country, or many of the people in it, is making money fast. The working-classes were never so prosperous in all their lives, and, consequently, there must be millions every week which might be made available for investment. That may be true enough, and doubtless is, but the people who are most prosperous are only a minority of the class habituated to invest or to deal in public securities, and there has not been time for the rich, nor for the well-off even, to accumulate new savings in formidable mass since they last came to the assistance of the Government. For how was the last loan of almost £1,000,000,000 provided? The banks reveal to us in their interim statements the *modus operandi*, and their action and present position is well worth study.

When the war began, it must never be forgotten, it found our banks, as usual, with their means fully and profitably employed in the ordinary channels of industry and commerce, yet they succeeded in raising credit to enable the Government to start the war, and have continued to raise it ever since. How did they contrive to do that? By the most skilful system of finance the world has ever seen. The basis of all banking credit is confidence in the ability of the nation behind the banks to make good its promises to pay. On that faith the whole fabric of banking credit rests, and because it is perfect here the banks were able to discount bills of the Government and to buy Exchequer bonds, or to participate in direct advances through the Bank of England, so that every facility should be given to the prosecution of the war. When the first funding operation took place, the banks also stepped in and subscribed for a much larger portion of the loan than beforehand we would have thought probable. Some of them sold foreign securities—Barclay's Bank, for example, parted with nearly £2,000,000 of American railroad stocks, and must have made a handsome profit by the sale—and in other ways devoted as much of their resources as safety permitted in order to support the Treasury.

When, however, the time came to issue the second and larger loan, it would have been dangerous for the banks, even had it been possible, which it was not, to again increase their holdings of Government stock. They could not have done so, even had they possessed the means, without imperilling their liberty of action. For one of the essential principles underlying British, all-sound banking usages is that the means the banker controls should always be within his reach, in large measure liquid. That is to say, banks, while employing the cash and credit at their disposal in buying bills, &c., must see to it they do not lock up permanently in one direction, or in an unrealisable form, an inconveniently large portion of their assets. That was why they could only go a certain way to help the Government when the 4½ per cent. Loan was issued, and, having found as much money as they could then, they, in so doing, debarred themselves from repeating the operation next time.

How, then, was the 5 per cent. Loan subscribed? It was done by the clients of the banks, from the savings banks up to the Bank of England and the great joint-stock banks that stood around it. Not being in a position to pledge their own assets further, the banks arranged to advance credits to their customers on the

security of the nation, so that they might subscribe the loan. By doing this the banks did not increase their own direct commitments in the loan; they did much better for the country, if not for themselves, than that; they arranged to place large amounts of credit at the disposal of their clients, so that these might be able to take up the loan. And what does that kind of business mean? That the banks were inflating credit to enable the nation to make a stunning show of wealth? Nothing of the kind. No one was persuaded to borrow more than he could pay off within a reasonable time, and the fact of being temporarily in debt helped to teach many people to exercise a thrift unknown hitherto in their experience. They borrowed as much money as they thought they could spare, in a year, say, in order to subscribe to the loan, and the result was that the loans and advances appearing amongst the assets of the banks have swelled out during the past six months in a quite extraordinary fashion. For example, the War Loan advances of the London City and Midland Bank—stated separately, we are glad to note, in its summary of accounts as at June 30—amounted to nearly £23,000,000, and it is to be presumed that the total was much larger at the time the loan was issued. We wish all the other banks had followed Sir Edward Holden's example, and stated these special advances of this description separately, for then we should have followed the operation more closely; but it may be inferred that the £10,000,000 increase shown in the advances of Barclay's Bank is due to the loan. At any rate, it is not likely to be due to ordinary business, for the bills discounted show a diminution of £1,700,000 comparing the two Junes. Here, then, we behold a position which fully warrants Mr. Bonar Law's doubt of the possibility of issuing again soon a loan of the magnitude of the last one. The last loan has to sink into the pockets of the public first.

What is, perhaps, most remarkable in all this history

of war finance is the way in which our banks have succeeded in providing the credit the Government demanded, and at the same time have kept their resources sufficiently free to prevent any shortage of means among the non-war industries of the country. These are of vital importance to us now, and will become even more vital when the war ends, and to have enabled our manufacturers and exporters to keep their hold over all markets open to them, and never to have refused the necessary accommodation where it could be given, nay, to have financed many a fresh war industry with capital aggregating millions, is a most striking proof of the remarkable strength and resourcefulness of our banking institutions and system. It is a system which has grown up naturally and developed itself, not by rules or scientific formulæ, but as the necessities of the community dictated. It is, therefore, elastic, and its elasticity has not only enabled it to finance the Government and the private citizen, but to maintain the credit of England the world over, in spite of the heaviest demands made upon it that any country ever encountered.

Contrast our banking position with that of Germany, a country that cut itself off from intercourse with the outside world when it began this war. It did not mean to do that, having ill-founded confidence in the power of its war fleet to keep the seas open for its merchant ships, and in the power of its commercial travellers to sell the wares they carried. But as it was not so, Germany committed *felo de se*; and Germany has in the past three years drawn very little from the sales outside the Empire of articles made by her. The Empire's whole industry has therefore become war industry to an extent greater than we in this country can realise, and war industry has no root to live by when peace deprives it of orders. This isolation has applied, to a smaller extent, perhaps, but still applied, to Germany's import trade, yet the adverse balance excess of imports caused has been sufficient to depress the exchange value of the

NATIONAL PROVINCIAL BANK OF ENGLAND, Limited.

ESTABLISHED IN 1833.

SUBSCRIBED CAPITAL - £15,900,000.

PAID-UP CAPITAL - £3,000,000.

RESERVE FUND - £1,800,000.



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mark on foreign bourses by over 40 per cent., and the depreciation is only beginning. Contrast Germany's position with ours, and it is not difficult to realise what the wise guidance of our banks has done to keep the country from drifting on the rocks.

Leaving this point, however, let us turn back to the effect of the credit subscriptions for the 5 per cent. Loan as arranged and carried through by our banks. Its effect has been to create a multiplicity of debtors, who are now engaged in paying off what their banker advanced to enable them to take up more of the loan than they could have done with the means they had in hand. Until these advances have been repaid it will not be possible for the Treasury to issue another large loan, and probably months must yet elapse before the temporary debts contracted to subscribe the last one are all paid off. Meanwhile, their liquidation is contributing to the formation of a thrift habit, which may be of infinite value to the nation in the time to come. But if the Government cannot sell a large, long-dated loan, has it not to be financed by help of the credit available in the City, and does not that imply the locking up of an undue proportion of banking resources in Government paper? It has, and probably it does, at any rate now and then, and it is a lock-up which tends to increase as the mass of the floating debt expands. For that another funding loan is the only remedy. But we must not overlook the fact that the whole world outside the ring of nations directly involved in the war comes to our market to invest its spare money. There is capital from Japan, from Spain, from the Scandinavian countries, from our own overseas States, from North and South America, from China, India, Egypt and Africa, all flowing towards London, and much of it is used, transitorily at least, in holding Treasury paper. Thanks to this universality of the confidence in our banking credit, our market is able to undertake financial operations for the Government of a magnitude wholly impossible anywhere else. We, therefore, have no dread of any financial disturbance occurring during the war of a magnitude likely to embarrass us, or our Allies, in carrying it on. It is the after the war time that we often feel anxious about.

When the war ends so many new forces will assert themselves, and so many fresh calls must be made upon our banks, that the utmost vigilance and caution will be needed to steer them through the torrents. Immediately after hostilities cease the expenditure of the Government will begin to decline, and before twelve months are ended most, if not all, of the outlays required to maintain the fight will have ceased. That in itself must produce a sudden want of money everywhere, but especially among those of our industries which have been most violently stimulated by and developed during the war. On the other hand, we must not forget that there will be an infinity of schemes launched upon the Allies to take advantage of the opening up of countries long benighted or held in bondage by the Turk, the Habsburg, and the Hohenzollern, and many of these will be of such importance to the inhabitants set free as to demand all possible assistance. Will our banks be in a position to stand the recoil on the one side, and to give the help necessary on the other? We see no reason to doubt that they will. But it would be foolish to ignore or underestimate the dangers ahead.

Trade After the War.

The thought uppermost in the minds of most, if not all, business men at the present time is what will happen to trade and industry after the war. And the journalist, in his perambulations, probably learns as much as most men what a bewildering variety of views are current on this subject; but, if he can sift out the essential from the unessential, he may discover that the conflict of opinion is, in many cases, more apparent than real. It is, of course, common ground, for instance, that the productive capacities of all the belligerent countries will diminish according to their losses in killed and maimed, and that this loss of man-power will at first be supplemented by the absorption of

labour and liquid wealth in the restoration of devastated areas in the battle zones. This loss of wealth-producing capacity, which will be represented by millions of men, will be offset to some extent by the increased use of female labour, which has been developed since the war broke out. But there is bound to be a diminution in this supply, for the reason that those who have taken up war work from patriotic motives will probably give it up after the war, while the return of soldiers will make it necessary, in many cases, for their wives to resume their household duties.

On the other hand, production will be encouraged by the great increase in purchasing power which has been created by the war. The enormous creations of credit for the purpose of financing the war have increased the purchasing or money-power of the country, while its actual wealth-producing capacity has declined by the enlistment of millions of men in the forces, and the diversion of labour from wealth-producing to wealth-destroying industries. This increase in purchasing power over production explains the rise in the prices of commodities. Demand has increased and the supply has diminished, with the inevitable result that on an average prices are about 100 per cent. higher now than before the war. This increase in purchasing power will remain for some time after the war. It is reflected in larger profits—for the great bulk of companies are making more now than ever—and also in higher wages. After the war it will be difficult to reduce wages, and, as practically every company will possess large credits in the shape of Treasury Bills and other investments, that purchasing power will tend to keep prices high. The large purchasing power, though mainly artificial, will stimulate production, but ultimately the latter will overtake purchasing power and prices will begin to fall.

The policy of amalgamation, which is very prominent just now in the more prosperous industries, is to be traced to a realisation of this position. High labour costs are anticipated after the war, and the demand for raw materials is expected to be so greatly in excess of supply that it is feared that small concerns, working independently, with more or less restricted resources, will be placed in a very unfavourable position to meet foreign competition after the war. Fusions have consequently been arranged in the coal, shipping, explosive, and electrical industries, and others are on the tapis.

Those engaged in the metal industries are inclined to anticipate that there will be no shortage of metals after the war, but, on the contrary, a supply much in excess of demand. Prices of metals are therefore expected to be the first to decline. Last year the production of copper throughout the world was 1,400,000 tons, an increase of 350,000 tons (or 25 per cent.) on 1915. Of this increase the United States contributed 245,000 tons, Chile 16,000 tons, Mexico 20,000 tons, and Africa 11,000 tons. The United States produced altogether 865,000 tons, and this year the estimate is for over one million tons. Consumption, however, even with the aid of the heavy demand for war purposes, is barely keeping pace with production, and, were it not for shipping difficulties, this excess of production would be reflected in prices. The position as regards lead, spelter, and tin is much the same, and after the war the enormous production will be accompanied by the flooding of the market with old metal. As regards iron and steel, we produced seven millions per annum before the war, but we are now producing at the rate of 10 million tons, and next year the figure will be 12 millions.

The textile position, however, is entirely different from that of metals. Those engaged in the woollen industry anticipate a great shortage of wool after the war, lasting for some years. Flocks in Australia have been greatly reduced owing to shortage of labour, but, on the other hand, those in South Africa and Argentina are being extended, though not rapidly. Stocks, on the other hand, have been greatly reduced by the enormous consumption in the Army. The present shortage of wool is a contributory cause of the recent

spectacular advance in cotton, which is being bought by cloth manufacturers for mixing with wool. If the war is prolonged, the absorption of men in the American army will produce exactly the same result in the United States as it has done in Canada, and her entry into the war will accentuate the shortage of textiles after the conclusion of peace. In Egypt, the production of cotton is increasing, and, in view of the present situation, cotton is considered as likely to fall in value more quickly than wool, though demand for it, as a substitute, will prevent it from falling to a low level for a year or two, at any rate. The report of the Textiles Committee, which was appointed under the chairmanship of Sir Henry Birchenough, to investigate the many questions that will arise in the industry after the war, should prove very interesting. It is understood to be of exceptional importance to Lancashire, but the committee has covered a wide field, and some of its conclusions may be strongly combated on fiscal grounds. It has inquired into the position and prospects of the woollen, cotton, silk, jute, and flax industries, and the manufacture of carpets, lace, and hosiery. The report is expected to be published very shortly now.

In the engineering trades it is anticipated that a great period of activity will accompany the reconstruction period. These trades have been very prosperous, and have built large extensions at very little actual cost, owing to deductions therefor having been allowed in calculating the munitions levy and excess profits duty. Many improvements have been effected, and, as a result, the firms are able to provide munitions at a much lower cost than in America. Hadfields, one of the most efficient works of the kind in the country, have already secured a post-war contract to supply shells to the United States navy in competition with American firms.

But there is one aspect of post-war problems which is exercising a good deal the minds of many business men, and that is the channels of trade. These have

been completely changed since the war broke out. Trade is diverted very largely to the various Government departments, and certain channels thereby completely suppressed. Export houses export less and less of British products owing to Government restrictions and shortage of labour. The result is that their business has been diverted to America, Japan, and neutral countries. Some import trades have been completely suppressed; imports of industrial sugar from certain South American countries, for instance, and many others. It is urged that a committee should be appointed to consider this question, which is one of the most difficult of the problems which business men see confronting them.

The Banking Half-Year.

Most of the big banks have now announced their dividends for the past half-year, and it is a rather remarkable fact that only in one case has the distribution been increased. This distinction is held by the Union Bank of Manchester, which pays at the rate of 18 2-11 per cent., less tax, against 12½ per cent., tax free, the former being equivalent to an extra 2s. 6d. per share. All the others are content to pay the same as for the first half of last year, and in the great majority of cases the rates are lower than prevailed in the pre-war period, although in the meantime banking profits as a rule have substantially increased. On the other hand, expenses have been higher all round, owing mainly to war allowances and increased salaries, while unusually large amounts have had to be set aside for the depreciation of investments. Comparatively few of the banks now make up their accounts half-yearly, and it is therefore impossible to tell exactly how profits have been affected in the past six months, but it is worth noting that the Bank of Liverpool, whose financial year ends June 30, increased its gross profit by £125,000 to £814,000, while its nett profits were only £41,500 higher at

THE Union of London & Smiths Bank, LIMITED.

(Established 1830.)

Authorised Capital . . . £25,000,000

Subscribed Capital . . . £22,934,100

Paid-up Capital . . . £3,554,785 10s.

Reserve Fund . . . £1,150,000 0s.

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TERMS.—Current Accounts.—These are kept according to the usual custom of London and Country Bankers.

DEPOSIT ACCOUNTS.—Deposits are received at Interest, subject to notice of withdrawal, or by special agreement, in accordance with the usual custom.

GENERAL BUSINESS.—The Agency of Country and Foreign Banks, whether Joint Stock or Private. Circular Notes and Letters of Credit issued. Purchases and Sales effected in all the British and Foreign Stocks and Securities. Dividends on Stocks and Shares, the half-pay of Officers, Pensions, Annuities, &c., received for Customers without charge.

The Officers and Clerks connected with the Bank are required to sign a Declaration of Secrecy as to the transactions of any of its customers.

EXECUTORSHIPS AND TRUSTEESHIPS.—The Bank, having the necessary powers, is prepared to undertake the Office of Executors, Trustees and Custodian Trustees, on terms particulars of which can be obtained from the Head Office or at any Branch of the Bank.

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£404,000, and it sets aside £145,000, or £70,000 more, for depreciation, &c. Moreover, conditions in the money market were not quite so favourable for bankers as in 1916. The average rate for three months' bills was $4\frac{1}{8}$ per cent., as compared with $4\frac{1}{2}$ per cent. in the first half of last year and $5\frac{17}{32}$ per cent. in the second half, while the allowance on deposits was 4 per cent. throughout the past six months, as against $3\frac{1}{2}$ per cent. in the first half of 1916 and $3\frac{31}{32}$ per cent. in the second half. Consequently the margin between deposit and discount rates was only $\frac{1}{8}$ per cent., against $1\frac{1}{2}$ per cent. in the first half of last year and $1\frac{9}{16}$ per cent. in the second half. Similarly day-to-day money averaged $\frac{1}{2}$ per cent. above the deposit rate in the past half-year, against $\frac{9}{16}$ per cent. in the first half of 1916 and $\frac{1}{8}$ per cent. in the second half, but the banks were probably prudent in maintaining their deposit rates in order to attract back money as rapidly as possible after the thousand million subscription to the great War Loan. That the advances made to assist subscribers to the loan are being rapidly paid off seems to be indicated by the fact that the Bank of Liverpool financed £9,000,000 of the loan, but only £6,300,000 was outstanding at June 30, and no doubt most of the other banks have had a similar experience. In spite of loan subscriptions, however, the growth in deposits has been remarkable, as is shown in the following table, which gives the figures of the leading London banks at the end of 1913 and on June 30:—

000's omitted.

	Deposits, &c.		Cash in Hand, &c.		Bills, Advances, &c.	
	Dec., 1913.	June, 1917.	Dec., 1913.	June, 1917.	Dec., 1913.	June, 1917.
Barclays	60,805	105,002	9,155	20,417	36,942	56,711
Capital and Counties	39,224	—	6,192	—	23,750	—
Lloyds	91,512	141,054	16,177	28,231	61,700	74,391
London and Provincial	20,246	—	3,633	—	12,030	—
London and South-Western	21,521	30,951	3,598	6,449	13,252	17,452
London City and Midland ..	93,834	180,417	17,241	36,478	63,100	104,553
London County and Westminster	85,395	112,750	13,757	23,937	59,809	58,474
London Joint-Stock	37,583	47,912	5,997	6,501	23,030	20,295
National Provincial	67,882	95,750	10,816	14,154	41,018	53,274
Parr's	43,199	56,223	7,606	10,230	24,355	30,068
Union of London and Smiths ..	41,208	51,527	6,463	8,945	25,036	25,586
Williams Deacon's	17,188	—	3,042	—	10,875	—

In every case where the figures are available a large increase is shown in deposits, but in one or two instances this is partly accounted for by absorptions of other banks. In the past half-year, for instance, the London City and Midland has extended its business to Ireland by purchasing control of the Belfast Banking Co. All the same, the growth is noteworthy, but it is satisfactory to observe that the cash position has kept pace with it, and advances as a rule also show large increases, the only prominent exception in the latter respect being the London Joint Stock, which has reduced its loans and advances in the past year by nearly £7,000,000, but this is accounted for by the segregation of Treasury bills, which now appear as a separate cash item for £10,025,000. Deposits in the past year have increased £3,150,000 to £47,912,000, and cash is £450,000 higher at £6,501,000, while investments are £350,000 lower at £12,107,000.

Lloyds Bank shows an increase of £7,000,000 in deposits at £141,000,000, while discounts and advances are £11,000,000 higher at £74,391,000, no doubt owing to War Loan subscriptions, but the figures of these are not given. Cash has increased £850,000 at £28,230,000, but money at call is £1,600,000 down at £4,477,000. British Government securities are £1,150,000 lower at £34,898,000, and other investments have been reduced by £2,000,000 to £4,604,000. Union of London and Smiths shows an increase of £3,000,000 in deposits, &c., at £51,527,000, while cash in hand is up £1,100,000 at £8,945,000, and advances have increased £1,800,000 to £25,587,000, but investments are £1,500,000 lower at £15,793,000. Parr's Bank since June last year has only added £300,000 to its deposits, which now stand at £56,223,000, but cash in hand is £960,000 up at £10,230,000, while money at call, &c., has fallen £6,800,000 to £4,543,000. Investments are

£1,400,000 lower at £16,082,000, but discounts and advances have increased £7,500,000, no doubt in connection with the War Loan, although separate figures are not given. Coutts and Co. have increased their deposits by £1,200,000 to £14,910,000, but cash is down £50,000 at £2,476,000, money at call, &c., has fallen £550,000 to £1,712,000, and investments are £500,000 lower at £4,049,000. On the other hand, discounts and advances have increased £2,300,000 to £7,333,000. As we pointed out in dealing with the London City and Midland statement last week, its advances in connection with the War Loan were stated separately at £23,000,000, and it would be very useful if all the other banks gave similar information, as it would be interesting to see how rapidly the amounts are paid off.

Among provincial banks, the Union of Manchester continues to issue half-yearly reports, and for the past six months the gross profits show an increase of £15,000 at £138,250, but including £10,000 special war allowances to staff, expenses were £8,000 higher, and the amount available is £7,000 up at £107,025. The dividend is raised from $12\frac{1}{2}$ per cent., tax free, to £1 per £11 share, less tax, which requires £3,000 more. Income-tax requires £6,500 more, and £18,500 is allocated to clear off the cost of acquiring the Halifax and District Permanent Bank, so that the carry-forward is halved at £21,025. Current and deposit accounts have increased £900,000 to £8,618,000, while cash is up £300,000 at £1,318,000, but investments are £600,000 lower at £1,800,000. Ordinary advances have risen £400,000 to £4,620,000, while War Loan advances figure at £983,000, but the total amount financed is not stated.

The National Bank, Ltd., shows an increase of £45,000 in gross profits at £232,700, but expenses, including bonus to staff, were £13,000 higher, and £60,000 against £25,000 is placed to special reserve. After again paying a dividend for the half-year at the rate of 10 per cent. per annum, the carry forward is a trifle lower at £22,250. Notes in circulation have been reduced £80,000 to £2,376,000, but deposits are up a million at £17,600,000. Money at call, &c., has increased £900,000 to £3,808,000, and advances, &c., are £140,000 higher at £10,300,000, otherwise the changes in the balance-sheet are comparatively unimportant. The Provincial Bank of Ireland, Ltd., made a gross profit in the six months of £117,780, an increase of £15,000, and expenses were only about £2,000 up. After placing £20,000 to reserve and writing £5,000 off premises (against £21,000 written off investments last year), the dividend at the rate of $2\frac{1}{2}$ per cent. per annum is repeated, and £3,500 more at £17,195 goes forward. Notes in circulation fell off £65,000 to £1,542,000, but deposits have increased £315,000 to £7,287,000. Cash in hand is down £200,000, while money at call is £104,000 up at £832,000. Discounts and advances have risen £574,000 to £5,472,000, but investments are £250,000 lower at £2,346,000.

In the case of the Manchester and County Bank, Ltd., nett profits have risen £10,000 to £99,870, but the dividend is retained at the usual 5s. 4d. per share. Deposits have increased £1,800,000 to £13,774,000, and cash in hand is up £200,000 at £3,417,000. Investments are £1,800,000 lower at £3,738,000, while short loans on securities, including War Loan, have jumped £1,700,000 to £1,956,000, and other advances are £900,000 up at £5,650,000. Only trifling changes are shown in the balance-sheet of the Sheffield Banking Co., Ltd. Deposits are up £70,000 at £5,247,000, while cash in hand, at call, &c., is £360,000 up and Treasury bills £300,000 down. The report of the Yorkshire Penny Bank, Ltd., covers the year to June 30, and shows that there has been a further shrinkage in deposits, which are £2,000,000 down at £17,372,000. This, however, is not surprising in view of the fact that the bank's customers have invested £6,050,000 in War Loans, making a total of over £10,000,000 since the beginning of the war. Cash in hand and at short notice is up £800,000, and the percentage to deposits

is 23.94 per cent., as against 23.95 per cent. in June, 1914. Treasury bills, however, are £1,200,000 lower at £1,248,000, and investments are £600,000 down at £6,796,000, while loans and advances have increased £450,000 to £5,618,000.

Evidently the Union Bank of Australia did exceedingly well in the half-year to February 28, and the gross profits come out at £423,140, an increase of £53,000. Expenses, however, also mounted up, and the nett profit is £20,000 higher at £161,275. The whole of the increase is carried to reserve, which will then amount to a round two millions (or equal to the paid-up capital), and the dividend and bonus of 14 per cent. per annum (35s. per share) is repeated, leaving £73,130 to be carried forward, or just a little more than the amount brought in. Notes in circulation amount to £877,000, an increase of £540,000, and deposits have risen £170,000 to £24,227,000. There is £300,000 less cash in hand at £4,756,000, but money at call, &c., is up £800,000 at £1,120,000. Bills receivable, &c., is half a million higher at £4,497,000, while loans and advances are a similar amount lower at £18,583,000, and the other changes are unimportant.

What Has Become of the Gold?

In the past three years virgin gold from the mines to the value of between £280,000,000 and £290,000,000 has been put on the bullion market. What has become of it? Where has it gone? War is the most effective evaporator of bullion imaginable, and in all wars of the past the precious metals have either disappeared from public view altogether or slunk away into reservoirs inaccessible to the common people. Has this war had the usual effect in this direction? Not yet, not wholly at least, but to a considerable extent it has shifted the hoards. Beginning at home, here we have substituted paper for gold in the daily retail transactions of life,

and the change has passed almost without notice or remark. The total of our Treasury paper currency is at this day remarkably small, probably little more than £130,000,000 nett all told, whereas in France the notes of the Bank of France in circulation have risen to upwards of £800,000,000, against gold in stock of £130,000,000. What the real position may be in Germany we cannot tell, for various reasons. First of all, the note circulation shown in the Reichsbank return is not by any means all the paper money in use within the Empire. It may not be half of it, but no details are available. On the other hand, compared with the position on the eve of the war, the German Imperial Bank appears to be stronger in gold. The amount in stock has increased nearly £45,000,000 in the interval, and was larger still until the Bank authorities were obliged to transmit two or three millions to Holland to try and stay the depreciation of the mark.

In regard to the gold, however, it is not possible to make any positive statement, because we are not sure that Treasury bills or other forms of Imperial debt have not in part been substituted for metal; and, even if that should not be so, a report went the round of the Press more than a year ago that the reserve of the Austria-Hungarian Bank had been transferred to Berlin, to the Reichsbank, quite early in the war, just as the £12,000,000 in gold held as war reserve in Spandau had been turned into the same reservoir. Were the statement about the Austrian reserve true—and it has never been contradicted—then, instead of being nearly £45,000,000 larger, the gold shown in the Reichsbank return would be £20,000,000 smaller than it was at the end of June, 1914, for the Austrian reserve, presumably in gold, was £52,295,000 at that date. And, in any case, an unknown amount of gold has been drawn in from the German people in the form of gold watch-cases, gold trinkets and jewels, gold ornaments of every description, and the collection incorporated in the reserve on which a mass of war-generated credit

THE

LONDON AND PROVINCIAL BANK LIMITED

SUBSCRIBED CAPITAL	£2,000,000
RESERVE FUND	£1,650,000
DEPOSITS (June 30th, 1917)	£28,997,049

DIRECTORS.

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THE RT. HON. THE VISCOUNT PEEL.
SIR JOSEPH SAVORY, Bart.

Joint General Managers.

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WILLIAM JOHN STOKOE, Esq.

Secretary.

REES GRIFFITH THOMAS, Esq.

Head Office—3, BANK BUILDINGS, LOTHBURY, LONDON, E.C. 2.

Branches—231 Metropolitan and Provincial, and 117 Sub-Branches.

DRAWING ACCOUNTS are opened upon the terms usually adopted by other Bankers.

DEPOSITS.—Money received at Interest and Deposit Books or Receipts issued. Small amounts and Savings received and Interest allowed.

Copies of the last Report and Annual Balance Sheet of the Bank and List of Branches, also terms and particulars on which the Bank is prepared to act as Executor and Trustee, can be obtained at the Head Office and Branches.

has been reared for which Germany has now few or no solid assets to show.

Our own visible stock of gold, including the new metallic reserve held against Treasury notes, has increased by about £47,000,000, and this increase has been brought about notwithstanding the continual suction from foreign countries on our bullion market. We must have paid away in meeting our war debts contracted in the United States and elsewhere much of the gold released by the substitution of paper for metal in our currency, and there has also passed through our market on its way to other countries the greater part of the gold from the African mines. Even with it all, the Bank of England has contrived to guide matters so that its stock has not been gravely impinged upon, nor, on the other hand, has our paper money in the form of Treasury notes been inconveniently inflated. It is thanks to our banks *en masse*, however, that we have come through so far with so little scathe. Perfect confidence in the banks insures that the cheque system of currency works with a smoothness known nowhere else, not even in France, where, however, the use of the cheque is still comparatively undeveloped. Thus it comes about that all goes as smoothly in our market as in times of peace.

The Bank of France holds fully £30,000,000 less gold to-day than it did three years ago—that is to say, £130,000,000 compared with £162,000,000—and at the same time the note circulation has gone up from £242,000,000 to £804,000,000. But even that strained-looking condition demonstrates the great resisting force in French credit institutions, for France also has had to pay away much gold abroad, and has managed otherwise to finance her war debts with great skill. But yet we may say in regard to both France and England that but for the opportune and liberal assistance now being given by the United States, credit embarrassments could not have failed to become apparent at no distant date. That was very likely what the Prussian military tyrants were playing for, their ignorance being such as to prevent them from seeing that to ruin other people was the surest way to plunge the populations of their own Empire into hopeless misery.

But where has the gold gone which the Allies of the *Entente* have lost? It has gone mostly to the United States. There is no evidence that it has in the returns of the New York Associated Banks, whose stock of gold is less now than it was when the war began, although, to be sure, we can infer nothing from that fact, because the Federal Reserve Banks have for some time been also gathering up gold. And, after all, the real proof of the wealth of the country, as displayed in its stock of gold, is the amount of the metal in the Treasury. That has risen from £340,000,000 in June, 1914, to £806,000,000 in May last, a figure which includes the value of the gold held against certificates issued, as well as the actual metal in reserve, and it shows that £466,000,000 has been added to the "stock of money in the country" since the war began. No wonder the "Liberty Loan" was over-subscribed.

But other States not enveloped in the strife have also been accumulating metal. The stock of the Bank of Spain shows an increase of £41,000,000, that of the Bank of the Netherlands has risen from little more than £14,000,000 to upwards of £52,000,000, and the Swiss National Bank has added nearly £6,000,000 to its hoard, making it £13,619,000. The Bank of Sweden, with nearly £12,000,000, holds just double what it did, and Norway's stock is £4,250,000 larger at £7,200,000 or thereabouts.

Russia, too, is in appearance, well endowed with gold. Adding together the gold in the Imperial Bank and the gold held abroad for the Government, the visible stocks seem to have risen by more than £180,000,000 to £360,000,000 in the war period. Unfortunately the expansion of credit has been still more conspicuous, and we cannot say with any assurance to-day whether the gold held abroad really is gold or a mixture of gold and first-class instruments of banking credit. Putting aside conundrums of this kind, it may be advanced generally that the belligerents have lost and the

countries that supply them have gained gold, and that the country which has profited most, if profit it be, is the United States. But what would have happened if the world had had no South African gold to play with during the past quarter of a century? Something like £600,000,000 of new gold has been provided from that quarter alone in that time, and the effect of that stimulant upon a certain kind of undeveloped brain may well have been disastrous enough to hurry the world towards its present calamity.

Last Year's World's Gold Output.—For reasons directly connected with the war it is only now possible to attempt to measure the total gold output of the world for last year, and the place of the Transvaal in the list of producers. Statistics relating to the world's gold production are invariably to a certain extent based upon estimates, but the figures dealing with last year's output of the precious metal are in many instances more than usually of the guesswork order. So far as can be ascertained, the aggregate valuation of the gold yield was £2,676,000 less than in 1915, a reduction of about 2½ per cent. The yield of gold from the Transvaal easily beat all records in 1916. Twenty years ago pride of place among gold-producing countries was held by the United States; but since 1904 South Africa has forged ahead steadily, its yield for the past six years having been considerably more than double the American. The outstanding importance of South Africa in connection with the world's gold supplies is emphasised by the fact that between 1906 and 1916, while the aggregate output of the precious metal increased 2,824,253 ozs., the African contribution rose to the extent of 4,209,674 ozs., showing that in all the other goldfields there was a falling off in the period of 1,385,421 ozs. In the following table the yields of the chief producers are shown for each of the past three years in fine ozs.:—

	1914. Ozs.	1915. Ozs.	1916. Ozs.
Australia	2,301,152	2,389,618	1,930,056
Africa	9,808,940	10,598,411	10,811,359
United States	4,572,976	4,887,604	4,465,800
Canada	773,178	916,076	991,689
Russia (est.)	1,382,897	1,403,000	1,403,000
Other countries (est.)	431,628	317,305	300,000
Total	21,413,701	22,825,015	22,194,911

Answers to Correspondents.

* A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.

Deposits against future queries may be lodged with the Publisher.

Lubricant.—The "condition of things" has little to do with the fortunes of this company, but you should none the less make sure of at least a part of your profit.

Sindbad.—(1) Promising enough, but who gave you such a price? (2) Here the ultimate position should be stronger and the shares should pay to hold, but the price quoted is quite the top.

Frugal.—Really we don't know. Our own feeling would be to secure the profit where we could, and assuredly there are few reasons for expecting much further rise in any share of the class.

L. G. R.—(1) Earnings have been poor for some time, but show a little improvement lately. Ore is of very low grade, and present margin not very encouraging. Better wait until outlook is clearer before buying more. (2) Here also results are disappointing, but cannot advise you to sell now, nor to buy more at present. Watch returns of both and only increase your holdings if results improve.

Leith.—(1) Doing very well, and a fair industrial investment, but we think you will find them higher than 50s. (2) Holds interests which seem likely to do well, but nothing in immediate future justify any rapid rise. A buyer must be prepared to wait. (3) Quite a good, well-managed property, and a fair purchase as dividends should be quite satisfactory.

Shots.—(1) These seem quite high enough, and we think you should sell. (2) It is difficult to gauge the future of this concern; it is a wonderful business, and cleverly managed, but in your position it would be prudent to sell half.

R. F. A.—We think you should take it; the report was not altogether encouraging.

L. R.—The interest is, we think, quite safe, as it is covered by income from rentals. There should be ample security for the capital. A good deal of money is being spent on improvements. A further purchase looks reasonable.

Stowe.—It is a small, reconstructed concern, and its shares are at a fair premium already. We are told orders are plentiful and profits good, so there may be some advance. If you buy, don't hang on too long.

H. D. M.—They are quite good, but the issue is not large, and we doubt if you can buy easily. They are due in about 25 years.

C. S. T.—No, leave them alone.

Barts.—Prospects not very encouraging; we think you should sell.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Wks. Amount	In. or dec. on last year.	
Assam Bengal ..	May 26	Rs. 1,30,000	+ 6,147	Rs. 9,74,000	— 67,305	
Barsi ..	June 2	16,330	+ 1,800	1,05,600	— 16,700	
Bengal & N.W. ..	May 26	4,72,570	+ 23,544	35,54,440	— 3,50,435	
Bengal Nagpur ..	June 2	10,64,000	+ 74,000	94,91,000	+ 3,13,161	
Bombay, Baroda ..	July 7	13,61,000	+ 1,44,000	2,17,21,000	+ 10,76,000	
Burma ..	July 17	25,463	+ 1,416	32,21,124	+ 29,134	
Delhi Umballa ..	July 7	76,700	+ 14,682	10,88,800	+ 1,31,544	
East Indian ..	July 14	21,39,000	+ 1,000	3,49,33,000	+ 9,02,000	
Gt. Indian Penin. ..	July 7	20,20,200	+ 1,40,300	3,10,22,400	+ 20,43,726	
Lucknow-Bareilly ..	May 26	55,523	— 145	4,07,418	+ 4,287	
Madras and S. ..	June 2	11,25,000	+ 45,466	95,40,000	— 47,228	
Nizam's Gd. (Broad ..	June 2	12,29,958	+ 664	11,98,288	— 89,250	
(Metre ..	June 2	81,947	+ 17,022	7,39,849	+ 16,386	
Rohilkund and ..	May 26	59,172	+ 5,347	3,85,232	— 16,241	
Kumaon ..	June 2	6,82,119	+ 34,300	60,33,802	+ 2,84,411	
South Indian ..	June 2	6,82,119	+ 34,300	60,33,802	+ 2,84,411	

April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks. Amount	In. or dec. on last year.
Bristol ..	July 13	£ 11,766	+ 1,075	£ 287,412	+ 16,833
Dublin United ..	July 13	7,207	+ 578	179,314	+ 21,453
Hastings and Dist. ..	July 13	1,486	+ 321	29,765	+ 5,113
Isle of Thanet ..	July 13	363	— 90	11,456	— 297
Lancashire United ..	July 13	3,170	+ 1,326	59,608	+ 11,526
Provincial ..	July 13	2,757	+ 124	89,008	+ 238
Yorks. (Wst. Rdng.) ..	July 13	2,196	+ 485	56,181	+ 8,868

* From Oct. 1. † From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks. Amount	In. or dec. on last year.
Anglo-Argentine ..	July 15	£ 52,007	+ 2,571	£ 1,439,848	+ 7,532
Auckland Electric ..	June 30	23,593	+ 1,888	282,694	+ 7,931
Brazilian Traction ..	May 3	M4,289,000	+ M181,000	M20,380,000	+ M128,000
Brisbane Elec. Inv. ..	June 2	32,475	+ 1,085	6,193,595	+ 755
British Columbia ..	May 3	£ 72,729	+ 9,890	£ 1,042,130	+ 244,747
B.A. Lacroze ..	June 2	38,200	+ 1,807	464,007	+ 25,457
Burmah Electric ..	May 17	Rs. 24,906	+ Rs. 1,321	Rs. 1,747,050	+ Rs. 27,698
Calcutta ..	July 14	Rs. 68,719	+ Rs. 1,827	Rs. 1,747,050	+ Rs. 14,630
Cordoba Light ..	May 12	13,735	+ 1,134	27,395	+ 1,546
Hongkong ..	June 12	£ 123,523	+ 15,115	£ 250,253	+ 4,574
La Plata ..	June 6	3,852	+ 117	25,144	+ 781
Lima ..	June 6	16,813	+ 1,977	100,160	+ 5,662
Madras Electric ..	July 15	Rs. 36,083	+ Rs. 2,076	Rs. 444,499	+ Rs. 40,150
Mexico ..	Nov. 5	£ 21,525	+ 108,669	£ 193,106	+ 197,227
Rangoon ..	June 8	4,383	+ 178	28,717	+ 1,039
Singapore Electric ..	May 25	£ 13,175	+ 772	£ 237,111	+ 16,064
Toronto ..	June 6	£ 476,296	+ 18,422	£ 2,343,762	+ 192,179
United of Monte V. ..	June 6	27,458	+ 2,152	242,796	+ 1,728
Vera Cruz ..	Apr. 8	60,200	— 3	215,800	—
Winnipeg ..	May 8	£ 64,145	+ 39,132	£ 386,233	+ 156,704

b 28 days. * From Jan. 1. † From Jan. 1. ‡ From July 1. c Two weeks.

UNITED STATES OF AMERICA.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks. Amount	In. or dec. on last year.
Chesapeake & Ohio ..	July 7	\$ 886,000	+ 211,000	\$ 26,787,000	+ 1,511,000
Chicago G.W. ..	June 30	341,000	+ 30,000	16,417,000	+ 1,400,000
Colorado & South'n ..	June 30	457,000	+ 92,000	8,447,000	+ 1,085,000
Denver & Rio Gran. ..	July 7	405,000	+ 42,000	13,814,000	+ 2,030,000
Louisville & Nashv'e ..	June 30	1,894,000	+ 378,000	35,718,000	+ 4,665,000
Minn. S.P. (Soo) ..	July 7	698,000	+ 106,000	13,253,000	+ 615,000
Missouri Kansas ..	July 7	710,000	+ 18,000	19,969,000	+ 3,546,000
Southern ..	June 30	2,857,000	+ 472,000	105,161,000	+ 12,775,000

‡ Includes Wisconsin Central. † From Jan. 1. ‡ From June.

FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks. Amount	In. or dec. on last year.
Alooy and Gandia ..	July 14	Ps. 15,000	— 5,000	Ps. 316,870	— Ps. 90,030
Antofagasta (Chili) ..	July 15	47,585	+ 14,330	1,093,590	+ 161,175
Arauco ..	May 31	11,000	+ 1,200	55,000	+ 11,800
Argentine N.E. ..	July 14	8,900	+ 2,700	17,800	+ 5,598
Bilbao R. and Cantia ..	June 14	1,908	+ 2,417	21,008	+ 3,769
Bolivar ..	June 14	10,000	+ 3,634	122,250	+ 13,017
Brazil ..	April 8	M3,781,000	+ M350,510	M158,900,000	+ M19,822,000
Brazil Gt. Southern ..	June 14	M15,456,680	+ M10,280	M170,990	+ M29,600
B. Ayres & Pacific ..	July 14	73,000	+ 7,000	146,000	+ 34,000
Do. Central ..	May 25	25,929	—	268,840	+ 1,740
Do. Gt. South'n ..	July 15	84,000	+ 7,000	181,705	+ 24,549
Do. Western ..	July 15	40,000	+ 5,000	82,000	+ 17,000
Central Argentine ..	July 14	85,000	+ 20,400	161,800	+ 64,300
C. Uruguay of Mte V ..	July 14	16,240	+ 4,325	31,690	+ 6,092
Do. East'n Ex. ..	July 14	4,590	+ 407	10,210	+ 514
Do. North'n Ex. ..	July 14	3,543	+ 1,710	6,107	+ 2,056
Do. West'n Ex. ..	July 14	1,067	+ 810	2,464	+ 1,129
Cordoba Central ..	July 14	32,000	+ 2,990	73,000	+ 7,440
Costa Rica ..	Mar. 3	4,939	+ 1,936	185,662	+ 3,040
Cuba Central ..	July 14	13,974	+ 4,528	27,971	+ 8,155
Cubana Extension ..	May 31	9,600	+ 1,700	45,700	+ 10,300
Egyptian Delta ..	July 14	5,749	+ 815	33,867	+ 5,404
Entre Rios ..	July 14	13,400	+ 1,900	25,800	+ 2,200
French Sante Ré ..	Dec. 1	81,752	+ 1,139	1,080,727	+ 156,858
Gt. South. of Spai ..	July 7	Ps. 59,600	— Ps. 642	Ps. 501,891	— Ps. 639,220
Gt. West. of Brazil ..	July 14	11,700	+ 4,600	34,350	+ 8,950
Havana Central ..	May 23	7,719	+ 1,064	333,650	+ 83,350
Inter. of C. Amer. ..	May 23	31,028	+ 3,895	177,234	+ 9,926
La Guaira and Cai ..	June 14	7,250	—	50,250	+ 1,000
Leopoldina ..	July 14	27,534	+ 5,382	695,582	+ 117,545
Manila (N. & Sth.) ..	Apr. 6	10,389	+ 1,997	10,389	+ 1,997
Midland Uruguay ..	May 12	12,766	+ 1,258	142,782	+ 128,588
Mogiana ..	Apr. 14	M1,476,000	+ M253,117	M5,386,000	+ M117,162
N.W. of Uruguay ..	June 14	26,000	+ 960	295,778	+ 66,908
Nitrate ..	July 15	32,261	+ 1,252	415,020	+ 67,901
Paraguay Central ..	July 14	2,770	+ 380	4,550	+ 1,490
Paulista ..	Apr. 8	M1,880,000	+ M230,979	M7,721,000	+ M240,648
Peruvian Corp'n ..	June 2	S 965,420	+ S 35,920	S112,822,092	+ S136,459
Salvador ..	July 7	19,550	+ 2,050	19,550	+ 2,050
S. Paulo (Brazilian) ..	June 14	27,964	+ 4,575	608,142	+ 12,351
Sorocabana ..	Apr. 14	M1,451,000	+ M163,524	M6,322,000	+ M584,837
Taitai ..	June 14	22,635	+ 1,492	234,090	+ 8,181
United of Havana ..	July 14	35,680	+ 5,526	72,515	+ 8,130
West'n of Havana ..	July 14	7,276	+ 1,284	14,445	+ 2,313
Zafra and Huelva ..	May 8	11,544	+ 185	52,240	+ 5,518

* Months. † From Jan. 1. ‡ From July 1. c Net. b 15 days. a 10 days.

COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks. Amount	In. or dec. on last year.
Beira ..	April 8	£ 55,042	+ 2,908	£ 476,973	+ 18,275
Canadian Northern ..	July 14	\$874,900	+ \$60,700	\$1,760,000	+ \$77,900
Canadian Pacific ..	July 14	\$2,867,000	+ \$129,000	\$76,774,000	+ \$8,408,000
Gr. Trk. Main Line ..	July 14	232,992	+ 36,294	5,408,429	+ 705,927
Gr. Trk. Western ..	July 14	38,116	+ 411	1,041,459	+ 17,890
Detroit G. H. & M. ..	July 14	12,308	+ 1,383	367,480	+ 3,495
Gr. Trk. Prairie Sc ..	July 14	27,455	+ 11,771	48,840	+ 17,945
Mashonaland ..	Apr. 8	55,042	+ 2,908	376,973	+ 14,747
Mid. of West'n. Aus. ..	May 8	6,428	+ 513	84,036	+ 870
New Cape Central ..	June 2	1,532	+ 229	41,330	+ 6,442
Rhodesia ..	April 8	86,487	+ 11,307	574,662	+ 42,113

* Months. † July 1. ‡ Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.
		Dols.	Dols.		Dols.	Dols.
Atcholson T. & S. Fd	May	4,304,000	— 13,000	11	48,329,000	+ 8,251,000
Atlantic Coast Line	"	752,000	— 104,000	5	5,807,000	+ 315,000
Baltimore & Ohio ..	"	3,170,000	+ 315,000	5	11,570,000	+ 635,000
Canadian Northern	"	1,054,400	+ 327,200	11	9,316,800	+ 1,764,000
Canadian Pacific ..	"	4,552,000	+ 180,000	5	17,082,000	+ 1,170,000
Chesapeake & Ohio	"	1,033,000	— 285,000	5	5,639,000	+ 75,000
Chicago & N.W. ..	"	2,252,000	+ 388,000	5	8,681,000	+ 1,342,000
Chicago Burl. & Q.	Apr.	2,868,000	+ 619,000	4	11,952,000	+ 620,000
Chicago G.W. ..	"	232,000	— 28,000	10	3,746,000	+ 153,000
Chicago Mil. & S. P.	May	2,746,000	+ 448,000	5	8,528,000	+ 1,806,000
Chicago, Rock I. & P.	Apr.	1,497,000	+ 70,000	4	4,912,000	+ 575,000
Colorado & Southern	May	407,000	+ 15,000	5	2,349,000	+ 411,000
Cuba ..	Apr.	620,154	— 258,724	9	1,493,844	+ 1,447,087
Delaware & Hud. ..	May	592,000	— 144,000	5	1,917,000	+ 1,276,000
Denver & Rio Gran.	"	779,000	— 19,000	5	3,240,000	+ 72,000
Erie ..	"	1,779,000	— 82,000	5	3,239,000	+ 3,686,000
Gr. Tr. Main Line ..	"	£ 166,550	— 55,950	5	£ 749,400	+ £ 136,800
Grand Trunk Westn	"	£ 2,350	— 47,050	5	£ 24,150	+ £ 202,650
Detroit G. H. & Mil.	"	\$ 5,500	— 12,400	5	\$ 9,700	+ £ 49,400
Gt. Northern ..	"	2,400,000	+ 349,000	5	6,389,000	+ 713,000
Illinois Central ..	"	1,735,000	+ 466,000	5	7,933,000	+ 2,174,000
Kansas City Southn.	"	369,000	+ 23,000	5	1,819,000	+ 397,000
Lehigh Valley ..	"	1,282,000	— 30,000	5	3,327,000	+ 1,445,000
Louisville & Nashv.	"	1,730,000	+ 39,000	5	8,051,000	+ 51,000
Minn. S. P. (Soo) ..	Apr.	751,000	— 171,000	4	2,243,000	+ 1,506,000
Miss. K. & Texas ..	May	698,000	+ 280,000	5	2,117,000	+ 1,368,000
Missouri Pacific ..	Apr.	1,563,000	+ 579,000	4	6,159,000	+ 2,474,000
New York Cent. & H.	May	4,214,000	+ 1,333,000	5	15,497,000	+ 8,657,000
N. Y. N. Haven & H.	Apr.	2,017,000	+ 142,000	4	6,430,000	+ 568,000
New York Cent. & W.	May	188,000	+ 16,000	5	625,000	+ 115,000
Norfolk & Western.	"	1,745,000	— 543,000	5	8,538,000	+ 1,336,000
Northern Pacific ..	"	2,617,000	+ 175,000	5	11,199,000	+ 292,000
Pennsylvania East	"					
and West Lines ..	Mar.	6,934,000	— 973,000	3	13,253,000	+ 7,369,000
St. Louis & San F.	Apr.	1,204,000	+ 82,000	10	13,733,000	+ 2,603,000
Seaboard Air Line ..	"	627,000	— 34,000	4	2,867,000	+ 15,000
Southern ..	May	2,212,000	+ 79,000	11	22,380,000	+ 2,539,000
Southern Pacific ..	"	5,992,000	+ 1,897,000	5	22,862,000	+ 7,249,000
Union Pacific ..	"	4,237,000	+ 851,000	5	14,397,000	+ 498,000
Wabash ..	"	1,124,000	+ 122,000	5	4,473,000	+ 469,000

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Apart from the anxiety about the course of events in Petrograd and the shiftings around of credit in connection with our own Government's requirements, there has been nothing to ruffle the Money market this week or to alter rates in any appreciable degree. Call money was cheaper, perhaps, a week ago than it is to-day, but 4 per cent. is about the highest rate for it, with 4½ per cent. for seven-day loans, and discount rates have been steady all week at previous figures. A large mass of Treasury bills fell due on Tuesday and a lesser amount of them was renewed than the market had expected, so that there was an abundance of floating credit in the market on Wednesday, but although that sent down afternoon money to 3 per cent. it made no difference in the morning rates, and the surplus was certain to be soon absorbed again as the market reinvested it. The dealers were simply endeavouring to replace the bills paid off with others maturing at spaced dates instead of all on one day. It was thus no indication of want of means or reluctance to lend which influenced the movements of Tuesday. The ticklishness of Russian affairs was emphasised by the weakness of the Petrograd exchange, but that did not prevent Russian bills from being negotiated in the open market at rates differing very little from those paid on our own Government paper. Our long-dated Treasury bills were quoted in the end of last week at 4½-7⁄8 per cent., and short-dated maturities were dealt in in the middle of last week at 4½-9⁄16 per cent.

The Bank return revealed no changes of significance to those whose business it is to study fluctuations with an eye to the fixing of rates. Owing to the return of £413,000 in notes from the active circulation the reserve is £173,000 up at £32,125,000, but the bullion is down £240,000 to £53,193,000, which is £3,759,000 less than the stock a year ago, and the proportion of the reserve to the liabilities is ⅔ per cent. lower at 18½ per cent., thanks to the important increase in the public deposits, which has been mitigated by a decline of only £1,392,000 in the other deposits. In other words, the Government balances have been raised by outside borrowing at the Bank, other securities being £4,065,000 higher, not by the direct transfer of bankers' balances to Government account. In spite of the addition of the week public deposits are now £10,313,000 below the figure of this time last year,

while other deposits are £38,268,000 larger, and these changes are all intimately associated with the financing of the war as also the expansions in the Government and other securities, and one can draw no moral from them or obtain any guidance as to the future.

Wide fluctuations have occurred in the silver market this week. Following an announcement that the Indian Government had prohibited the importation of the metal on private account, Indian bull operators, who had, as a "hedge," sold short in London, immediately began to close their bear positions here, and the price rose 1d. to 41½d. per oz. The Indian bulls felt that the prohibition made their position secure in India, and that it was therefore unnecessary any longer to keep open their bear account. The prohibition will no doubt weaken the market in London, as no Indian private purchases are likely to be made abroad, for if they are the Government will commandeer the silver on arrival in India at a discount of 5 per cent. on the prevailing London price, equivalent to 2d. per ounce. The Indian bear covering having been completed, these considerations prompted a steady relapse in the price of the metal, which is now expected to fall below 40d. per ounce within a comparatively short time. At any rate, for the past few days the demand for silver has been very small, and sellers now predominate.

Meanwhile, an interesting arrangement has been made which is designed to effect virtually a complete solution of the Indian currency shortage. The Government of India has arranged to take any shipments of silver from the United States, payable in sterling drafts, and the Indian Government has also agreed to buy gold imported from the United States at 15 rupees to the sovereign. Already, it is stated, £200,000 of gold has been shipped from the United States to India. But, of course, it will depend upon the freedom with which the licences to import gold, which are necessary before shipments can be arranged, are issued by the Treasury. Several banks are patriotically co-operating with the Government of India in this matter of solving the currency difficulty, though they are likely to suffer in pocket thereby. The United States is the only place in which, for the time being, there may be said to be a surplus stock of gold.

One of the features of the foreign exchange market this week has been the dismal showing made by the Petrograd exchange. After having fallen to nearly 200, the rate sharply rose to 224 on the news of fresh disturbances in Petrograd, and the possibility of the resignation of certain Ministers; but on Thursday there was an appreciable rally following the receipt of advices that the Lenin insurrectionary movement had failed, and that the Ministerial resignations would not take effect. There has, however, been little actual business in roubles, and the market is likely to remain a restricted one pending the stabilising of the political position in Russia. There has been a significant improvement in the Swiss exchange, which has moved up to 22f 20c, with business reported at a higher figure. The crisis in Spain, news from which is very scanty, owing, apparently, to pro-German intrigues, is not yet over. But the uncertainty of the position there explains the very proper reluctance to take special measures to lower the value of the peseta. In fact, this week the peseta has declined in value, owing to the political uncertainty, and while that remains the premium on the peseta is calculated gradually to disappear.

The Yokohama Specie Bank, Ltd., London, announces that £300,000 4½ per cent. sterling bonds of the first series and £200,000 4½ per cent. sterling bonds of the second series of the Sterling Loan of 1905 have been purchased on behalf of the Imperial Japanese Government for the purpose of cancellation. And so the good work which has been in progress since the beginning of the war goes on.

SILVER.

Apart from money rates and war finance, the chief interest in the money market this week has been silver, which has fluctuated rather wildly in price, as explained above. Why the Government of India has prohibited the importation of silver on private account

into India, is not clear, but the step had the effect of driving up the price of the metal in India, and that forced the bears there to endeavour to close their accounts on this market, as Messrs. Mocatta explain. As there was little silver in our market, the buying in was difficult and expensive, but now that it is over the market is easier and seems likely to continue so. It is added that the China banks have again been making large purchases of the metal in San Francisco, but the Indian prohibition of imports will, it is thought, tend to decrease the movement of silver to the East, and should that prove a correct guess the metal will be more abundant in London. Messrs. Samuel Montagu and Co. say that the stock in Bombay consists of 1,700 bars, as compared with 1,800 bars last week. The stock in Shanghai on July 14 consisted of about 19,900,000 ozs. in sycee, and \$15,100,000, as compared with about 20,700,000 ozs. in sycee and \$15,000,000 on July 7.

Applications for the Rs. 1,20,00,000 India Council drafts offered on Wednesday amounted to Rs. 2,13,05,000. Of these, Rs. 1,11,86,000 were allotted in deferred transfers, and Rs. 8,14,000 in immediate transfers. Tenders for bills and deferred transfers at 1s. 4 5/32d. and for immediate transfers at 1s. 4 1/2d. received about 56 per cent. The amount to be offered next Wednesday is again Rs. 1,20,00,000. Since April 1 the total sales have been Rs. 18,00,00,000, realising £12,126,324.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, July 18, 1917.

ISSUE DEPARTMENT.

Notes Issued	£ 68,995,670	Government Debt.. ..	£ 11,015,100
		Other Securities	7,434,900
		Gold Coin and Bullion ..	50,545,670
		Silver Bullion	—
	£ 68,995,670		£ 68,995,670

BANKING DEPARTMENT.

Proprietors' Capital ..	£ 14,553,000	Government Securities ..	£ 45,487,661
Res	3,241,724	Other Securities	112,664,895
Public Deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts) ..	47,755,179	Notes	29,478,245
Other Deposits	124,711,196	Gold and Silver Coin ..	2,646,880
Seven Day and other Bills ..	16,591		
	£ 190,277,681		£ 190,277,681

Dated July 19, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year, July 19.	July 11, 1917.	July 18, 1917.	Increase.	Decrease.
£	£	£	£	£
Liabilities.				
Rest	3,249,543	3,241,724	—	7,819
Pub. Deposits ..	42,087,527	47,755,179	5,667,643	—
Other do. ..	126,103,441	124,711,196	—	1,392,245
7 Day Bills ..	24,224	16,591	—	7,633
Assets.			Decrease.	Increase.
Gov. Securities.	45,465,561	45,487,661	—	22,100
Other do. ..	108,600,131	112,664,895	—	4,064,764
Total Reserve ..	31,952,043	29,478,245	—	173,082
		32,125,125	5,667,643	5,667,643
			Increase.	Decrease.
Note Circulation ..	£ 39,930,070	£ 39,517,425	—	239,563
Coin and Bullion ..	53,432,113	53,192,550	—	412,645
Proportion ..	19 p.c.	18.6 p.c.	—	4 p.c.
Bank Rate ..	5 "	5 "	—	—

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,445,416,000	333,290,000	—
June	1,486,612,000	1,147,630,000	339,182,000	—
July 4	337,191,000	340,561,000	—	46,360,000
" 11	373,671,000	319,832,000	53,842,000	—
" 18	352,096,000	290,135,000	61,961,000	—
Total ..	10,919,665,000	8,288,083,000	2,631,582,000	—

CURRENCY NOTES.

Return of Currency Notes for the week ended July 18, 1917.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes	3,312,513	2,421,549	118,165,534
10s. notes	1,130,947	1,085,588	31,349,169
Note certificates ..	860,000	260,000	16,770,000
Previous total ..	652,790,316	487,991,936	—
	658,023,777	491,759,074	166,264,703

Ratio of gold held against notes, this week, 19.06 p.c.; last week, 19.11 p.c.

PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended July 14.)

REVENUE.	EXPENDITURE.
£	£
Customs	National Debt Service ..
Excise	Interest, etc., on War Debt ..
Estate, &c., Duties ..	Development & Road Impvt ..
Stamps	Payments to Local Taxation ..
Land Tax and House Duty ..	Other Consolidated Fund ..
Property and Income Tax ..	Charges
Excess Profits Tax	Supply Services
Land Values	Bullion Advances
Post Office	For Advance for Interest ..
Crown Lands	on Exchequer Bonds under ..
Sundry Loans	Capital Expenditure ..
Miscellaneous	(Money) Act, 1904
Bullion advances repaid ..	For Treasury Bills
For Treasury Bills for Supply ..	For Exchequer Bonds issued ..
5% Exchequer Bonds, 1919 ..	under the War Loan Redemtion Act, 1916 ..
5% Exchequer Bonds, 1920 ..	Expenditure Certificates ..
War Expenditure Certificates ..	under War Loan Act, 1916 ..
War Savings Certificates ..	Other Debt under War Loan ..
4% War Loan, 1929-1942 ..	Acts, 1914-16
5% War Loan, 1929-1947 ..	For Exchequer Bonds under ..
Other Debts created under ..	Section 61 of Finance Act, ..
War Loan Act, 1915, and ..	1916
Finance Act, 1916	Under Telegraph (Money) ..
Telegraph Money Act, 1913 ..	Act, 1913
Under Post Office Rly. Act, ..	Under Post Office (Lon- ..
1913	don) Railway Act, 1913 ..
Under Military Works Acts, ..	Under Military Works Acts ..
1897-1903	Under Housing Act, 1914 ..
Under Public Buildings ..	Public Buildings Expendi- ..
Under Housing Act	ture Act, 1903
Repayment of Advance for ..	Old Sinking Fund, 1907-8 ..
Interest on Exchequer ..	Old Sinking Fund, 1910-11 ..
Bonds, 1904	China Indemnity
China Indemnity	East African Protectorate ..
East African Protectorate ..	Loan repayment
Loan repayment	Suez Canal Drawn Shares ..
Suez Canal Drawn Shares ..	Temporary Advances repaid ..
Ways and Means Advances ..	Increase in Exchequer ..
Decrease in Exchequer ..	balances
balances	
£ 82,085,898	£ 82,085,898

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	June 15, 1917.	June 8, 1917.	June 1, 1917.
£	£	£	£
Gold coin and certificates ..	73,004,000	66,000,200	59,845,000
Gold Redemption Fund ..	791,600	516,000	610,600
Gold Settlement Fund ..	44,394,000	41,177,200	37,511,200
Legal tender notes, silver, &c. ..	4,903,600	7,538,600	7,324,800
Total reserves	123,093,200	115,262,000	105,291,600
5% redemption fund against ..			
F.R. bank notes	80,000	80,000	80,000
Bills discounted—Members' ..	40,564,800	19,604,200	10,170,800
Bills bought in open market ..	32,905,000	27,054,000	23,220,000
U.S. bonds	7,280,000	7,277,400	7,277,400
One-year U.S. Treasury notes ..	4,668,800	4,667,600	4,667,600
U.S. Certificates of indebted- ..			
ness	10,876,800	11,992,000	10,831,400
Municipal warrants	494,000	1,104,800	2,782,400
Total earning assets	96,789,400	71,700,000	58,949,600
Federal Res. notes—nett ..	2,270,200	5,241,600	5,975,600
Due from other Federal Res. ..			
bank—nett	1,128,400	962,200	735,400
Due from depository banks ..			
Uncollected items	58,064,000	60,946,000	35,418,400
All other resources	1,043,400	1,117,600	1,211,200
Total resources	282,468,600	255,309,400	207,661,800
Capital paid in	11,434,200	11,400,000	11,397,000
Government deposits	51,826,600	45,397,800	49,285,400
Due to members—Reserve ..			
account	174,146,800	155,381,400	144,229,200
Members' bank deposits—nett ..			
Collection items	35,975,000	36,264,200	26,828,400
Federal Res. notes—nett ..	8,604,800	6,495,200	5,555,200
Fed. Res. bank note liability ..	72,400		
All other liabilities	409,400	370,800	366,600
Total liabilities	282,468,600	255,309,400	207,661,800
Gold reserve against nett dep. ..			
and note liabilities	55.9%	52.2%	61.3%
Cash reserve against nett dep. ..			
and note liabilities	58.2%	63.4%	65.3%
Cash reserve against nett. dep. ..			
liabilities after setting aside ..			
40% gold reserve against ..			
aggregate nett liabilities on ..			
F.R. notes in circulation ..	59.0%	54.3%	66.3%

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	July 14, 1917	July 7, 1917	June 30, 1917	July 15, 1916
£	£	£	£	£
Loans	773,678,000	770,604,000	765,014,000	645,426,000
Reserve held in own Vaults ..	50,018,000	51,114,000	50,018,000	80,443,000
Reserve held in Fed. Res. Bk. ..	82,168,000	83,950,000	67,006,000	31,112,000
Reserve held in Other Depos. ..	12,682,000	11,322,000	11,390,000	11,260,000
Net Demand Deposits	724,892,000	696,930,000	686,152,000	627,992,000
Net Time Deposits	39,050,000	38,336,000	35,432,000	36,026,000
Circulation	5,944,000	5,934,000	5,924,000	6,312,000
Excess Lawful Reserve	21,258,000	48,262,000	14,220,000	14,900,000
Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.				

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	July 14, 1917.	July 7, 1917.	June 30, 1917.	July 15, 1916
£	£	£	£	£
Loans	168,514,000	172,968,000	172,536,000	145,802,000
Specie	12,264,000	13,408,000	12,790,000	12,092,000
Deposits	169,264,000	172,553,000	174,134,000	153,360,000
Legal Tenders	2,032,000	2,136,000	2,078,000	1,916,000

BANK OF FRANCE (25 francs to the £).

	July 19, 1917.	July 12, 1917.	July 5, 1917.	July 20, 1916.
	£	£	£	£
Gold in hand ..	130,412,320	130,345,240	130,240,560	191,211,120
Silver in hand ..	10,490,400	10,490,400	10,509,560	13,663,720
Bills discounted ..	22,539,360	20,961,320	27,491,920	16,970,680
Advances ..	45,254,240	45,827,440	44,995,360	47,834,400
Note circulation ..	808,188,160	807,859,360	804,482,160	643,748,920
Public deposits ..	5,086,680	2,801,720	1,708,440	2,481,360
Private deposits ..	101,473,440	98,460,600	111,120,800	88,788,200
Foreign Bills ..	79,760	108,600	64,680	26,200

Proportion between bullion and circulation 27.50 per cent., against 27.50 per cent. last week. Advances to the State £428,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £21,121,120, decrease £71,320, and at the branches £26,293,240, decrease £65,960.

SWISS NATIONAL BANK (25 francs to the £).

	June 30, 1917.	June 23, 1917.	June 15, 1917.	June 30, 1916.
	£	£	£	£
Gold and silver ..	15,702,608	15,742,704	15,740,504	12,449,184
Bills ..	8,043,720	7,578,092	7,519,316	7,054,348
Note circulation ..	21,606,336	20,004,896	20,001,872	17,326,204
Current and deposit accounts ..	4,115,868	4,944,144	4,763,964	5,005,140

BANK OF ITALY (25 lire to the £).

	June 10, 1917.	May 31, 1917.	May 20, 1917.	June 10, 1916.
	£	£	£	£
Total cash ..	39,482,080	40,866,280	40,476,520	45,231,720
Inland Bills ..	19,844,800	20,155,320	20,433,800	16,726,800
Foreign Bills ..	832,560	832,560	832,600	834,360
Advances ..	13,494,560	14,261,720	14,349,760	8,325,400
Government securities ..	8,796,680	8,793,400	8,816,880	8,334,360
Circulation ..	166,180,060	164,580,480	162,021,480	126,598,560
Deposits at notice ..	19,009,360	19,877,720	19,765,800	13,674,880
Current accounts ..	12,395,480	12,227,000	13,465,520	18,332,280

BANK OF SWEDEN.

	July 7, 1917.	June 30, 1917.	June 23, 1917.	July 8, 1916.
	£	£	£	£
Gold ..	11,259,000	11,261,000	11,262,000	9,227,000
Balance abroad and Foreign Bills ..	7,409,000	7,613,000	7,346,000	8,997,000
Swedish and Foreign Govt. Securities ..	5,025,000	5,064,000	5,057,000	4,458,000
Discounts and Loans ..	8,259,000	7,412,000	6,579,000	2,519,000
Notes in circulation ..	24,695,000	25,890,000	24,085,000	18,184,000
Deposits at notice ..	7,425,000	6,324,000	5,932,000	4,875,000

BANK OF SPAIN (25 pesetas to the £).

	July 7, 1917.	June 30, 1917.	June 23, 1917.	July 8, 1916.
	£	£	£	£
Gold ..	63,250,580	62,971,307	61,687,761	42,397,067
Silver ..	29,929,202	30,225,585	30,280,035	30,436,379
Foreign Bills ..	3,724,972	3,674,407	3,629,673	3,744,696
Discounts and Short Bills ..	31,417,051	30,098,644	30,650,030	23,950,209
Treasury Account, &c. ..	25,643,735	25,850,135	25,798,917	32,572,296
Notes in Circulation ..	101,061,966	99,097,889	98,301,293	88,320,345
Current Accounts, Deposits ..	31,934,371	31,515,598	31,442,129	31,409,972
Dividends, Interests, &c. ..	2,039,491	2,186,074	1,139,191	2,555,925
Government Securities ..	7,981,683	9,053,989	9,456,296	1,542,951

LONDON COURSE OF EXCHANGE.

Place.	Usance.	July 17, 1917.		July 19, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	11.52	11.55	11.50	11.54
" ..	Three months' bills ..	11.68	11.73	11.65	11.70
Paris ..	Cable transfers ..	27.35	27.40	27.37	27.42
" ..	Three months' bills ..	27.73	27.78	27.75	27.80
Marseilles ..	Cable transfers ..	27.73	27.78	27.75	27.80
Switzerland ..	Cable transfers ..	22.20	22.30	22.12	22.22
" ..	Three months' bills ..	22.55	22.65	22.47	22.57
Petrograd ..	Cable transfers ..	215	220	215	220
Genoa, &c. ..	Cable transfers ..	34.30	34.40	34.33	34.43
Spain ..	Cable transfers ..	20.65	20.75	20.95	21.05
" ..	Three months' bills ..	55 1/2	56 1/2	55	55
Lisbon and Oporto ..	Cable transfers ..	31 1/4	32 1/4	31 1/4	32 1/4
Copenhagen ..	Cable transfers ..	16.33	16.43	16.20	16.30
Christiania ..	Cable transfers ..	16.05	16.15	15.92	16.02
Stockholm ..	Cable transfers ..	15.20	15.30	15.05	15.15

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22 1/2	27.43	27.38
Amsterdam, cheques ..	Florins to £1 ..	12.107	11.53 1/2	11.52
Italy, sight ..	Lire to £1 ..	25.22 1/2	34.39 1/2	34.32 1/2
Madrid, sight ..	Pesetas to £1 ..	25.22 1/2	20.55	20.85
Lisbon, sight ..	Pence to milreis ..	53 1/2 d.	32 1/2 d.	31 1/2 d.
Switzerland, sight ..	Francs to £1 ..	25.22 1/2	22.95	22.20
Christiania, sight ..	Kroner to £1 ..	18.159	16.15 1/2	15.94 1/2
Stockholm, sight ..	Kroner to £1 ..	18.159	15.32	15.09 1/2
Copenhagen, sight ..	Kroner to £1 ..	18.159	16.39 1/2	16.27 1/2
Petrograd, sight ..	Roubles to £1 ..	94.57	204	217
Alexandria, sight ..	Piastres to £1 ..	97 1/2	97 1/2	97 1/2
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Hong Kong, T.T. ..	Sterling to dollar ..	—	2/7 1/2	2/7 1/2
Shanghai, T.T. ..	Sterling to tael ..	—	3/10 1/2	3/10 1/2
Singapore, T.T. ..	Sterling to dollar ..	—	2/4 1/2	2/4 1/2
Yokohama, T.T. ..	Sterling to yen ..	21.58 d.	2/1 1/2	2/1 1/2
New York, cable ..	Dollars to £1 ..	4.86 1/2	4.76 1/2	4.76 1/2
Buenos Aires, T.T. ..	Pence to dollar ..	47.58 d.	50 1/2 d.	50 1/2 d.
Valparaiso, 90 days ..	Pence to peso ..	—	12 1/2 d.	12 1/2 d.
Montevideo, T.T. ..	Pence to dollar ..	51 d.	51 1/2 d.	51 1/2 d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	—	13 1/2 d.	13 1/2 d.

OPEN MARKET DISCOUNT.

	Last week.	This week
	Per cent.	Per cent.
Thirty and sixty day remitted ..	4 1/2	4 1/2
Three months ..	4 1/2	4 1/2
Four months ..	4 1/2	4 1/2
Six months ..	4 1/2	4 1/2
Three months fine inland bills ..	5 1/2	5 1/2
Four months ..	5 1/2	5 1/2
Six months ..	5 1/2	5 1/2

BANK AND DEPOSIT RATES.

	Last week	This week
	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
short loan rates ..	—	—
Bankers' rate on deposits ..	4	4
Bill brokers' deposit rate (call) ..	4	4
7 and 14 days' notice ..	4 1/2	4 1/2
Current rates for 7 day loans ..	4 1/2	4 1/2
for call loans ..	3 1/2-4	3 1/2-4

The Week's Stock Markets.

There have been numerous cross-currents affecting the stock markets this week, and although brokers complain that at the best they get only one good day for every two bad, they manage somehow to keep the tone more cheerful than might be expected in the circumstances. There has been rather a dearth of war news—at any rate, of a spectacular sort, and the slight Russian reverse coupled with the recrudescence of political disorders in Petrograd caused an uneasy feeling, which was accompanied by a sharp drop in the value of the rouble. Cabinet changes at home were also an unsettling factor, and no comfort was derived from the replacement of Bethmann-Hollweg by a Michaelis in Berlin. The situation in China continues obscure, but it has not affected markets to any appreciable extent. On the other hand, the announcement that Brazil will recommence specie payments on August 1 as promised made a very favourable impression, and Argentine things improved on the proposal of the railways to raise their rates by 22 per cent., although it should be borne in mind that Government sanction has to be obtained, and it is by no means assured. Japan has redeemed another half-million of the 4 1/2 per cents., and with money easy gilt-edged securities generally showed considerable strength, Consols touching the highest point of the year. Home Rails were not affected by the first batch of dividend announcements, which were in accordance with expectations, but there was a fair amount of business in certain sections of the miscellaneous market, and on the whole things might easily have been worse when all the conditions are taken into account.

Although the daily record of markings has not tended to encourage enthusiasm on the Stock Exchange, there has been a very cheerful tone in most departments, except in one or two directions, where special influences have been at work. Easy money conditions and the bank statements showing increased deposits, in spite of the recent War Loan subscription, gave the gilt-edged market a good excuse to put up prices. Consols were particularly strong, and at one time they marked 56 1/2, the highest price of the year. War Loans were firm, and Indian issues showed strength, while there was quite a good demand for Colonial loans, especially those with a relatively short currency. In the Foreign market, Brazilians easily took the lead on the promise that specie payments of interest will be resumed next month, and Argentines were firm in sympathy. Cuban Ports improved on hopes that a settlement of the dispute with the Government will be arrived at. Chinese and Japanese were firm, and Greeks received some support, but Russians were prominently weak on the disturbances in Petrograd and the sharp advance in the exchange.

Home Railways did not show to much advantage, the buying in anticipation of the dividends having apparently come to an end. The first announcements were in accordance with market forecasts, and had no effect, but towards the end there was rather more inquiry for some of the heavy stocks. American Railroads, after being rather dull, improved in sympathy with Wall Street, but Canadian Pacifics and Grand Trunks were rather neglected, and did not benefit from the good traffics. Mexicans were very strong, and it looks as though conditions in the country had definitely taken a turn for the better. Argentine Rails showed to advantage, on the hope that rates will be raised, and for once in a way the traffic decreases were neglected, but Brazilians did not share to any material extent in the improvement in Government stocks, possibly owing to a slight reaction in the exchange.

Bank shares were good on the reports. As a rule dividends are the same as last year, but the increase in resources is welcome, and the small amounts required for depreciation of investments encourage the hope that bottom has been touched. Breweries were good, and Guinness, Bass, Bieckerts, Meux, and Watney all scored substantial advances. In the Iron and Steel section the movements were mostly favourable, and Guest Keens, Pease and Partners, Bolckow Vaughan, Babcocks, Rhymneys, and a few others showed substantial gains, but

Mond Nickels eased off a little on the report. Land shares were firm, but the good Hudson's Bay dividend had no effect. Pekin Syndicate, Pahangs, and Deccans improved, but Duffs were weak. Among Industrials Coats were flabby, but Brazilian Tractions and Rio Trams were particularly strong, and Associated Cements, Salt Unions, and several others

Rubber shares have not been very active, but the tone was fairly strong. The price of the material seems to have bottomed for the time being round 2s. 6d., and as there is very little floating stock about, buyers are easily induced to spring another fraction for the shares they fancy.

LONDON PRODUCE MARKETS.

SUGAR.—Quotations remained unaltered this week, and supplies on offer were readily disposed of. Scattered rains were reported from Cuba.

COFFEE.—Offerings in auction were of moderate extent and for which a quiet demand ensued at prices showing no particular alteration from those current recently. Future delivery market is dull, while prices were irregular.

COCOA.—Steady, but at the same time quiet, and no public sales took place this week.

CURRENT PRICES OF CHIEF ARTICLES.
WEEK ENDING JULY 20, 1917.

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt., duty 14/ 98%	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
polarisation			Australian	nom.	nom.
Tate's Cubes	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Crushed	2 13 9	2 13 9	Scoured Cr'sbr'd	nom.	nom.
Granulated	2 6 9	2 6 9	Greasy Merino	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Crossbred	nom.	nom.
Foreign granulated, first marks	nom.	nom.	New Zealand (scoured) Merino	nom.	nom.
f.o.b., spot	nom.	nom.	Greasy Crossbred	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Cape snow white	nom.	nom.
French Cubes	nom.	nom.	Indiarubber p. lb.		
Crystallised, West India	nom.	nom.	Plantation, Spot		
Beet, 88% f.o.b.	nom.	nom.	Crepe	0 2 5 1/2	0 2 7 1/2
Tea —per lb., duty 1/-	s. s. d.	s. s. d.	Coal —per ton		
Indian Pekoe	nom.	1 0-1 6	Durham, best	nom.	nom.
Broken	nom.	1 0-1 6	Seconds	nom.	nom.
Orange	nom.	1 0-1 11 1/2	East Hartlepool	nom.	nom.
Broken	nom.	1 3-2 6 1/2	Seconds	nom.	nom.
Pekoe Souchong	nom.	1 0-1 3	Steamers, best	30 0	30 0
Ceylon Pekoe	nom.	1 1 1/2 5 1/2	Seconds	22 6-25 0	27 0
Broken	nom.	1 0-1 7 1/2	Lead —per ton.	£ s. d.	£ s. d.
Orange	nom.	1 1 1/2 3	English Pig	nom.	nom.
Broken	nom.	1 3-1 10 1/2	Foreign silt	£ 30 1/2-29 1/2	£ 30 1/2-29 1/2
Pekoe Souchong	nom.	1 1-1 0	Quicklime —per ton		
Cocoa —per cwt., duty 6/-	s. s. d.	s. s. d.	bottle first hand	nom.	nom.
Trinidad	82 0-87 0	82 0-87 0	Tin —per ton		
Grenada	65 0-81 0	66 0-81 0	English Ingots	£ 242-244	£ 244-245
West Africa	55 0-64 0	55 0-65 0	Do. bars	£ 243-245	£ 245-246
Ceylon Plantation	70 0-90 0	70 0-90 0	Standard cash	£ 237-238	£ 240-240 1/2
Guayaquil Arriba	90 0-96 0	92 0-98 0	Tin Plates, per box	nom.	nom.
Coffee —per cwt., duty 42/-			Copper —per ton.		
East India	75 0-105 0	75-103 0	English, Tough	nom.	nom.
Jamaica	56 0-120 0	66-120 0	per ton	nom.	nom.
Costa Rica	75 0-102 0	75-100 0	Best Selected	£ 140-136	£ 140-£ 136
Provisions —			Sheets	£ 165	£ 165
Butter, per cwt.			Standard	£ 130-130 1/2	£ 130-130 1/2
Australian finest	190/-194/-	194/-198/-	Jute —per ton.		
Irish Creameries	nom.	198/-201/-	Native firsts for shipment	nom.	nom.
Dutch ditto	176/-198/-	180/-194/-	Oils —		
Russian finest	nom.	nom.	Linseed, per ton	£ 58-£ 63	£ 58-£ 63
Normandy baskets	nom.	nom.	Rape, refined	£ 71	£ 71
Danish finest	210/-213/-	218/-220/-	" crude	£ 66	£ 66
Brittany rolls	206-221	206-221	Cott'n Seed, crude	£ 60	£ 60
doz. lb.			Ditto, refined	£ 67-£ 95	£ 67-£ 95
Bacon —per cwt.			Petroleum Oil, per 8 lbs.	1 2 1/2	1 3 1/2
Irish	142/-147/-	145/-147/-	Water White	1 3 1/2	1 4 1/2
Continental	136/-140/-	140/-147/-	Oil Seeds, Linseed		
Canadian	128/-130/-	143/-145/-	Calcutta, per ton	30 0 0	30 0 0
American	123/-130/-	138/-145/-	Rape	30 0 0	30 0 0
Hams —per cwt.			Iron —per ton		
Irish	154/-	154/-	Cleveland Cash	nom.	nom.
Canadian	130/-	130/-	Tobacco —duty, unmanufactured		
American	110/-130/-	110/-130/-	7 1/4 to 8 1/2 per lb.		
Cheese —per cwt.			Maryland & Ohio	nom.	nom.
Dutch	nom.	104/-120/-	per lb. b'd	0 8-2 1	0 8-2 1
Canadian	nom.	nom.	Virginialeaf	0 7-0 11	0 7-0 11
English Cheddar	nom.	132/-	Kentucky leaf	2 0-5 0	2 0-5 0
Willis loaf	nom.	nom.	Latakia	1 6-6 6	1 6-6 6
New Zealand	nom.	nom.	Havana	nom.	nom.
Rice —per cwt.	s. d. s. d.	s. d. s. d.	Manila	nom.	nom.
Japan	29 6	29 6	Cigars, duty 10/6	2/ upds.	2/ upds.
Rangoon 2 stars	26 3	26 3	per lb.		
Eggs —per 120.			Timber —Wood.		
English	25 6 26 6	25 6 26 6	Pitch Pine	300/-400/-	300/-400/-
Irish	24 6-25 6	25 0 26 5	Indian Teak	380/-700/-	380/-700/-
Danish	24 0-25 6	24 0-26 0	Turpentine —		
Spelter —			American Spot	2 15 6	2 15 6
G.O.B. as to position	£ 54-£ 50	£ 54-£ 50	Copra —per ton	46 0 0	46 0 0
Flour —per sack.					
G. R.	—	—			
American	nom.	nom.			

TEA.—Some 24,646 packages Ceylon were submitted to auction and though good competition existed, prices realised were somewhat irregular and in some cases not up to maximum level. 1,400 packages Indian sold readily at maximum figures.

SPICE.—A continued quiet demand ensued regarding pepper, but with sellers also reserved a firm tendency was observable. Singapore black, June-August shipment, sold, 10 1/2 d., and buyers, Muntok, 1s. 0 1/2 d. Cloves quietly steady. Zanzibar, fair quality, spot, sold, 1s. 3d. per lb. Tapioca, also sago, experienced quiet markets on former terms.

	Last Week	This Week		Last Week	This Week
Consols.	55 1/2	56	N.S.W. 4 1/2 % 5 yr. bds.	98	98
War Loan 3 1/2 %	87 1/2	87 1/2	" 4 1/2 %, 1922-7	91	91
" 4 1/2 %	94 1/2	94 1/2	" 5 %, 1921-3	95	96
" 5 %, 1929-47	94 1/2	94 1/2	" 5 1/2 %, 1920-2	99 1/2	99 1/2
" 4 %, 1929-47	101	101	New Zealand 4 %, 1929	86	86
India 3 %	57 1/2	57 1/2	Queensland 4 %	80	80
" 3 1/2 %	67 1/2	67 1/2	" 4 1/2 %, 1920-5	93	93
Australian 5 1/2 %, 1920-22	88	88	Union of S. Africa 4 1/2 %		
Canada 4 %, 1940-60	81	81	" 1920-5	92	92
" 4 1/2 %, 1920-5	93 1/2	93 1/2	Victoria 4 1/2 %, 1920-5	93	93
N.S.W. 4 %, 1933	82 1/2	83	Westn. Aus. 4 %	80 1/2	80 1/2
Argentina 4 %, 1900	65	65	French War Loan, 5 %	81	81 1/2
Belgian 3 %	63	63	Japan 4 1/2 % (1st), 1905	95 1/2	95 1/2
Brazil, 1913	70	72	" 5 %, 1907	94 1/2	94 1/2
" 5 %, 1914	80 1/2	82	Mexican 5 %, 1909	58	58
Chinese 1896	93	93	Russia 4 %	59	58 1/2
" 1912	76	77 1/2	" 4 1/2 %	68	65
Egypt Unified 4 %	84	84	" 5 %, 1906	77 1/2	77 1/2
Caledonian dfd.	88	88	London and N.-W.	96	96 1/2
Gt. Central prd.	14 1/2	14 1/2	London and S.-W. dfd.	23 1/2	23 1/2
" dfd.	7 1/2	7 1/2	Do red. pf. 1914	95 1/2	95 1/2
Gt. Eastern	36 1/2	36 1/2	Metropolitan	24 1/2	24 1/2
Gt. Northern dfd.	37 1/2	37 1/2	Do.	90	90
Gt. Western	90	89 1/2	Met. District	16	16
Lancs. and Yorks.	66 1/2	66 1/2	Midland dfd.	59 1/2	59 1/2
London Brighton dfd.	58 1/2	58 1/2	Nth. British dfd.	13 1/2	14
London Chatham ord.	8 1/2	8 1/2	Nth.-Eastern	101	101
			Stn.-Eastern dfd.	27 1/2	27 1/2
Canadian Pacific	178 1/2	179	Erie	28 1/2	29
E. Indian Guar. 4 1/2 % debts.	86	86	Milwaukee	86 1/2	86 1/2
Grand Trunk ord.	10	10	N. Y. Central	100 1/2	100 1/2
Do. 1st pf.	65 1/2	65 1/2	Southern	29 1/2	29 1/2
Do. 3rd pf.	24 1/2	24 1/2	Southern Pacific	97 1/2	97 1/2
Atchafson	107 1/2	107 1/2	Union Pacific	142 1/2	142 1/2
Baltimore	79 1/2	79 1/2	U. S. Steel	116 1/2	116 1/2
Chesapeake	63	64			
Antofagasta dfd.	126	127 1/2	Cent. Argentine ord.	64	65
Brazil Common	5	5 1/2	Leopoldina	40 1/2	39 1/2
B. A. & Pacific	41	42	Mexican ord.	17 1/2	18
B. A. Gt. Southern	78	80	San Paulo (Brazilian)	190	191
B. A. Western	75	77 1/2	United of Havana	82	82
Anglo-South American	63	68	London & S.W.	12 1/2	12 1/2
Bank of Australasia	116	116	London City & Midland	7 1/2	7 1/2
Bank of N.S. Wales	34	34 1/2	London County & Westm.	14 1/2	14 1/2
Barclay & Co. "A"	72	72	London Joint Stock	22 1/2	22 1/2
Do. "B"	11 1/2	11 1/2	Nat. Prov. of Eng. (£10 pd)	27 1/2	27 1/2
Capital & Counties	23 1/2	23 1/2	Do. (£12 pd)	31 1/2	31 1/2
Chartered of India	62	62 1/2	Parr's	30	30
Hongkong & Shanghai	81 1/2	81 1/2	Standard of S.A.	10 1/2	10 1/2
Lloyds	23 1/2	24	Union Discount	10 1/2	10 1/2
London & Provincial	15 1/2	15 1/2	Union & Smiths	23 1/2	23 1/2
London & Brazilian	22 1/2	22 1/2			
Armstrong, Whitworth	40	40	Kynochs	33 1/2	33 1/2
Birmingham Small Arms	48 1/2	48 1/2	Mond Nickel ord.	33	33 1/2
Cammell-Laird	68	68	South Durham Steel	34 1/2	34 1/2
Cargo Fleet	22	22	Thornycroft	36 1/2	36 1/2
Dorman, Long	37 1/2	38 1/2	Vickers	38 1/2	39 1/2
Associated Cement	38	38	Fine Cotton Spinners	30 1/2	30 1/2
Borax dfd.	30 1/2	30 1/2	Forestal Land	45 1/2	45 1/2
Bovril	19 1/2	19 1/2	Furness, Withy	49 1/2	49 1/2
Brazil Traction	48	51 1/2	Harrods Stores	2 1/2	2 1/2
British Amer. Tobacco	18 1/2	18 1/2	Hudson's Bay	7 1/2	7 1/2
British Aluminium	29 1/2	29 1/2	Imperial Tobacco "C" pf.	34 1/2	34 1/2
British Oil & Cake	28 1/2	29 1/2	Lever Bros. "C" pf.	30 1/2	30 1/2
Brunner, Mond	45	45 1/2	Lyons, J.	3 1/2	3 1/2
Castner-Kellner	3 1/2	3 1/2	Marconi	3 1/2	3 1/2
Coats	6 1/2	6 1/2	Maypole Dairy dfd.	22 1/2	22 1/2
Courtaulds	7 1/2	7 1/2	National Steam Car	19 1/2	19 1/2
Cunard	4	4	Pears, A. & F.	1 1/2	1 1/2
Dennis Bros.	33 1/2	33 1/2	P. & O. dfd.	32 1/2	32 1/2
Eastern Telegraph	139 1/2	141 1/2	Royal Mail	11 1/2	11 1/2
Eastmans	6 1/2	6 1/2	Underground Inc. Bds.	84	84
English Sewing Cotton	50 1/2	50 1/2			
Anglo-Egyptian "B"	13 1/2	14 1/2	North Caucasian	27 1/2	25 1/2
Baku (ros.)	2 1/2	2 1/2	Roumanian Cons.	12 1/2	11 1/2
Burnmah	5 1/2	5 1/2	Royal Dutch (100 gulden)	46	46
Lobitos	2 1/2	2 1/2	Shell	5 1/2	5 1/2
Maikop Pipeline	3 1/2	3 1/2	Spies (10/-)	13 1/2	12 1/2
Mexican Eagle pf.	61 1/2	60 1/2	Ural Caspian	1 1/2	1 1/2
Anglo-Java Rub. (2/-)	7 1/2	7 1/2	Merlimau 2/-	6 1/2	6 1/2
Anglo-Malay 2/-	14 1/2	14 1/2	Pataling 2/-	41 1/2	41 1/2
Ayer Kuning £1	46 1/2	50 1/2	Port Dickson 2/-	41 1/2	41 1/2
Bukit Mertajam 2/-	41 1/2	41 1/2	Rubber Trust £1	27 1/2	28 1/2
Bukit Sembawang 2/-	34 1/2	34 1/2	Sapumalkande £1	24 1/2	26 1/2
Carey United £1	46 1/2	47 1/2	Selangor	33 1/2	33 1/2
Chersonese	3 1/2	3 1/2	Sialang £1	74 1/2	78 1/2
Gula Kalumpung £1	37 1/2	37 1/2	Singapore Para 2/-	4 1/2	4 1/2
Highlands £1	58 1/2	58 1/2	Singapore United 2/-	3 1/2	3 1/2
Java Para £1	34 1/2	35 1/2	Taiping 2/-	4 1/2	4 1/2
Johore Rubber Lands £1	36 1/2	37 1/2	Tanjong £1	89 1/2	90 1/2
Langen Java £1	46 1/2	48 1/2	Tanjong Malim £1	33 1/2	34 1/2
Linggi 2/-	27 1/2	28 1/2	Tebrau £1	70 1/2	71 1/2
London Asiatic 2/-	81 1/2	81 1/2	United Serdang 2/-	11 1/2	11 1/2
Malacca £1	5 1/2	5 1/2	Vallambrosa 2/-	24 1/2	24 1/2
Malayalam £1	36 1/2	37 1/2			
Abbottiakoon (10/-)	4 1/2	4 1/2	Gt. Boulder (2/-)	10 1/2	11 1/2
Bechuanaland Exp.	5 1/2	5 1/2	Kysht m	2 1/2	2 1/2
Brakpan	5 1/2	5 1/2	Mashonaland Agency	4 1/2	4 1/2
Broken Hill Prop. (8/-)	47 1/2	47 1/2	Meyer & Charlton	5 1/2	5 1/2
Cam & Motor	7 1/2	8 1/2	Modder "B"	7 1/2	7 1/2
Central Mining (£12)	6 1/2	6 1/2	Do. Deep	7 1/2	7 1/2
Chartered	13 1/2	13 1/2	Mysore	3 1/2	3 1/2
City Deep	4 1/2	4 1/2	Rand Mines (5/-)	3 1/2	3 1/2
Cons. Gold Fields	1 1/2	1 1/2	Rio Tinto (£5)	6 1/2	6 1/2
Cons. Langlaagte	23 1/2	23 1/2	Russo-Asiatic	4 1/2	4 1/2
Crown Mines (10/-)	2 1/2	2 1/2	Spring Mines	3 1/2	3 1/2
De Beers Ltd. (£2 ros.)	13 1/2	13 1/2	Tanganyika	3 1/2	3 1/2
East Rand	7 1/2	7 1/2	Tanalay	2 1/2	2 1/2
Geduld	40 1/2	40 1/2	Van Ryn Deep	3 1/2	3 1/2
Gov. Areas Mod.	62 1/2	62 1/2			

RICE steady in value, but the volume of business passing showed no increase. There were but slight inquiries for beans and peas.

HEMP quiet, but firm, and fair quality New Zealand, afloat, changed hands at £90 ros. to £91.

SHELLAC.—Spot market extremely quiet, and actual rates nominal. For future delivery, T.N., August, sold, 217s. to 214s. and 216s.; October, 217s. to 218s.

GAMBIER quiet, steady. Black, to arrive, quoted 52s. 6d., c.f. and i. terms.

RUBBER firmer, and a moderate demand ensued. Crepe, spot, sold, 2s. 5½d. to 2s. 6½d.; October-December, 2s. 7½d. to 2s. 8d. Ribbed smoked sheet, spot, 2s. 5½d. to 2s. 6d.; and fine hard Para, spot, at 3s. 1½d. to 3s. 2d.

COPRA in moderate request. Business in F.M.S. Singapore, July-August, London, at £45 15s.; F.M. Straits, £45 10s.

CORN (Mark Lane).—General steadiness continued to prevail since last Monday, while dealings progressed quietly, rates being for the most part unaltered. Wheat: Of native grain, whites and reds rule at 74s. to 78s. per qr. (480 lbs.). Imported No. 3 Northern Manitoba, 54s. 3d.; No. 4 ditto, 81s. 3d.; and No. 5, 77s. 3d., all ex ship to arrive. Canadian feed, 71s., ex quay, 400 lbs. Flour: Country straight runs, 58s. 6d. to 59s. 6d. per sack, ex mill. Barley: American feed, 72s. 6d., ex quay; English, 65s. Maize: Flat white South African, 83s. 6d.; yellow, 79s. to 80s.; and Plate, 81s., landed terms. Oats: Chilian tawny, 63s. 6d.; American white clipped, No. 2, 62s. to 62s. 6d., both ex quay.

COTTON (from our Manchester correspondent).—There has been some improvement in the tone of the market this week, and, although buying has not been of a general character, the experience of certain sellers has been better than for some time back. Considerable interest continues to be taken in the deliberations of the Control Board, and much surprise has been expressed at the decision not to recommend curtailment of production at present. No particular development has transpired in connection with the outlook for future supplies in American or Egyptian cotton. The inquiry in cloth for certain outlets has broadened, and a substantial business has been done for India in light fabrics such as dhooties. Demand has also improved in shirtings for our dependency. The trade offering for China has continued rather more encouraging, and in a variety of goods the turnover has been of very fair extent. Miscellaneous sales of moderate dimensions have been put through for the minor outlets East and West. On the whole, the prospects for manufacturers are healthier than a few weeks ago. American yarns for home use have attracted increased attention, especially in the finer counts, and prices in some quarters have tended to harden. Business is still difficult to arrange in export descriptions, but here and there fair lines have been put through for India. Egyptian yarns continue irregular, and business has not been at all important, although moderate lines have changed hands in specialities.

Tea, Oil and Rubber.

Rubber maintains a brazen front round 2s. 6d. per lb., and probably that is as low a price as is justified under present conditions, although we can see possibilities of 1s. or 1s. 3d. being knocked off in the not far distant future. Last month's imports amounted to 171,960 centals, an increase of 57,200, while the exports were only 7,000 centals higher at 109,900. Consequently 62,000 odd centals were retained in June for home consumption, and we should not be at all surprised to learn that consumers' stocks are becoming somewhat congested. Look at the figures for the six months. We imported 1,101,230 centals, an increase of 271,560, and exported 807,120 centals, an increase of 212,000. Consequently 294,100 centals were retained, or about 60,000 centals more than in the corresponding period. Of course, it is quite possible that we may have been able to use all this extra amount, but with motor-cars going out of commission owing to the lack of petrol, we are rather inclined to doubt it. Why is it that the so-called trade experts always seem to do their best to avoid such plain issues?

Substantial progress was again made by the Assam Oil Co., Ltd., last year, the nett profits being £19,000 larger at £69,200. With £11,000 brought in, there is an available balance of £80,200, out of which the directors have prudently written off £30,000 for depreciation, and placed £10,000 to reserve, while the dividend is only raised from 5 per cent. to 6 per cent., and £15,260 is carried forward. This, however, is subject to excess profits duty, which is estimated at £9,500. The company elected to be assessed for excess duty on a percentage basis, and appealed to the Board of Referees to fix it at 10 per cent., but they were only successful in obtaining an 8 per cent. standard. However, the prospects of the company appear to be very encouraging, and the result of the drilling work under-

taken to prove that the two fields operated are really one continuous oil-bearing area, entitles the company to form the most hopeful anticipations of the future.

No dividend having been declared by the Russian company for the year to October 31 (o/s), the profits of the Ural Caspian Oil Corporation, Ltd., consist solely of interest earned on its funds, and commission received on subscribing for the new shares issued by the Russian company. These amounted to £32,440, and after paying expenses and loss on exchange, there is a balance of £22,110, which it is proposed to carry forward, together with £12,340 brought in. Last year a dividend of 9 per cent. was paid, and of course the present results are disappointing, but the property is a large and valuable one, and it will do better when conditions again become normal. The production of crude oil was 132,245 tons, of which 130,955 tons came from the Dossor field, a decrease of nearly 38,000 tons as compared with last year, and only 99,540 tons or 21,000 less were treated at the refinery. Stocks, however, have increased 6,550 to 18,280 tons, and as the price has risen from 45 copeks per pood to 60 copeks this will prove an advantage to the company. During the year 17 wells were drilled at Dossor, and five were completed, but one of the former failed to strike oil, and several of the others have only come into production since the close of the financial year. Two new seepages have been located in this district, one of which gives great promise. It is said that the Makat district bids fair to be as good as the Dossor when it is more fully developed.

OILFIELDS ITEMS.

Anglo-Egyptian.—Production for the past week:—Gemsah, 626 tons, against 19 tons previous week; Hurgada, 1,045 tons, against 902 tons previous week.

Baku Russian Petroleum.—Production week ended July 7, 85,200 poods.

Bibi-Eibat.—Production week ended July 8, 966 tons.

European.—Production week ended July 8, 81,600 poods.

Kansas-Oklahoma.—Production for June, 9,430 barrels; total oil run through pipe-line to refinery for same period, 58,700 barrels.

Maikop Pipe Line and Transport.—Received for pumping week ended July 7, 424 tons.

Russian Petroleum.—Production week ended June 30, 36,300 poods, and week ended July 7, 37,300 poods.

Spies Petroleum.—Production week ended July 8, 2,833 tons. Total production for the year from January 14, 71,843 tons, against 70,075 tons for the corresponding period last year.

United British of Trinidad.—Production week ended July 11, 674 tons.

Ural Caspian.—Production week ended June 7, 2,398 tons.

Eastern Co. of Petrograd.—The London office of the Eastern Co. of Petrograd announces that the company has entered into an agreement with the Finnish Steamship Co., Ltd., of Helsingfors, and has arranged a joint service for cargo traffic plying between Finnish ports and Russia. It may be recalled that by an agreement between the Eastern Co. and the Caucasus and Mercury Steamship Co., of Petrograd, the Volga and Caspian fleets of these two concerns have been amalgamated, and a joint passenger and cargo service maintained on the Volga and Caspian Sea since January 1 last. The company has in addition co-ordinated this service with the sailings of the I. I. Konetsky Steamship Co. on the Marinsky Canal system. These arrangements have enabled the company to establish a direct steamship service by way of inland navigation from Finnish ports to the River Volga and its tributaries as well as to ports on the Caspian Sea to convey goods direct from the Baltic to the Caspian Sea *via* the Russian inland waterways and canals—without trans-shipment.

SOUTH MANCHURIAN RAILWAY CO., LTD., 5 PER CENT. STERLING BONDS.

NOTICE IS HEREBY GIVEN that the COUPONS due 5th August, 1917, will be PAID on and after the 7th August, 1917 (Saturdays excepted), between the hours of 11 and 3, by the Yokohama Specie Bank, Ltd., where lists may be obtained.

Coupons must be left three clear days for examination prior to their payment.

For the Yokohama Specie Bank, Ltd.,

K. TATSUMI, Manager.

7, Bishopsgate, E.C.2,

21st July, 1917.

Six Months' Foreign Trade.

Not much satisfaction can be derived from a study of the Board of Trade returns for June, for both imports and exports show a falling off, and if allowance is made for higher prices the shrinkage in volume is disquieting. Of course, the downward movement is inevitable in face of the numerous restrictions necessitated by the shortage of tonnage, and Hun submarine activity must also reduce import figures considerably, so that on the whole, perhaps, we ought to be thankful that matters are no worse, especially when the amount of labour diverted to munitions is taken into account; but it is so necessary to maintain exports at the highest possible level in order to pay for imports, that any severe drop must create misgivings with regard to the future. Here are the figures for the past month and half-year, compared with the corresponding periods of the two previous years:—

	June, 1917.	Compared with 1916.	Compared with 1915.
Imports	£ 86,068,342	— 859,338	+ 10,059,744
Exports	43,651,663	— 3,622,900	+ 10,418,095
Re-exports.....	6,428,081	— 2,444,613	— 2,922,258

SIX MONTHS.

Imports	500,399,458	+26,248,108	+ 71,539,576
Exports	251,147,544	+ 9,339,663	+ 67,524,656
Re-exports.....	46,246,323	— 7,874,778	— 5,076,697

Owing to the omission of bullion movements, it is impossible to make a correct estimate of the balance of trade, but the excess of imports for the past six months, as shown by these figures, is £203,000,000, as against £178,000,000 in 1916 and £194,000,000 in 1915. If we add the enormous purchases of munitions, &c., on Government account, which do not figure in the returns, the adverse balance is a sufficiently formidable one, and fully explains the disorganisation of some of the foreign exchanges. Apart from that aspect of the case, things look favourable enough. For totally incomprehensible reasons, quantities of the most important articles are omitted, and we have nothing to go by except values, which on the average may be taken at anything from 30 to 50 per cent. increase. In the six months we have imported on balance £32,670,000 more food—drink and tobacco may be ignored, as they have only the smallest effect on totals. Grain and flour show an increase of £19,575,000, meat £7,500,000, and other non-dutiable foodstuffs—bacon, eggs, butter, cheese, &c.—an increase of £13,200,000; but dutiable goods—principally tea and sugar—are down £7,500,000. Looked at from any point of view, these figures do not justify the accursed panic created by the operations of the Food Control Departments. A year ago, when there was no "Food Control," sugar queues and potato queues were unheard of, while tea had not advanced more than 2d. per lb.—just sufficient to cover increased freight and insurance and a small margin for the extra capital and contingencies involved. "Food Control" gave us the blessing of a 50 to 100 per cent. increase in meat, bread, and milk, caused the wastage of hundreds of thousands of tons of potatoes, advanced the price of tea 4d. to 1s. per lb. (for the benefit of the multiple shopkeepers), and made sugar unattainable to thousands of households if the housewife could not spend many hours per week standing in a queue. Do you wonder that the most loyal of people become restive and discontented under these circumstances?

While we are on this subject let us look at the Bonded Warehouse account, which gives us the quantities of the principal articles subject to duty in stock on June 30. The following table is illuminative:—

	1915.	1916	1917.
Cocoa	324,000	857,000	1,218,000
Coffee	669,000	1,219,000	1,414,000
Raisins	81,000	286,000	84,000
Sugar, unrefined	2,570,000	2,178,000	1,974,000
Do. refined	476,000	298,000	356,000
Tea	75,172,000	84,508,000	76,995,000
Tobacco.....	251,693,000	238,858,000	211,633,000
Spirits, home-made....	146,487,000	143,909,000	134,584,000
Do. foreign.....	9,610,000	14,164,000	17,195,000
Wines.....	4,494,000	6,350,000	6,013,000

If we did not get another hundredweight of cocoa or

coffee for the next four years we should have no occasion to worry, and at a pinch we can do without raisins even for our next Christmas puddings. The sugar position admittedly is difficult, but when we hear of the Sugar Commission missing the purchase of 20,000 tons (400,000 cwt.) through the crassest red tape stupidity we wonder what the people in the queues would think if they only knew. Even as it is the position does not justify queues and confusion, as there is a reasonable stock in hand, and fresh supplies ought to pour in during the next few months. Next to the potato blunder, interference with the tea trade was the foolishness of all steps taken under Lord Devonport's régime. There are thousands of tons lying in Calcutta and Colombo awaiting shipment, and we could have 12 months' supplies here in the course of a few weeks if the busybodies would only leave the trade to mind its own business. And the price to the consumer would be on the average 6d. per lb. lower. As regards spirits, all we need say is that the stock represents eight or nine years' consumption on the basis of last year's figures, and there is more wine than we shall consume long after peace is declared. Why in these circumstances wine and spirit merchants are actually compelled to double their prices and treble their profits would require Alice in Wonderland's Mad Hatter to explain. But the British workman, who will have his glass of beer whatever the Mees and Mews and Myows may say, becomes recalcitrant, and sometimes lays down his tools.

Of raw materials in the six months we imported on balance £16,890,000 more, although there was a drop of £6,945,000 in timber, and of £1,438,000 in certain textile materials, principally flax and jute. On the other hand, cotton shows an increase of £6,700,000, wool £8,230,000, oil seeds, &c., £2,885,000, hides £2,638,000, paper-making materials £1,775,000, and miscellaneous £2,140,000. Practically every item under the heading of articles wholly or mainly manufactured shows a decrease, the nett decline being £24,168,000. Leather manufactures increased £516,000, but iron and steel fell £1,280,000, other metals £4,290,000, cotton £2,817,000, chemicals £3,960,000, earthenware £1,500,000, paper £2,326,000, motor cars, &c., £1,813,000, and miscellaneous £2,170,000. With regard to exports, food and drink dropped £5,450,000, mainly on beer, spirits, and confectionery. Raw materials were £3,364,000 higher, coal and oil seeds being responsible for practically the whole of the increase. Manufactured articles advanced £10,850,000 on balance, but there were large variations in the individual items. For instance, cotton fabrics increased £11,850,000, and wool £3,750,000, but iron and steel manufactures fell £5,344,000, other metals £1,440,000, chemicals £1,904,000, paper £740,000, and motor-cars, &c., £750,000. Miscellaneous increased £5,430,000, and machinery £850,000, but most of the other headings show decreases. The falling off in the re-export trade—a very profitable line of business for the country—is disappointing, but in the circumstances is inevitable, and we can only hope that it will be recovered when normal conditions are restored. Most of the loss is in foodstuffs, which have fallen £6,860,000, while raw materials show a gain of £1,450,000, and articles wholly or mainly manufactured a decrease of £2,450,000.

Not much need be said about the figures for the past month, but we may mention that imports are down nearly 1 per cent., exports 7½ per cent., and re-exports 27¼ per cent. Grain and flour imports increased 66½ per cent. in value, meat 11 per cent., and other non-dutiable foods 14 per cent., while dutiable articles fell 22¾ per cent. Cotton dropped 54 per cent. in quantity,

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but only 13 per cent. in value, flax 72 per cent. and 51 per cent. respectively, iron and steel 57 per cent. and 32½ per cent., petroleum 32½ per cent. and 9½ per cent., wood 75 per cent. and 69 per cent. On the other hand, hides increased 37½ per cent. in quantity and 94 per cent. in value, rubber 46½ per cent. and 63 per cent. respectively, tallow 93 per cent. and 142 per cent., wool 57½ per cent. and 102 per cent. On the export side there was very little of an encouraging character. Coal showed an increase both in quantity and value, and there were gains in comparatively small items like jute and linen piece goods, wool, and soda compounds, but nearly all the other main lines of trade showed decreases, both in quantity and value. Apparel, for instance, fell 28 per cent., and machinery 8½ per cent. Cotton yarn dropped 32 per cent. in quantity, but advanced 11 per cent. in value, and piece goods went down 21 per cent., but brought in 5 per cent. more. Iron and steel showed a decline of 27 per cent. in quantity, and of 21½ per cent. in value, while woollen materials fell 21½ per cent. in bulk, but gained 9 per cent. in price. Most of the figures relating to quantities that would be of greatest interest—grain, meat, sugar, &c.—are omitted from the returns, which lose a good deal of their value in consequence, and we are beginning to have less confidence that this policy of suppression is justified.

By-the-Way War Notes.

It may be useful to put on record here the vaunts of the German Crown Prince and his most prominent supporters, as conveyed to the world through the columns of the *Leipzig Illustrierte Zeitung*. It asked their opinion about the submarine war, and the Crown Prince replied:—"Carried away by the confidence of the nation, served by courageous crews, hated and feared by the enemy, and always ready for plucky deeds, may our U-boats ever victoriously fly our flags on all the seas of the world." Field-Marshal Hindenburg said: "The U-boat war performs its office—that is enough." Von Mackensen: "The U-boats spell England's death." Von Tirpitz affected greater caution, but only to attain to the same dizzy height of confidence, the utter ruin of England. His message was:—"We must guard ourselves against unfounded and dangerous optimism, especially as our enemy is well known for his stubbornness, and has been employing improved anti-U-boat measures. But we may have confidence that we shall reach our goal, if we but continue to follow the U-boat road, for the decision in this world war rests on the tonnage question."

Now it will not be wise on our part to scoff at bragging of this kind. The aim of the Prussian is revealed in it, and, however far short he may come of "our goal," the high-flown expressions of confidence in its attainment are undoubtedly powerful in stimulating the serfs to persevere. And it is well that it should be so. We can wish for nothing better now than that the Germans should be persuaded to go on and on with the war in all forms of death-dealing and devastation they can invent, until their empire founders amid the world's horror. Only thus can we destroy military despotism, feudalism, all those barriers and privileges that have enabled the few to keep the many in subjection everywhere all through the Christian era. Let the Crown Prince brag, therefore, while we "go on with our job."

A curious indication of the divergence between the reality and the alleged is afforded by that new proposal for re-establishing the German mercantile navy when peace has come back. A Bill to provide for the restoration of the mercantile marine has been introduced in the Reichstag, and it will need re-establishing. We now have it affirmed officially that "by far the greatest part of German shipping has been completely paralysed during the war, and the revenue from over-sea trade has dried up." Of the gross 5,000,000 tons of German shipping in existence before the war broke out, more than 2,000,000 tons "have fallen, or are likely to fall, into the enemy's hands," and more than

another million tons are locked up in the ports of Germany's allies or of neutral States—a notable testimony this to the hold the fleets of the Allies have over all ocean routes—so that there would be only 2,000,000 tons available to begin again to capture the world's trade with after the war ended. And most of these remaining ships will require large sums of money to be spent on them before they can again "plough the ocean wave." Meanwhile, the cost of building a new fleet to take the place of the one so brilliantly given away by the warrior genius of Prussia will be enormously larger than before the war; therefore the Government must find the money. Last year, it seems, the said Government promised a subsidy of £15,000,000 towards shipbuilding—payable in the bonds of some new loan or other, we suppose—but the ruined shipping interests now want £75,000,000 it is said. They ask the Government to take over and finance the entire business the Junker butcher has so effectively destroyed. And already the Government has decreed that all German tonnage must be held for State use; all ships would become State property under the new Bill, and ships built or repaired by help of Government subsidies would be unsaleable for ten years after they had been put into use. The thing is interesting principally as a revelation of the helplessness into which German mercantile shipping has sunk. If the Government cannot prop it, it has sunk never to rise again. The submarine "triumph" has insured the nations from that kind of competition at least for many a year to come, even if Germany's submarine crimes had not also closed all ports to German ships. Confronted by ruin so irremediable, fruit of their brutal lusts, what can the Crown Prince and his fellow criminals do, but blare and bounce in the manner quoted above?

And the swagger succeeds still. Notwithstanding the implied confession of the Hindenburgs, Mackensens, &c., &c., that there was no longer hope of victory on land, the fighting proceeds as determinedly as ever. German gun fodder is found to assail the Allies in the long-spread front. The Germans do not always come off second best either in the local battles, and apparently their masters continue of opinion that progress towards victory is being made if they succeed in killing one of the Allies for every three they lose themselves. They fight on with the abandon of the wild pig at bay, hoping ever that their luck to-day may be that of Frederick the Great in the seven years' war. Also the chief commands grow more and more eager to reach a decision because of the imminence of the arrival of the U.S. army, with its science, its daring, its resource and inventiveness.

Should we strive to gratify the enemy by meeting him, as it were, half-way in these tactics. We think not, and those who grow impatient always when our troops seem to pause, and when France delivers no new brilliantly victorious assault, make a mistake. We are on the surest road to victory when we let the enemy spend his strength in assaulting us. Evidently he is goaded to take this course by the skill with which his lairs are searched out and made untenable. And by the seizure of one after another of the dominating positions in France and Belgium which he had made, as he thought, impregnable, the French and ourselves are in a position to worry the enemy to death. We seem to be doing that everywhere, keeping him busy on all fronts, playing tricks upon him, pouncing on his troops when they expose themselves, seizing now this post, now that, and all the while working hard to draw his fangs by aerial warfare behind his front.

Again, however, many among us are thinking that the progress of the Allies towards their longed-for victory is slow. It is, and it is not. No "great battles" in the modern sense have been fought this week, except around Verdun and in Galicia, but there has been the usual grinding pressure upon the enemy everywhere. And the only reverse has been in Galicia, where the Russians have had to retire from Kalusz and behind the river Lomnica. It is a small check, but evidently the Russian armies are not yet all of the quality and

temper of the one led by General Korniloff. Fighting, however, is extending to both ends of the long line, the Germans reporting with emphasis that Russian attacks and artillery bombardments are growing in intensity at Riga, and further south below Dvinsk and Smorgon. Also on the Rumanian front there are indications of a determined, and we hope triumphant, renewal of the struggle. Could such a thing as a simultaneous attack be arranged for on all fronts, the essential weakness of the besieged Empires might soon become patent even to the tyrants thereof, as it already is to the common multitude of their dupes and victims. But there are endless difficulties in the way of bringing that about, and, not least, difficulties of transport. Were the Russians in Galicia as well provided with roads and railways as the French and ourselves are in the West, the progress of Brusiloff and his generals might be much more rapid than it is, or is capable of becoming. And yet no armies, however well equipped, can afford to go on, day after day, storming positions fortified as they now are, and provided with the murder furniture they are now full of. So mighty in machinery is the capacity of defence dug-in armies are now endowed with, that inferior troops are able to keep at bay the finest soldiers the Allies can send against them.

Slowly, therefore, new modes of assault have been invented and elaborated; slowly the armies of the air are being evolved and endowed; and also, but more rapidly now, the means wherewith the savageries of the submarine may be countered and overcome. Every week sees the fighting in the skies assume larger proportions, and if our munitions industries speed up still at the pace Dr. Addison told us they have been doing, we ought to be able to paralyse the enemy at the sources of his force by the time the fourth winter is upon us.

At sea the boasting of the Prussian Calibans is not being supported by results. Too many ships are still being sunk, but the "starving of England" is no nearer than when the barbarians first threw their energy

in infamy into the U-boat form of uncivilised warfare. Only 14 large ships are reported sunk last week, and the total number attacked was only 26, out of totals in and out of 5,748—2,828 in and 2,920 out—and the number of those that escaped was 9. Fourteen large ships were sunk—or 13 allowing for one sunk but not reported during the previous week—and 4 smaller ones, against 3 in each of the two previous weeks. Presumably the "ships of 1,600 tons and over" were the largest the enemy could hear of and get at, so that the loss of cargo may well be greater than appears. But if this be so either the Germans have fewer U-boats available, and are obliged to circumscribe their operations, or an important portion of their available fleet is trying to waylay and sink American transports. We cannot yet jump to the conclusion that the worst of this devilish form of warfare has been seen, but it is not fulfilling the boasts of the Prussians.

The explosion on board the *Vanguard* battleship of the Dreadnought class, lying in harbour, and her instant foundering with 804 of her crew, has passed almost unheeded by the people. Those who do note such grievous calamities are only too willing to excuse themselves from discussing the unpleasant subject by hinting that there must have been German spies at work. That is possible, but far from likely. The more reasonable conjecture is defective powder in the ship's magazines. But how comparatively useless in war these monsters of the deep have proved to be. They move in dread of the submarine and its tiny torpedo. We have all along opposed this wastefulness, contending that, as the explosive has always proved more powerful than the shield, it was nothing short of criminal folly to enlarge our Navy in that direction. Surely events have amply proved the reasonableness of the argument. Apparently we dare not even risk our battleships off the coast of Flanders, where their guns might give powerful help to our troops. The nation will have to watch none the less else the Naval Estimates are sure to continue to

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be weighted with the cost of building more and still more of these—to their own crews—deadly monstrosities. Perhaps, though, the new First Lord may hold office long enough to reform the *personnel*, and sweep away the unwholesome traditions of the Admiralty. Could he remodel it on modern business lines he would save so much to the country as to be worth a statue in gold from his relieved and grateful fellow citizens.

American Business Notes.

It should be a great encouragement to war-worn France and England to see with what thoroughness and vigour the American people are proceeding with the creation of ocean-going ships of war and commerce, and, above all, of an air fleet. Money has been provided by Congress to pay for 22,000 aeroplanes, and we may be quite sure that the ingenuity of the inventor will leave no device untested to make these aeroplanes the most perfect ever turned out. We have been too long in waking up to the value of this weapon in warfare, and have not yet systematised its use, drilled it into fighting in squadrons and manœuvring in the air, one might say, like a regiment on land, but as usual, when we do wake up we push ahead, and in spite of our laggard habits when the Americans come over to join us, they will find neither the French nor ourselves unworthy comrades. Our united air fleets should soon bring the mad, brutal foe to his senses.

Great changes have been made by Congress in the Federal Reserve banking law. It was an experiment to begin with, and contained at the outset a good many provisions which looked risky to old-fashioned people. The foundation of the law was the idea that it is possible to create a credit generating and distributing institution which would be able to keep interest on money low everywhere and at all times. Panics, during which money becomes unpurchaseable, or is only to be obtained at monstrous rates of interest, were to be made at least quite unnecessary, and all United States borrowers were to be happy ever after. But the measure was hardly placed on the Statute book before changes began to be made in it, and the tinkering has gone on ever since, so that now, under the latest reconstruction by Congress, the Federal Reserve Banking Act seems to have become a more perfect instrument for currency inflation than any other yet devised. Twelve Federal Reserve Banks were established in selected cities of the Republic under the original law, and have performed some useful functions in the way of taking charge of reserves, of smoothing the manipulation of credit, and of giving support to other banks by re-discounts. They were supposed to create and insure the custody of a real instead of a fictitious or book reserve for every member bank, and to in this way relieve the pressure upon New York, whose Clearing House banks and trust companies have always hitherto had to bear the brunt of any derangement in the mechanism of credit no matter where.

But as originally formed the Federal Reserve Banks had no means wherewith to thrust notes into the hands of a panic-haunted community in times of crisis, and, consequently, their power to ease excited markets was limited. What the public craved after was a fulfilment of the idealist dream—an elastic paper money which would expand like an india-rubber band when wanted, and contract of itself when there was no further use for it. Under the Federal Reserve Bank law as now reshaped, what the American public seems likely to get is a currency of this sort that can be expanded, if not indefinitely, at least extensively, but which will not automatically contract.

So now the Federal Banks are put in the position to issue notes, not only against gold, but against securities. The deposits made with them by other banks of cash representing their reserves can be utilised to the extent of 65 per cent. in making investments of various kinds, the other 35 per cent. being in gold ostensibly held against liabilities, but which may also be used as cover for notes issued. In fact the reserve provided

for by statute and handed to the Federal Reserve Banks for custody now becomes no real reserve at all. Banks affiliated to the Reserve Banks have not hitherto been required to keep the whole of their legal reserves with those Reserve Banks. Hitherto, moreover, the affiliated banks in the Central Reserve cities have had to place 7 per cent. of their statutory reserves with the Reserve Bank of the district, holding the other 6 per cent. in their own vaults. Permissibly a further 5 per cent. might be kept either in the bank's own vaults, or as a deposit at the Federal Reserve Bank, but now the whole 13 per cent. arranged to be held against the liabilities must be handed over to the Reserve Bank.

The banks in the ordinary Reserve cities were required to hold reserves amounting to 15 per cent. of their liabilities, of which 6 per cent. had to be kept with the Reserve Bank, 5 per cent. in the bank's own vaults, and the remaining 4 per cent. either in the one store or the other. Now the legal reserve is fixed at 10 per cent. of the liabilities, and the whole of this has to be kept on deposit with the Reserve Bank. Again, country banks which have hitherto been obliged to hold a 12 per cent. reserve, of which 5 per cent. was deposited with the Reserve Bank, are now to hold 7 per cent. reserve only, but the whole of it must be handed to the Reserve Banks. The effect of the change is estimated to be an increase in the gold holdings of the Reserve Banks amounting to £60,000,000 or £70,000,000, but this gold does not any more lie in the vaults unused; 65 per cent. of the total reserves deposited with the Federal Reserve Banks by the other banks may be used, either in making "investments," or as basis for reserve note issues, so that, assuming the gold to amount to £200,000,000 after the provisions of the new law are fulfilled—and it is already nearly £120,000,000—the Banks can issue twice as much, or £400,000,000, in notes against it. It does not even appear to be necessary for the Reserve Banks to keep the gold safe in their vaults after the notes have been issued against it. It may exchange the gold for gold certificates, and treat the paper as part of their gold reserve. And the gold thus released may be utilised to create credit elsewhere for all the country can tell. As one of the members of Congress, speaking on the subject, said, "the gold can be used, not only for a necessary expansion of Federal Reserve notes, but also for the extension of credit to member banks. As long as there is commercial paper to substitute, you can get the gold and use it for expansion of Federal Reserve notes, or, more important, book credit." If a measure thus conceived does not facilitate credit, if not currency inflation, we shall be agreeably surprised. And already the note circulation of these Reserve Banks amounts to £92,000,000.

Insurance News.

Marine underwriters doing business in France are viewing with concern the reported proposals for raising the excess profit taxation in France from 50 per cent. by graduation to 80 per cent., as even at present, with the heavy tax in this country, double taxation is an extremely serious factor. At the present time very little profit is to be earned in respect of any increased premium income in France, and the nett effect of double taxation is to discourage the assuming of increased business.

It is satisfactory to note that after the poor profits of 1912 and 1913 the figures of Swedish fire insurance business make a considerably better showing for 1915, and in view of the present strenuous times it is also satisfactory to find the British companies have succeeded in retaining the confidence of their Swedish connections. About a dozen British offices do business in Sweden, and their loss ratio was lower than that of the native institutions.

The paid-up capital of the Western Australian Insurance Co. has just been increased from £60,000 to £100,000, the addition to the capital having been arranged by the directors to provide increased security

for the company's policyholders, who are rapidly increasing both in Australia and the United Kingdom. The authorised capital is £250,000, of which £200,000 has been issued and fully subscribed. A special aircraft insurance policy is being offered by the company covering all risks of personal injuries.

Returns relating to life assurance business in Australasia for 1915-16 have just been issued. The total amount of ordinary life business assured in Australasia and elsewhere by the 15 leading offices, including bonus additions, but exclusive of reinsurances, now amounts to £188,948,339—an increase in comparison with the previous year of £5,320,937, the industrial business showing an increase of £1,052,730 at £17,316,172. The ordinary annual premium income represented by this business at £5,595,533 showed an increase of £580,598. Ordinary industrial funds of 14 Australian offices are given as £61,572,309, having increased by £3,389,564 in the year; the average rate of interest earned on the funds was 4.62 per cent., as compared with 4.55 per cent. in the previous year.

An important insurance company fusion has just been arranged, as a result of which the Marine Insurance Co., one of the oldest and best known of the marine concerns, will be absorbed by the London and Lancashire Fire Insurance Co. Negotiations have been completed which provide that the latter shall acquire the shares of the Marine Co. on terms which should realise for the Marine Insurance shareholders approximately £57 per share. Prior to the announcement the shares were dealt in on the Stock Exchange at £48½, after having risen several points since the beginning of the week on buying based on intelligent anticipation of subsequent events.

BOOKS RECEIVED.

Western Australia. Report of the Department of Mines for the year 1915. Published by F. W. Simpson, Perth, Australia.

The Week in Mines.

The past week has not been a very eventful one in the Mining markets. The South African market, in the absence of colonial support, has shown a sagging tendency; but certain silver shares have developed unwonted activity owing to the advance in the price of the metal. Rayfield (Nigeria) tin shares were actively bought on it becoming known that the mining leases formerly owned by an enemy firm had been jointly acquired by this concern and the Niger Co.

SOUTH AND WEST AFRICANS.

The South African market has been very quiet. East Rand fell 1s. to 6s. 9d. on the poor return for last month, and General Mining Corporation shares declined to 5s. on the heavy depreciation, now over one million, in the company's investments. Far Eastern Rand shares generally have shown a sagging tendency. New Modderfonteins have declined ¼ to 20¼ and Modder Leases 1s. to 61s. 9d. Gold Fields at 1¼, Brakpans at 5½, and Knights at 2½ are also lower, but Van Ryn Deeps have met with some support at 3 11-32. Wolhuters have weakened to 8s. 3d. In the Rhodesian section, Chartereds have reacted slightly to 13s. 6d. and Tanganyikas have declined 3-32 to 3½. Charterland and General Explorations were firm at 7s. on an announcement that a new company, with a capital of £400,000, has been formed to take over the company's asbestos interests. A special settlement has been applied for in the shares of the Daggafontein Mines, the new Transvaal concern which took over the assets of the English company. West Africans have been neglected, and Fanti Consols have weakened to 5s.

COPPER AND MISCELLANEOUS.

The only features of interest in the copper group have been the firmness of Arizonas at 2½ on the increase in dividend and also of Mt. Lyells, which have risen to 26s. The Broken Hill group has been quieter and rather easier, in spite of the higher price of silver. British Proprietaries have reacted to 37s. 6d. In the tin group, East Pools changed hands up to 2½ on the share-splitting scheme, and Dolcoaths have been in demand at 9s. 9d.

Considerable activity has been developed by Canadian silver shares during the past week. Casey Cobalts have been freely purchased, and have risen 3s. to 11s., while Mining Corporation of Canada shares and Townsite Extensions have been prominently firm at 17s. and 8s. respectively. The less satisfactory news from Russia has caused a reaction in Russian mining descriptions. Russo-Asiatics have fallen ¾ to 4¼ and Kyshtims and Tanalyks 3-32 to 2¼ and 1½ respectively.

THE CAPITAL & COUNTIES BANK, LTD.

ESTABLISHED 1834.

AUTHORISED CAPITAL	-	-	£10,000,000
SUBSCRIBED CAPITAL	-	-	£8,750,000
PAID-UP CAPITAL	-	-	£1,750,000
RESERVE FUND	-	-	£800,000
DEPOSITS	-	-	£49,070,280

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FOREIGN DEPARTMENT.—The Bank issues Drafts, Circular Letters of Credit and Circular Notes payable in all parts of the World; effects Mail and Cable Transfers; collects Foreign Bills and Bonds; purchases approved Foreign Bills and Coupons payable abroad; receives Foreign Bonds and Scrips for registration; makes arrangements abroad for receiving moneys for its customers, and undertakes generally all Foreign Exchange Business.

MINING NEWS.

MOUNT MORGAN.—The report for the year ended May 27 shows that the revenue amounted to £1,301,377, against £1,264,792 in 1915-16, and £1,005,400 in 1914-15, and the nett profit rose from £286,781 to £309,205. Dividends amounting to 5s. per share, or 25 per cent., absorbing £250,000, have again been paid, and the sum carried forward is raised from £36,781 to £95,986. Reserves, insurance, and contingent funds now amount to £488,793, and the liquid assets to £522,108. Excluding material treated on account of the Electrolytic Co., the combined tonnage yielded 8,042 tons of copper and 98,950 ozs. of gold. The cause of the increased profits of the company is the high price now ruling for copper. The production in the second half of the year realised an average price of £117 10s. per ton.

ROFF TIN.—The report for 1916 shows a further expansion in profits, which rose from £13,948 to £15,568. A dividend of 1s. per share, equal to 25 per cent., is again paid, free of tax, and the carry forward is raised from £9,491 to £13,471. Very little prospecting has been done in the past year, and the ore reserves have been reduced by 348 tons. The output for 1916 was 467 tons, against 394 tons for 1915, and for the first five months of this year the production was 250 tons.

NEW VAAL RIVER DIAMOND.—There was a sharp recovery in the profits of this concern in the year ended December 31. The total was £10,771, against £4,096 in 1915. A dividend of 5 per cent. has been paid, the first since 1914; £1,481 is appropriated for depreciation, and, after placing £3,943 nett to the dividend equalisation fund, £22,095, against £22,391, is carried forward. The output of diamonds during the year was 14,401 carats, and these realised £100,272, or £6 19s. 3d. per carat. For 1915 the output was only 9,847 carats, which realised £49,243.

HENDERSON'S TRANSVAAL ESTATES.—This company has fulfilled the promise held out at last year's meeting, that, having begun the distribution of dividends, it might be expected to continue them. A dividend of 3d. per share is again paid, though the nett profits declined from £33,363 to £31,902, and £48,516 is carried forward, against £50,912.

CHENDERIANG TIN DREDGING.—A sharp drop in profits is shown in the report of this company for the year ended March 31. After providing £3,912 for depreciation, the net profits were only £5,382, against £12,342. The dividend is reduced from 7½ per cent. to 5 per cent., tax free; £1,250, the balance of preliminary expenses, is written off, and £3,413, against £4,155, is carried forward.

MINING RETURNS FOR JUNE.

Ashanti.—10,287 tons; value, £40,419 (May, £40,404).
Aurora West.—14,200 tons; profit, £4,303 (May, £4,143).
Bantjes.—20,640 tons; loss, £2,080 (May, loss, £2,722).
Brakpan.—56,000 tons; profit, £41,816 (May, £41,008).
Champion Reef.—24,408 tons; 7,728 ozs. fine (May, £8,273 ozs.).
City and Sub.—27,250 tons; profit, £14,002 (May, £14,087).
City Deep.—57,500 tons; profit, £55,449 (May, £57,551).
Cons. Langlaagte.—51,600 tons; profit, £20,256 (May, £20,466).
Cons. Main Reef.—27,400 tons; profit, £14,839 (May, £15,571).
Crown.—180,000 tons; profit, £62,718 (May, £62,274).
Durban Road Deep.—27,100 tons; profit, £2,707 (May, £2,559).
East Rand Prop.—151,600 tons; profit, £10,002 (May, £20,042).
Ferreira Deep.—45,750 tons; profit, £19,219 (May, £22,818).
Geduld.—37,000 tons; profit, £19,701 (May, £19,975).
Geldenhuis Deep.—54,200 tons; profit, £8,847 (May, £9,538).
Ginsberg.—15,240 tons, £13,971; profit, £1,569 (May, £1,524).
Glencairn.—20,550 tons; profit, £1,131 (May, £1,050).
Glynn's Lydenburg.—4,100 tons; profit, £3,048 (May, £3,500).
Gov. Areas Mod.—113,000 tons; profit, £59,000 (May, £64,241).
Jupiter.—23,300 tons; profit, £2,754 (May, £2,022).
Knight Central.—26,250 tons; profit, £159 (May, £543).
Knight's Deep.—98,000 tons; profit, £3,671 (May, £5,958).
Langlaagte Estate.—44,930 tons; profit, £10,778 (May, £9,631).
Luipaard's Vlei.—21,650 tons; profit, £2,007 (May, £2,631).
Main Reef West.—24,650 tons; profit, £2,016 (May, £3,095).
Meyer & Charlton.—14,540 tons; profit, £24,290 (May, £23,076).
Modder "B."—44,500 tons; profit, £59,984 (May, £55,117).
Modder Deep.—40,900 tons; profit, £47,991 (May, £47,082).
New Goch.—20,850 tons; profit, £3,534 (May, £4,358).
New Heriot.—13,600 tons; profit, £6,580 (May, £6,316).
New Kleinfontein.—70,210 tons; profit, £20,240 (May, £20,263).
New Modder.—55,000 tons; £66,998 (May, £66,439).
New Primrose.—20,600 tons; profit, £1,008 (May, £1,010).
New Unified.—13,600 tons; profit, £4,042 (May, £4,065).
Nigel.—12,600 tons; profit, £3,358 (May, £3,741).
Nourse.—38,000 tons; £50,767; profit, £5,086 (May, £8,380).
Nundydroog.—8,300 tons, 6,627 ozs. fine gold (May, 6,614 ozs.).
Ooregum.—7,567 ozs. fine gold (May, 7,507 ozs.).
Pahang Cons.—Ore treated, 15,000 tons; black tin produced, 220 tons.
Princess Estate.—21,000 tons; profit, £1,260 (May, £1,262).
Randfontein Cent.—164,126 tons; profit, £40,003 (May, £30,009).
Robinson Deep.—41,500 tons; profit, £3,817 (May, £9,840).
Robinson.—52,100 tons; profit, £23,911 (May, £24,414).
Roodepoort United.—31,167 tons; profit, £2,002 (May, £3,223).
Rose Deep.—52,600 tons; profit, £18,481 (May, £23,848).
Sheba.—5,997 tons; 1,692 ozs.; loss, £1,980 (May, loss, £2,579).
Simmer and Jack.—60,700 tons; profit, £22,530 (May, £22,206).
Simmer Deep.—49,300 tons; profit, £2,619 (May, £1,215).
Springs.—30,360 tons; profit, £30,111 (May, £27,410).

Sub Nigel.—9,230 tons; £21,474; profit, £7,593 (May, £6,506).
Transvaal Gold.—16,165 tons; profit, £9,509 (May, £9,018).
Van Ryn Deep.—42,500 tons; profit, £52,563 (May, £52,158).
Van Ryn.—36,500 tons; profit, £18,852 (May, £15,084).
Village Deep.—54,100 tons; profit, £20,443 (May, £20,012).
Village Main Reef.—27,200 tons; profit, £13,036 (May, £11,011).
Wanderer.—13,650 tons; profit, £3,191 (May, £5,676).
West Rand.—33,530 tons; profit, £2,453 (May, £2,289).
Witwatersrand.—40,050 tons; profit, £16,156 (May, £16,102).
Wit. Deep.—36,320 tons; profit, £6,343 (May, £9,749).
Wolhuter.—33,250 tons; profit, £11,424 (May, £12,062).

Letters to the Editor.

FARMERS AND FIXED PRICES.

SIR,—So far as agriculture is concerned, it is surprising how much they know—or think they know—in Fleet Street. In the middle ages it was said to be customary to fix statutory prices for most commodities. This was found to be impracticable, wasteful, and failed to secure its object—a plentiful supply of cheap goods.

Free Trade achieved this result; but the farmers ceased to supply those things that did not pay. A sudden, if partial, cessation of imports created an urgent demand for hitherto imported goods, and since it is the worst possible policy to create a hostile interest between the producer and consumer, the Food Controller fixed an artificial price for most foods grown in this country.

But if a farmer is expected to gamble by breaking up uncertain land to grow an indefinite yield, some arrangement must be made to cover his climatic and other risks (over a term of years) which are abnormal, especially since his prices are, rightly or wrongly, limited. The whole system of fixing prices is a matter of compromise, and therefore most unsatisfactory to both parties when arranged fairly. If left alone, prices would rise for a time, extra crops would be produced, then a slump might follow, and the producer would be as discontented as the consumer. Farming is unlike bookselling or printing, for in farming it is impossible to calculate risks or profits beforehand.

Climate, uncertain always (even in England), is the chief factor, and capital is turned over seldom more than once a year. If a farmer should be lucky enough in gambling crops, such as hops, fruit, or potatoes, to make 100 per cent., he may lose it all next year. Farming profits should be calculated over a long term of years, and will then be found to be small. Farming losses are often great—and are not advertised like farming profits.

After all, 100 per cent. yearly farming profit on one crop is less than 10 per cent. profit on a lucky monthly deal in towns, and, unlike dealing, farming involves a great deal of hard work, and the crop may be a total loss.

It is, however, a healthy, natural life, very pleasant at times, and that much may be placed to its credit.

It is a satisfactory life because a farmer is serving national needs, and producing wealth that but for him would be non-existent.

To read the newspapers now one might suppose he is a combination of blackmailer and thief, who lives by his wits, fleecing honest city folk instead of working for an honest living.

Yours faithfully,

W. COBBETT BARKER,

Kent War Agricultural Committee.

Bryant House, Rochester, July 16, 1917.

Cuban Ports Co.—The committee of bond and share holders, appointed at the meeting held on August 13, 1913, announce that, while regretting the great delay in arriving at a settlement with the Government of Cuba regarding the disputed concession, which doubtless has been accentuated by the war, and political difficulties in Cuba, they have since their appointment been making continuous efforts to bring about a fair settlement, and propose to continue to take active steps in this direction. The facts with regard to the matter have been fully placed before the State Department of Washington and before the British Foreign Office, and welcome assistance has been and is being rendered to the committee by both these departments in supporting the case of the British bond and share holders of the company.

What Balance Sheets Tell.

HOWARD AND BULLOUGH, LTD.

The textile machinery industry, in which this Accrington firm is engaged, has suffered severely from the war, and it is not surprising to find that not only have the earnings failed to reach the pre-war level, but that the profits are somewhat less than those of the previous year to May 31. The company has, as would be expected, succeeded in employing a considerable part of its plant on special war work, but this has not yielded sufficient profit to make up for the further curtailment in its ordinary lines of manufacture. Shareholders are, however, receiving 10 per cent., as before, and may derive encouragement from the fact that there is likely to be considerable scope for the operations of the company after the war. For the last two years the exports of textile machinery have only averaged 59,400 tons per annum, compared with 178,000 tons in 1913, and when more normal times return there should be an increased demand for textile machinery. Profit, after providing for depreciation, displays a shrinkage of £9,770 at £126,380, but £25,000, or £11,200 less, is placed to reserve and this leaves a balance of £1,380, which raises the carry forward to £39,075. The company during the year made a purchase of War Loan, and cash at bankers has fallen by £59,880 to £25,385, and the mixed item, Government trustee and real estate securities, shares in H. and B. American Machine Company, and other investments, outside the business and loans, figure at £614,670, an increase of £65,490. We were told at the meeting that in setting aside £15,000 to the contingency and shrinkage of investment reserve, the company felt they were making ample provision, but we should like to see trade investments stated separately; as it is at present it is impossible to tell what proportion of the item is liquid and what is not. Cash, bills, and book debts aggregate £241,310, and current liabilities total £76,225, an excess over liabilities of £165,085. In the previous year the same items totalled £320,090, and £98,860 respectively, an excess of £221,230. This is, of course, more than accounted for by the increase in investments, and in stocks, which have risen £14,850 to £272,960. The various reserve funds total £458,850, and altogether the position seems sound enough.

D. WATNEY AND SONS, LTD.

This company was less fortunate in the financial year ended March last than most brewery undertakings. Gross profit amounted to £19,340, depreciation, fees, &c., and debenture interest absorbed £13,300, and the nett profit comes out at £6,050, a decrease of £1,250 on that of the previous year. The amount brought forward was, however, £1,200 higher at £3,350, and the dividend is raised from 5 per cent. to 6 per cent. No

allocation is made to the reserve, as in 1916, when £600 was set aside, but the carry forward is unchanged at £3,550. Book debts seem to be of reasonable dimensions, and the cash position comfortable.

J. C. AND J. FIELD, LTD.

War conditions have brought about a great recovery in the profits of this firm of soap and candle manufacturers. In the last pre-war year gross profit only amounted to £12,535, but for the financial year ended March last it rose to £18,420. Soap is in good demand just now, and the manufacture of it is proving a profitable business, but the company is also apparently engaged in special work for the Government, and this presumably has been attended with very satisfactory financial results. After providing for debenture interest and income-tax, fees, &c., which absorb £2,860 more than in 1916, nett profit comes out at £18,420, an improvement of £4,700. No increase is made in the dividend on the ordinary shares, which receive 5 per cent. as before, but £5,000, as compared with £3,000, is applied to the redemption of the funding bonds, a legacy of the reorganisation of 1911. This reduces the amount outstanding to £29,870. Last year reserve received £3,000, but this time the surplus goes to raise the carry forward £6,760 to £10,975. Stock-in-trade has gone up £16,370 to £45,875, and liquid assets are £12,910 more at £65,010. On the other hand, current liabilities have increased £15,835 to £49,470, and the excess of liquid assets is slightly smaller than in the previous year.

LANCASHIRE POWER CONSTRUCTION CO., LTD.

There may yet be some hope for the shareholders of this venture. The company's subsidiary and source of revenue, the Lancashire Electric Power Co., has in spite of high working costs again earned substantially larger profits, and should, if the present rate of progress is maintained, before long be in a position to pay a larger dividend into the coffers of the Construction Company. Of course, a great deal depends upon what is done under the provisions of the new Bill sanctioning a rearrangement of the company's capital, but if the capital is drastically cut down and the various intangible items in the balance-sheet reduced to more reasonable dimensions the shareholders would seem to stand a chance of obtaining some return eventually. The trading profit of the Lancashire Electric Power Co. for the year 1916 amounted to £39,850, an increase of £6,700. The increased profit was, however, retained in the undertaking, no increase being made on the previous year's dividend of 3 per cent. £15,000 is added to reserve, and £7,700 remains to go forward. The Construction Company's revenue from the Lancashire Electric's debentures and shares came out at £19,205, and of this £15,468 was absorbed by interest charges and directors' fees.

BANK OF NEW SOUTH WALES

(Established 1817).



PAID-UP CAPITAL	-	-	-	£3,705,320
RESERVE FUND	-	-	-	2,725,000
RESERVE LIABILITY OF PROPRIETORS				3,705,320
				£10,135,640

Head Office - - - SYDNEY, NEW SOUTH WALES.

London Directors:

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The bank has 338 BRANCHES AND AGENCIES in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers, and Collects Bills of Exchange. Receives Deposits for Fixed Periods, on terms which may be known on application, and transacts every description of Australian Banking Business

London Office - - 29, THREADNEEDLE STREET, E.C. 2.

COMPANY MEETINGS.

NATIONAL BANK OF NEW ZEALAND.

The 45th ordinary general meeting of the National Bank of New Zealand, Ltd., was held on Tuesday at 17, Moorgate Street, the Hon. Henry Stuart Littleton (the chairman) presiding.

The Secretary and London Manager (Mr. Arthur Willis) read the notice and the auditors' report.

The Chairman said that, notwithstanding the awful war now being waged by half the nations of the world, New Zealand, in her solitude in the South Seas, was still continuously prosperous and a most successful producer of many of the essentials of the existence of our armies, and was benefiting accordingly. A comparison of the figures at the end of 1913, before the war began, with those at the close of 1916, revealed nothing but steady progress. The great economical event of last year was the issue by the New Zealand Government of a local loan of £10,000,000, £4,000,000 of which was subscribed for by the banks. The resources of the Dominion were easily equal to this sudden demand. Dealing with the balance-sheet submitted, he said that, with the appropriations now proposed, the reserve fund would amount to £715,000, which was all represented by actual investments. Deposits had increased in the Dominion by £323,000 and the note circulation by £382,361 during the past year, and these notes were now no longer convertible, but were legal tender, and would remain so, by present arrangement, until six months after peace was declared—a period which might be considerably extended. The totals of the balance-sheet amounted to £8,786,888, being an increase of £2,144,927 since March, 1913, and £562,763 over last year's figure—an ample proof that the bank was progressive. On the assets side they had immediately available £1,616,442, an amount considerably in excess of last year's total. In addition, their securities now stood in the books at £1,460,201—an increase of £299,000. Of this amount they held no less than £1,102,612 in British and New Zealand Government War Loans and Treasury bills, so that they might fairly claim to have done their share in supplying the Empire with the sinews of war. The nett profit had increased by £10,116, and but for an additional heavy income-tax charge this profit would have been considerably greater. The income-tax paid was nearly £56,000, and they ought to congratulate themselves on being able to supply the needs of the Empire in so practical a manner and still to pay their usual dividend. It was, however, manifestly unfair that they should have to pay income-tax on New Zealand profits to the British Treasury after having already paid it in New Zealand, and this was admitted even by Chancellors of the Exchequer. So serious had the matter become that a powerful association had been formed to protest against the infliction of double income-tax. In further remarks, he said he believed they were fully justified in taking a confident view of the future and in continuing their reliance on, and faith in, a portion of the Empire which had achieved so much in the past and was yet but a babe in the lap of Time.

The motion was seconded by Mr. Lindsay Eric Smith, and carried unanimously.

GENERAL ELECTRIC CO.

The ordinary general meeting of the General Electric Co., Ltd., was held on Tuesday at Cannon Street Hotel under the presidency of Mr. H. Hirst, the chairman and managing director.

The Assistant Secretary (Mr. H. P. Wells) having read the notice convening the meeting and the auditors' report,

The Chairman said: Gentlemen,—I have no doubt that you have read with care and interest the report which was sent to you some 10 days ago, and am sure you will appreciate the practice of your directors in giving you detailed information in their report in preference to generalities. In comparing the figures with those of last year, there are a few outstanding features on which I should like to dwell for a few minutes. The total nett profit has increased by about £70,000, £30,000 of which is on trading account and about £40,000 is the increase in revenue from investments. Our investment account, which has shown a steady yield of about 10 per cent., has increased by roughly £350,000, and the nett revenue from this source has grown correspondingly. This is mainly due to our acquisition of shares in the Osram-Robertson Lamp Works, Ltd., of which we were only part owners in the past, although we always managed the factory and absorbed its entire output. The scarcity of raw materials and skilled labour and the uncertainty of the patent situation, as well as certain war work, which interferes with the standard output, make it more than likely that the revenue from this investment may not be quite up to this year's level in the near future. We have, however, planned extensions, acquired improved methods of manufacture, and made arrangements for the starting of a research laboratory, so that we feel that as soon as we can go full speed ahead we shall again reap the fullest benefit from this bold venture. It will be noted from our balance-sheet that for the purchase of these shares in the Osram-Robertson Lamp Works, Ltd., we have been granted a loan from the bank, although we have amongst our assets cash in hand and readily marketable securities to practically the same amount. Shareholders will appreciate the desire of a company like ours to subscribe its full share to the War Loan, and I am sure they would not like to miss our name from the subscription list, even though we

might be able to employ our money in a business investment. It is also desirable that a company like ours should have plenty of cash at its disposal. Raw material prices are still soaring at a great height. To-day the same amount of business as in pre-war time necessitates the employment of nearly double the amount of money; on the other hand, credit is considerably shorter, purchasing is more irregular through difficulties of transport, and funds must therefore be at our disposal at a moment's notice in order to secure materials when they are to be had. This, I think, is a sufficient explanation of the bank loan. I ought also to explain the £100,000 increase in our reserve, in addition to the £40,000 which it is proposed to bring in from this year's account. Those who have followed the history of this company will have noticed that between the years 1909 and 1914 a number of allied and subsidiary companies were started, either for manufacturing in this country or for developing markets in overseas territories. During that period also heavy contracts were entered into in the ordinary way of business. Every company started and every contract entered into entail a certain amount of risk. The former especially means a certain loss during the first and sometimes the second year of its existence, when expenses and establishment charges are high and sales are small. It has been the practice of your directors—who, as you know, have not only an eye on the immediate results, but much more on the strengthening and developing of the company—to put to a contingency account every year a certain sum which should approximately cover any of these possible losses. By that means your investments are always kept at par value. In the course of time, however, these companies develop and make profits, which are used in the first instance to wipe out previous losses or establishment charges, and as soon as this is accomplished the reserves originally allotted to them become free. The £100,000 transferred is an amount freed from such accounts and also from contingencies in connection with contracts which, fortunately, did not arise. I can assure shareholders in making this transfer that we have not departed from our usual conservative policy, and I can equally assure them that we shall continue this policy. As regards dividend, I hope that the ordinary shareholders will approve our refunding this year the income-tax to preference shareholders by way of a special bonus. The ordinary shareholders are reaping the full benefit of the prosperity of the company, not only by an increased dividend, but also by the appreciation of the value of their shares. Your directors feel that they have been just to the demands of labour and employees, and thus the only class suffering under present conditions is the preference shareholder, who has a fixed rate of income, with an increasing rate of income-tax. They have noticed that the preference shareholders number about 3,000, mostly small investors, many of whom probably feel the stress of the times very much. Your directors and their friends, who hold the majority of the ordinary shares in the company, feel that under present conditions some consideration is due to the preference shareholder, and they are willing to risk a departure from tradition, feeling sure that the rest of the ordinary shareholders will support them in their action. I should perhaps be fair, and state that some ordinary shareholders think that the results of the year warrant a bigger dividend. I appeal to them to be satisfied with our proposal. The present war will change many things—perhaps everything. Nothing will be quite as it was before the war, but of all the changes that will alter industry in this country the electrical industry will undergo the most drastic transformation. Electrical plant in the country at the present moment is run at high pressure to a premature death. Under present conditions none but the most important plant can be replaced, and the replacement and reorganisation necessary after the war will be a tremendous task for the existing electrical companies, which have yet to make good a deficiency in output to cover the demand which in pre-war time was supplied by importation. War has taught this country the necessity of home production. Many industries on which this country relies will have to modernise their methods and rejuvenate themselves. Electric power, heat, and light are primary essentials in the carrying out of such a programme. The depletion of rolling stock in the country will have to be made good, and railway electrification on a large scale has suddenly appeared within the realm of immediate practical politics, for which many of us must prepare. Greater efficiency and economy throughout this country occupy the mind not only of industrialists, but also of Government Departments. We hear much nowadays of barbaric waste of coal, and I am convinced that the extraction of by-products from coal will have to be treated from a national point of view. I am convinced of the necessity for the creation of large generating stations in some 15 to 20 centres throughout the kingdom, so that instead of coal being transported to big power units, big power units will be transported to the coalfields, and after the extraction of by-products, electric current or gas, or both, will be transmitted to towns and industrial undertakings to supply power, light, and heat through cables and pipes, and the necessity for the conveyance of coal by rolling stock will be reduced to a small proportion. Many industries, especially certain chemical industries—above all, the production of fertilisers—will thus become practicable in this country, whereas in the past they were relegated not only to countries where water-power was available. Power, the foundation of all modern industry, will then, thanks to our natural resources, be produced in this country as cheaply as, if not more cheaply than, in any other part of the globe. I could go on enlarging the picture, but this is not the place for doing so. I have said nothing of the electrical re-

quirements of the oversea dominions after the war, and of poor Belgium and many of our Allies, whose wants in the past have been largely supplied by enemy countries. I have, however, said sufficient to indicate a few aspects of the big task expected from the electrical industry, and you will not be surprised if I add that the "G.E.C." means to take its proper part in this evolution and in these developments. It is for that reason that we are not at present suggesting a higher dividend, but prefer that the company should be strong enough to command any capital required and to run certain risks connected with such new enterprises without prejudice to its future prosperity. Income-tax and excess profits must be paid, and the directors can only appeal to the ordinary shareholders for an altruistic policy to attain these great ends. I am convinced that some day, perhaps not too distant, they will reap very tangible results from this present self-denial.

Mr. M. F. Armstrong seconded the motion, which was carried unanimously.

HENDERSON'S TRANSVAAL ESTATE.

The fifth ordinary general meeting of Henderson's Transvaal Estates, Limited, was held on Friday at River Plate House, Finsbury Circus, E.C., the Rt. Hon. the Lord Oranmore and Browne, chairman of the company, presiding.

The Acting Secretary having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of moving the adoption of the report and accounts, went through the various items, and said the result of the year's working was a profit of £31,902, as against £33,363 in the previous year, but it must be borne in mind that dividends and interest, which was the largest item of profit, was subject to a much higher rate of income-tax than was formerly the case. While the profit was not quite sufficient to cover the dividend, they would carry forward nearly £50,000, and there was every reason for satisfaction at the result of the year's operations. Proceeding to deal with the interests held by the company, the Chairman said the Tweefontein Colliery Co. had again distributed dividends of 25 per cent. on the ordinary shares, and 10 per cent. on the preference shares, and they anticipated continued and increasing prosperity in the coal trade of the Transvaal, provided an adequate supply of railway rolling stock was available to meet the increased trade. As they informed the shareholders in the report, the development of the Tweefontein No. 236 No. 1 area had been proceeded with, and, as they mentioned in the report, they hoped to be in a position to supply coal under the contract with the South African Railways within the next two months. They were doubtless aware that the bulk of the coal trade of the Transvaal was controlled by the Transvaal Coal Owners' Association, which was a combination of the principal collieries. The combine at present in existence expired on June 30, 1918, and the new combination would be for a period of five years. He was not certain whether all the terms of the new agreement for the period commencing July 1, 1918, had been settled, but he knew that the clause determining the outputs to be allocated to each company comprising the association had been arranged. Under the agreement, the Henderson Consolidated Corporation, which was the owner of Tweefontein No. 236, had been admitted to membership, and was assured of a satisfactory monthly output from July 1, 1918. The payment of a first dividend of 12½ per cent. by the Cement Co. had fully justified the high opinion they formed as to prospects of the enterprise. They were informed that the success of the company was assured, and were confident that, with the return of normal times in South Africa, the undertaking would participate in the general prosperity which might be anticipated. Those interested with them in this business were the leaders in the cement industry in the Empire, and they therefore benefited from the expert knowledge which they had acquired from years of investigation and practical experience. While the opening up of the Daggafontein property had been very fully dealt with in the report, he would draw attention to the fact that the most encouraging development had been in the West Haulage. That part of the mine lay in the direction of the Springs Mines, which, as they doubtless remembered, had now reached the producing stage. The profits of the Delagoa Bay Development Corporation, Limited, which came into the year under review, while showing some improvement as compared with the previous year, did not justify a distribution to its shareholders. The corporation had suffered through the war more than any other with which their company was associated, the principal reason being the low rate of Portuguese exchange, and while, as shareholders, they regretted that the corporation was not in a position to resume the payment of dividends, they had every reason to believe that it would eventually justify the confidence which they felt in its ultimate future. With regard to agriculture and land settlement, their general manager advised them that the four years' drought had been to some extent relieved by good, though late, rains for the 1917 crop, and, in the absence of late frosts, there should be a very large crop of maize this year. Should this prove to be the case, they hoped the demand for land would improve, and that they would be able to dispose of more of the surface rights of their properties than had been the case during recent years. The 1917 Budget for the Union of South Africa made no reference to a land tax, but, in spite of that, he had not altered the opinion he held as to the imposition of taxation of this character, if not in the immediate future, at some not far distant date. It had been reported that the Minister of Lands in the South African Parliament stated that the Land Owners' Association, of which they were members, re-

fused to offer land for returned soldiers, except at exorbitant prices. He was not, of course, in a position to know what other members of the association were asking for their land, but, as the chairman of the Henderson Consolidated Corporation (through which company they held their principal land interests), he did know that the prices at which they sold and were prepared to sell their surface rights, while naturally governed by the value at which they stood in their books, were moderate in the extreme. There was no doubt that the price at which private owners could afford to sell did not compare favourably with the prices at which the Government could sell land, but it must be remembered that the Government had generally got the land for nothing, and could, therefore, afford to dispose of it irrespective of its intrinsic value. Statements had been made that land was being held up by the land companies for big prices, but he would like to say that for years past they had made every effort to meet those desirous of purchasing surface rights, and he could not remember a case in which a reasonable offer had been refused. The greater number of their tenants had the option to purchase, and the purchase price could be spread over a term of years at moderate interest. During last year the Henderson's Consolidated Corporation offered 60,000 acres to the Government on nominal terms for the purposes of land settlement. The general manager informed them that the offer was not likely to be accepted. During the year they bored for water on two farms, and secured a fair supply on each. As regarded their agricultural leases, the number of their tenants was practically the same. The total rentals received by this company and the Henderson's Consolidated Corporation for the year amounted to £4,493, as against £4,187 for the previous year. Mr. Pott, their general manager, had been on a visit to this country, and they had had an opportunity of discussing the position of the company and the possibility of a further development of their coal properties. Mr. Pott was in full accord with their views. He told them last year he would not advocate the payment of a dividend unless he saw his way to continue it in the future, and he could now say he felt absolutely justified in declaring a dividend.

Mr. W. L. Castleden, managing director, in seconding the resolution, said the company was now well on the way to success. By this he did not mean dividends at a very high rate in the immediate future, but steady progress in the development of the valuable interests which the company undoubtedly held, so that eventually the company would receive from its varied assets an annual revenue which would enable it to maintain its present strong financial position, and at the same time distribute an increasing dividend to its shareholders. The asset which promised the quickest return was coal, and from this source alone they would get a large annual income.

The report was unanimously adopted.

ASSAM OIL

The 19th ordinary general meeting of the Assam Oil Co., Ltd., was held on Wednesday at Winchester House, Old Broad Street, E.C., Lord Ribblesdale (the chairman) presiding.

The Secretary (Mr. S. Maclean Jack) read the notice convening the meeting and the auditors' report.

The Chairman said that last year he told the shareholders that he expected the company's crude product for 1916 would be considerably larger than for 1915. That had proved to be the case, and things were going on now in a way that made him think a further increase would be shown next year. Their business in petroleum spirit had substantially increased, and the expansion of these markets had continued. They had paid a great deal of attention to that; their people out there had taken great trouble in expanding markets and, whereas they only sold 230,000 gallons in 1915, they had sold over 400,000 gallons in the year under review. He thought it would be agreed, therefore, that the accounts disclosed a satisfactory year's trading. With regard to the drillery, they might now say, he considered, that the oil-bearing strata on the two fields, Digboi and Bappa Poong, were continuous. The ordinary drilling on these fields had gone on steadily and with good results. The actual outcome of the year's operations was that they had made a profit in their revenue account of £69,197, and they brought forward £10,963, which gave them £80,160 to dispose of. Reference was made in the last report to the fact that part of the amount then carried forward was available for the payment of any excess profits tax which might be due. They appealed to the Board of Referees for an increase of the percentage basis of 10 per cent., but the board had fixed it in their case at 8 per cent. On that award the company would have no excess profits tax to pay on the 1915 accounts. Out of the £80,000 odd, the board had transferred £30,000 to depreciation account and £10,000 to reserve account; they had also paid the preference dividend on the due dates, and out of the balance they proposed that the ordinary shareholders should receive 6 per cent., against 5 per cent. for the previous year. Out of the balance of £15,260 remaining to be carried forward they would have to pay, on the 8 per cent. basis, excess profits duty on the 1916 accounts amounting to about £9,500. With regard to the company's prospects, he said that the results for 1917 had been so far very good. In conclusion, he moved the adoption of the report.

Mr. George Turner seconded the motion, which was carried unanimously.

Sir Boverton Redwood, Bart. (the company's general technical adviser), said that he attached great importance to the work that had been done during the past year in opening up new territory. For some years they had been hopeful of link-

ing up the two areas which had been productive, and during the past 12 months that work had been proved to a point which entitled them to form the most hopeful anticipations. So confident was he of the deductions which might be drawn from the results obtained that, in his opinion, it had now become essential for the directors to take into consideration an extension of the refining capacity of the company, and a report on that matter had been submitted to the board for their consideration. He added that the results as a whole could not be considered as otherwise than gratifying and of hopeful augury for the future.

A vote of thanks was passed to the chairman and directors and to the staff, on the motion of Mr. G. E. Harris, seconded by Mr. Galey, and the proceedings then terminated.

THE "BODEGA" CO.

The thirty-seventh ordinary general meeting of the members of the "Bodega" Co., Ltd., was held on Thursday at the Institute of Chartered Accountants, Moorgate Place, Mr. H. W. Walmisley (the chairman) presiding.

The Secretary (Mr. D. H. Beardon) read the notice convening the meeting and the auditors' report.

The Chairman said: Turning to the accounts for the year under review, it will be seen that the profits of the company are some £6,000 more than those of last year—i.e., £21,651 5s. 10d., against £15,584 5s. 8d. It has been a year of exceeding difficulty, far more so than any of its predecessors. Further restrictions have been imposed, and clearances from bond reduced by 50 per cent. Imports of wines from France, Spain, and Portugal have been drastically curtailed. The question of efficiently manning all the company's 36 establishments has been perpetually with us, and with 70 per cent. to 80 per cent. of the staff having joined his Majesty's Forces, it can easily be seen that this has been a very real difficulty. The satisfactory results for the year are due in some measure to the policy adopted by the board last year, and unanimously agreed to by you at the last general meeting of this company. I refer to the purchase of wines and spirits with part of the profits. All the restrictions imposed by the Liquor Control Board are being loyally and patriotically carried out by this company and the trade as a whole, because, as and when they were imposed, we were led to believe that they were for the good of the country during the war, and were absolutely necessary for its successful prosecution. Recently there has arisen a widespread impression among the industrial classes and others in this country that many of these restrictions have been placed upon the trade in deference to the insidious efforts of the more fanatical among the so-called Temperance Party, whose bitter hostility to the trade and everything connected with it is well known. The order restricting the output of beer from the pre-war figures of 36,000,000 barrels to 18,000,000 per annum first came into force. Shortly afterwards, however, a Controller of Shipping was appointed, and the quantity was still further reduced to 10,000,000 barrels a year. This has had the effect of producing an acute shortage of beer and of raising the prices of such reduced output very considerably. The majority of the industrial classes, and more especially those engaged in munitions and iron and steel works, will not work without beer, which is food as well as drink, and the shortage of beer has been a much more serious matter than most people are aware of. The output of munitions and other most important work began to slacken, and the murmurings of the men engaged in these and kindred works throughout the kingdom began to get louder and louder in the demand for more beer. The great number of workers engaged in harvesting added their complaints as to the shortage of beer. The natural result of all this unrest has been that the Government has recently authorised the output of beer to be increased. So much has been written and said about State purchase that I imagine you will expect me to say a few words on this subject. Nothing of a definite nature is known as to whether the Government means to acquire the liquor trade for the State or not, and should they decide to do so, the terms of the proposed purchase have not been defined. Should eventually State purchase be decided on, it would be the duty of everyone connected with or dependent on the trade, all holders of debenture stocks and holders of preference and ordinary shares in breweries and kindred companies, to unite and see that any terms proposed for the acquisition of the trade are of an equitable and honourable nature to all concerned. I understand that already some such steps in this direction are being taken. In conclusion, I should like to add that the quality of everything sold in the company's "Bodegas" is maintained at its usual high standard, and that all wines and spirits, &c., are taken into the balance-sheet at cost or under.

Mr. J. H. Mortimer Scott seconded the resolution, which was unanimously carried.

DIVIDENDS ANNOUNCED.

Average Trust, Limited.—Interim of 15 per cent. on ordinary shares for half-year to June 30, free of tax, same as a year ago.

Bank of Victoria.—Dividends on preference and ordinary shares at rate of 6 per cent. per annum, carry forward, £23,958; same as a year ago, and £30,711 was carried forward.

Bournemouth and Poole Electricity Supply Co.—Interim on ordinary shares of company at rate of 5 per cent. per annum, less tax, for half-year ended June 30.

Bristol Brewery Georges and Co.—Interim on ordinary shares at rate of 8 per cent. per annum for six months ended June 30, same as year ago, payable Aug. 15.

Central London Railway Company.—Interim for six months ended June 30 on undivided ordinary stock of 1½ per cent., and on preferred ordinary stock of the company of 2 per cent., same as a year ago.

Commercial Bank of Australia.—Dividend at 4 per cent. per annum will be declared on preference shares on Aug. 2.

City and South London Railway.—Interim for six months ended June 30 on ordinary stock of ½ per cent., same as last year.

Clonakilty Extension Railway Co.—Interim of 1 per cent. on ordinary stock, equivalent to 2 per cent. per annum for half-year, same as a year ago.

Cork, Bandon, and South-Coast Railway.—Interim of 1 per cent. on ordinary stock, equivalent to 2 per cent. per annum for half-year; no dividend on the ordinary was paid a year ago.

Farrow's Bank.—6 per cent. per annum, less tax, for half-year ended June 30 last, same as a year ago.

Foster, Porter, and Co.—Interim for half-year ended June 30 at rate of 5 per cent. per annum (the same as last year), less tax, 5s. in £.

W. B. Fordham and Sons.—Interim at rate of 4 per cent. per annum, less tax, for six months ended June 30, same as a year ago.

Glynn's Lydenburg.—10 per cent. (2s. per share) for period ending July 31.

Hong-kong and Shanghai Banking Corporation.—Interim of 43s. per share, less tax, for half-year to June 30, the same as a year ago.

Hudson's Bay Company.—Final of 20 per cent. on ordinary shares, making a total for year ended May 31 of 30 per cent., against 20 per cent. 1915-16.

International Sponge Importers.—4 per cent. per annum upon ordinary shares for half-year ended June 30.

Isle of Man Banking Co.—Interim at rate of 15 per cent. per annum, being at same rate as a year ago.

Kaministiquia Power Co.—Quarterly of \$1½ per share, or at rate of 7 per cent. per annum, on capital stock for quarter ending July 31, payable Aug. 15, the same as a year ago.

London Electric Railway.—Interim for six months ended June 30 of ½ per cent. on ordinary shares, same as corresponding period last year.

Lima Light, Power, and Tramways Co.—Dividend of 1 per cent. has been declared in Lima on the shares, payable against coupon No. 13 in London by Messrs. Grace Brothers and Co., 144, Leadenhall-street, E.C.

Lister and Co.—Interim at rate of 5 per cent. per annum, less tax.

London General Omnibus Co.—Interim for half-year ended June 30 of 4 per cent., free of tax, on ordinary shares, compared with 5 per cent. a year ago.

Mather and Platt.—Interim on ordinary shares of 5 per cent., less tax, for half-year ended June 30 last, being at rate of 10 per cent. per annum.

Mercantile Investment and General Trust.—Interim at rate of 5 per cent. per annum on ordinary stock for half-year ending July 31 next, same as a year ago.

Metropolitan District Railway.—Interim for six months ended June 30 on second preference stock of 1½ per cent., same as corresponding half of 1916.

Mond Nickel Co.—Dividend for year ended April 30 of 20 per cent. on ordinary shares, less interim dividend already paid, same as a year ago.

B. Morris and Sons.—Interim at rate of 5 per cent. per annum, less tax, for six months ended June 30, compared with 4 per cent. per annum for first half of 1916.

The Mutual Tontine.—An interim of 3½ per cent. for half-year ended June 30, less tax.

Nelson Brothers.—Interim 4 per cent. actual (at rate of 8 per cent. per annum) on ordinary shares, free of tax.

Spratt's Patent.—Interim 1s. per share, less tax, payable Aug. 18, same as a year ago.

Underground Electric Railways of London.—Interest on 6 per cent. first cumulative income debenture stock will be paid on Sept. 1, less tax, at 3 per cent., and coupon No. 19 of the 6 per cent. income bonds will be paid free tax at 2 per cent. on same date.

United States Debenture Corporation.—Interim for half-year ending July 31 on ordinary shares at rate of 10 per cent. per annum, less tax, same as a year ago.

Messrs. R. Martens and Co. are doing very useful work in trying to foster closer commercial relations between this country and Russia after the war. Germany, owing to geographical advantages and for other reasons, succeeded in capturing the great bulk of Russian trade, but it is almost certain that this condition of affairs will not exist in future, while the development of Russia's almost illimitable natural resources will undoubtedly be taken in hand much more energetically now that there is a free people, inspired by progressive ideals, to carry on the work. There will consequently be great opportunities for increasing British trade with Russia, and Messrs. Martens have arranged a series of lectures, illustrated by lantern slides, to emphasise the possibilities. A private view of these slides was given at the Savoy Hotel the other evening. They proved extremely interesting, and we hope the lectures—mainly intended for provincial manufacturing centres—will receive the attention they merit.

Messrs. J. Henry Schröder and Co. announce the numbers of 125 bonds, amounting to £13,060, of the Peruvian Government 5½ per cent. (Salt) Loan of 1909, which have been drawn by lot, and which will be repaid on August 15.

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Deposit and Current Account Balances, etc., at 30th June, 1917, £43,717,717.

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4, Bartholomew Lane, London.

CAPITAL.

Authorised	-	-	-	-	£15,000,000
Issued	-	-	-	-	£12,117,650
Paid up	-	-	-	-	£2,423,530
Reserve Fund	-	-	-	-	£2,100,000

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THE LANCASHIRE & YORKSHIRE BANK,

ESTABLISHED 1872.

LIMITED.

Capital Subscribed, £1,725,320.

Capital Paid-up, £862,660.

Reserve Fund, £570,000.

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THE
**LONDON CITY &
 MIDLAND BANK**
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ESTABLISHED 1836.

SUBSCRIBED CAPITAL -	£22,947,804
PAID-UP CAPITAL - - -	4,780,792
RESERVE FUND - - - -	4,000,000

Current, Deposit, and other Accounts -	£180,417,249
Cash in Hand and at Bank of England -	36,477,713
Money at Call and at Short Notice - -	8,579,186
Bills of Exchange - - - - -	12,252,266
Investments - - - - -	36,785,028
Advances on Current Accounts, etc. - -	69,322,512
Advances on War Loan - - - - -	22,978,581

Head Office:

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Telegraphic Address.—"CIMIDHO, STOCK, LONDON."

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The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

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CONTENTS.

Passing Events:—Revenue—Mr. McKenna on the Waste of Expenditure — Lord Rhondda's Proposals — St. Ermins Hotel and the National Service Bureau—Corn Production Bill—Italy's Aims—Bank Exhibits: London County and Westminster—Capital and Counties—New South Wales—Hibernian—Furness, Withy—Welsbach Light—Spillers and Bakers—International Tea — Western Union Telegraph—British Thomson Houston—Egyptian Delta Light Railways (pp. 83-8).

Leading Articles:—A £650,000,000 Vote of Credit — Another Winter of War—"Germany Richer than Before the War"—Brazilian Traction Results — By-the-Way War Notes (pp. 88-95).

American Business Notes:—Speeding up in Ships and New Plans—A Great Expectation—Federal Reserve Banks (p. 95).

Money and Credit Notes:—Quiet Market—Fall in Russian Rouble—Treasury and Foreign Exchanges—Italian Finances and the War — Japanese Debt Redemption — Guatemala Prosperity—Silver (pp. 99-101).

Tea, Oil, and Rubber:—Rubber Market — Royal Dutch Petroleum — Rubber Securities, Ltd. (pp. 104-5).

June Rubber Outputs (pp. 96-7).
Traffic Returns (p. 97).

Mining News:—Rhodesian Mineral Output — West African Gold Output — Great Fingall — Bechuanaland Exploration — East Indian Coal — Newport Abercrombie Steam Coal — Eldorado Banket — Lake View and Star (p. 105).

What Balance Sheets Tell:—Pacific Phosphate Co. — Southern Brazilian Railways Co. — Costa Rica Railway Co. — Egyptian Markets — David and William Henderson and Co. — S. Hoffnung and Co. — Warner and Co. (106).

Company Meetings:—Bank of Liverpool — Ebbw Vale Steel, Iron, and Coal — Australian Estates and Mortgage — Distillers Co. — Welsbach Light Co. — British North Borneo Co. — Lobitos Oilfields — Roebourne Finance and Investment (pp. 108-15).

The Week's Stock Markets (p. 102).

London Produce Markets (pp. 102-3).

Answers to Correspondents (p. 103).

Letters to the Editor (p. 104).

Insurance News (p. 104).

The Week in Mines (p. 105).

Oilfields Items (p. 105).

Dividends Announced (p. 106-7).

Public Income and Expenditure (p. 107).

BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital £3,705,320
Reserve Fund 2,725,000
Reserve Liability of
Proprietors 3,705,320
£10,135,640

Head Office: SYDNEY, NEW SOUTH WALES.

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The Bank has 338 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

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BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital £4,000,000
Paid-up Capital 1,800,000
Reserve Fund 2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILI—Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

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THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital Yen 48,000,000
Capital Paid Up Yen 36,000,000
Reserve Fund Yen 21,300,000

Head Office: YOKOHAMA.

Branches and Agencies at

Antung-Hsien.
Bombay.
Calcutta.
Changchun.
Dairen (Dalny).
Fengtien (Mukden).
Hankow.

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Hong Kong.
Kobe.
Liaoyang.
Los Angeles.
Lyons.

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Osaka.
Peking.
Ryojun (Port Arthur).
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Shanghai.
Singapore.
Sydney.
Tientsin.
Tokyo.
Tsinanfu.
Tungtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,960,000; together £3,960,000
Reserve Liability of Proprietors 4,000,000
Total Capital and Reserves £7,960,000

HEAD OFFICE - - - - - 71, CORNHILL, LONDON, E.C. 3.

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TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

LONDON COUNTY & WESTMINSTER BANK, LIMITED.

ESTABLISHED IN 1836.

CAPITAL £14,000,000, in 700,000 Shares of £20 each.

Paid-up Capital - - - £3,500,000.

Reserve - - - £4,000,000.

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PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

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J. B. ADSHEAD, Secretary.

London Office: 3, BISHOPSGATE, E.C. 2.

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THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71 Old Broad Street, E.C. 3.

Subscribed Capital	£1,276,747 10 0
Paid up Capital	669,670 0 0
Reserve Fund and Undivided Profits ..	375,680 11 8
Reserve Liability of Proprietors	606,962 10 0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

THE WESTERN AUSTRALIAN BANK.

Established 1847.

Paid-up Capital .. £250,000 0 0 25,000 Shares of £10 each.

Reserve Fund £680,000 0 0 Reserve Profits .. £29,970

Reserved Liability of Shareholders £250,000.

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THE MERCANTILE BANK OF INDIA, LTD.

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Capital Authorised	£1,500,000
Capital Issued	1,125,000
Capital Paid Up	562,500
Reserve Fund	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital - £1,000,000.	Subscribed Capital - £825,000
Paid-up Capital	£500,000
Reserve Fund	540,000
	£1,040,000
Uncalled Capital	125,000
Reserve Liability of Shareholders	625,000
	£1,790,000

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office—38, Lombard Street, E.C. 3.

Subscribed Capital	£1,078,875 0 0
Paid-up Capital	539,437 10 0
Further Liability of Proprietors	539,437 10 0
Reserve Fund	450,000 0 0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

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(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, Queen Victoria Street, London, E.C. 4.

AUTHORISED CAPITAL £5,500,000

SUBSCRIBED CAPITAL.

Four per Cent. Guaranteed Stock	£529,988
"A" Preference Shares issued to New Zealand Government ..	500,000
"B" Preference Shares issued to New Zealand Government ..	250,000
Ordinary Shares	1,500,000
	£2,779,988
Reserve Fund and Undivided Profits	£2,246,59

Negotiates and collects Bills of Exchange.

Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

The Investors' Review.

Vol. XL.—No. 1,021.
New Series.

SATURDAY, JULY 28, 1917.

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One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

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Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

Passing Events.

The national income from taxation and monopolies fell to £10,289,000 last week, but the expenditure on supply also came down to £31,799,000, or £4,543,000 a day, and the total outgoings to meet current requirements was only £32,655,000, or £4,667,000 a day, but the Treasury had to meet £34,904,000 of Treasury bills due for repayment and also to pay off £10,000,000 of temporary advances. Consequently the total expenditure of the week was £77,568,000, and to meet this £11,000,000 of new temporary loans had to be raised besides £43,852,000 of Treasury bills, or £8,948,000 more than fell due. Help was also received to the extent of £3,359,000 by the sale of Treasury bills, which thus produced £993,000 more than the week before. The total debt in this particular form is now £56,231,000, and the amount of Treasury bills outstanding is £719,383,000. War Savings certificates again yielded £800,000 and £4,197,000 is entered as "other War debt," presumably further money supplied by the United States. Also £1,600,000 further came in from the 4 and 5 per cent. War Loans, raising the total produced by them towards meeting the cost of the war to £945,877,000. Gossip says that the Chancellor of the Exchequer has at last decided to allow the issue of bonus or premium bonds, modelled on the system so long followed with success in France, Belgium, and other countries on the Continent, and in view of the rising tide of the war expenditure it is high time some bolder method of providing for it was lighted upon than the Treasury has hitherto had the pluck to essay. For although the Exchequer bonds did better last week, and may we hope further improve in fruitfulness, at the best they are far from enough.

Mr. McKenna followed the Chancellor of the Exchequer on Tuesday afternoon, and skilfully fulfilled the delicate task of friendly critic. Perhaps had he been free from the duty of upholding the Government in carrying on the war the tone of his speech would have been different. As it was, he dwelt upon the alarming growth of our expenditure. "We have to look forward to a total of upwards of £8,000,000 a day before we conclude the present financial year," he said, and he went on to indicate the dangers of all kinds which arise from the inflation this expenditure produces.

"The cause of all the rise in prices is not in the main profiteering," he declared, "and those who look to the profiteer are running upon a false scent. The main cause is the inflation due to the high expenditure." There is truth in that, but not all the truth, as the balance-sheets of numberless industrial companies prove, but the dictum was excellent for the purpose of founding some remarkably telling criticisms on the State system of controlling prices at the taxpayers' expense if that system is indeed to be introduced with no checks or safeguards, a point on which we can have less uncertainty now that Lord Rhondda has explained his policy, which is outlined in another note. It will cost something like £38,000,000 a year, or the equivalent of 1s. income-tax, to bring the 4-lb. loaf down to ninepence, said Mr. McKenna, and if we add to that the cost of the bounties to be bestowed on the landlords, through their farmers, under the Bill passed this week, the prospect is one calculated to appal the stoutest heart. Mr. McKenna would have expenditure reduced therefore, not to the injury of any real service, but by the stoppage of waste and of useless manufactures. That, indeed, is the only sound method by which economy can be reached, and we have said all along that there has been no perspicacious control over expenditure since the war began. Mr. Law spoke of the zeal of the departments for economy, and rather boasted of their success in cutting down expenditure, but whatever their goodwill and earnestness, no single department has succeeded in arranging its affairs so that they could be conducted with the precision, intelligence, and foresight required in a commercial business aiming to be prosperous.

Look at this horrible story of the loss of horses told in this week's *Truth*. It would be unbelievable were it not the too threadbare story of official mismanagement; and, in this instance, we fear, corruption. According to *Truth's* tale upwards of 250,000 Army horses and mules have died during the war, besides which 30,000 have been sold owing to age or disease, so that altogether 280,000 animals have disappeared out of the million or more bought. At quite a recent date 84,000 horses were in hospital in England, France, and the Mediterranean. During the war 42,000 animals have died at home, 143,000 in France, 12,000 in Egypt, and 15,000 in Salonika, figures that force upon the

mind a horrible vision of ill-usage and neglect. But the most corruption-suggestion fact of all is that 33,000 horses bought in America died before the completion of the voyage. That fact alone indicates that the buying must have been of the most reckless, one may say, the most unclean, description. And it is not because the horses have been used up in fighting that the deaths have been so numerous. One week, says the writer in *Truth*, out of more than 5,000 deaths of horses in France, only 118 were due to gunshot wounds. Here also the animals must have been unsuited from the start, and therefore bought by dishonest agents, or their treatment must have been inhuman. The average price paid for these Army horses—tens of thousands of which must have been totally unfit for Army purposes of any kind when bought—is said to have been about £40. Here, then, we have an illustration of extravagance and waste rooted in dishonesty, and of the most heartrending and abominable description. Have the responsible authorities cured that running sore? Where is there in Parliament a responsible Minister, or any Minister, capable of putting his foot down on an abomination of this description and stamping it out? We are afraid there is not even an echo to answer, "Where?" The profusion of waste has been and is such as would cause a country less rich than ours has been to lose the war, and to us its consequences may yet be revolution.

Turning back to "currency inflation," we are not able to endorse all that Mr. McKenna said upon the subject. It is a difficult subject to dogmatise on always, and the only rough-and-ready test as to whether currency inflation has been active in raising prices or not is the barometer of the foreign exchanges. If the British sovereign had sunk in value universally against the coinage of other countries, as the German mark has done, then certainly prices here would have been hoisted directly through the depreciation of the currency and not necessarily through "profiteering," through excess of demand over supplies or any transitory course of that kind. But our currency has not gone down as in value in general against others. It is one of the most remarkable proofs of the skill with which the financing of Government requirements has been conducted by our bankers that the sovereign should have held its value as it has done in spite of our unprecedented recourse to credit. It has gone down, no doubt—as the New York Exchange has long demonstrated—but the decline has not been large enough, nor universal enough, to produce that grievous increase in the cost of everything civilisation requires in order to live we are now plagued by. At the same time, the enormous amount of the drafts being drawn upon the accumulated wealth of the past and on the anticipations of the future are contributing to generate an inflation of values which may in the end prove more disquieting, if not more subversive of established habits and ideas regarding the connection of class with class and the dependence of all classes one upon the other, than any mere multiplication of Treasury paper money would do. But the whole subject is full of pitfalls for those who attempt to dogmatise upon it. Mr. McKenna, however, has done excellent service in starting the discussion, which, to our surprise, evoked little sympathy or response from the House. In regard to the fate of the two derelict empires who have set the laws of sound finance at defiance in a way hitherto undreamt of, inflation is one of the most fascinating subjects of study imaginable.

Lord Rhondda's exposition of his programme has come rather late in the week for us to discuss it fully, because nowadays it is imperative for this journal to go to press much earlier on Fridays than was formerly the rule. It may, however, be said that Lord Rhondda appears to have proceeded on the right lines in determining to fix prices only where he can control supplies. Neglect to work from this foundation vitiated all his predecessor's well-intended but empirical attempts to control markets. Meat and bread can be

controlled, just as sugar has been; that is to say, the Government can buy the whole supply wanted by the country if it seems good to do so, and therefore it can fix prices and guide distribution, which is just what Lord Rhondda proposes to do. In the matter of bread, for example, the fixing of the retail price of the quarter loaf at 9d. need not necessarily involve a loss to the Treasury—although it probably will—provided the Controller is able to buy all he requires more or less on his own terms. But the mention of that proviso at once brings up difficulties into view. We note, for instance, that Mr. Hughes, the Premier of the Australian Commonwealth, has been offering 250,000 bags of dried Australian apples to us at 7d. a pound, exclusive of freight and insurance, merely free on board. Now, unless Lord Rhondda could secure all his supplies elsewhere at a price less extortionate, he would have to yield to the Australian profiteer, and charge the Exchequer with the loss involved in selling the product at a reasonable price here. That is an illustration drawn from a commodity that his lordship presumably does not contemplate taking into the number of his monopolies, but as he will have to buy much grain abroad during the next twelve months, the same kind of trouble will confront him there. He may have to give excessive prices in some instances, and unless, or until, he can trust to the home producer for the bulk, if not the whole, of his supplies of wheat, and so be in a position to regulate the cost, the State stands to lose money by fixing the price of bread.

But the regulation of prices is only one part of the Food Controller's formidable task. Distribution, likewise, has to be supervised and made equitable, and also the grabbing of excess profits has to be stopped. On both these duties Lord Rhondda gave some interesting information regarding his plans. As regards "profiteering," the Controller is to provide a register of retailers of various food stuffs and to note the variations in the scale of retail prices. He has the power to examine traders' books and to punish those charging excessive prices, if need be and for choice, with imprisonment. Local food committees are to be set up, into whose hands the detail of this inquisitorial side of the Department will be placed. As to sugar, arrangements are to be made to ration hotels, restaurants, and manufacturers, and every householder is asked to apply to the local food committee for a sugar card. These are, in outline, the main scaffolding of Lord Rhondda's proposals. He has rejected the idea of rationing by tickets in the German fashion, but the scheme proposed is quite as thoroughgoing and the registration of consumers' wants by households will involve no small labour. How will provision dealers be affected? We should not be surprised were many of the small shopkeepers driven out of business.

Here is the tale of the National Service Palace of Make-Believe (now happily in process of dissolution) as viewed by the proprietors of the St. Ermins Hotel, Ltd. In 13 months to February 3 the trading profits were £35,660, or £8,000 more than in the previous year, and there was a nett profit of £2,460, against a loss of £3,920. At the beginning of the year business was bad; the staff were constantly changing, expenses and the cost of food continually increasing. In May the directors raised the tariff, but this lost them no customers, and after the Government commandeered the first hundred rooms they were making £400 per week nett, while as many as 30 to 40 visitors daily were turned away for lack of accommodation. Finally the National Service Bureau took over the whole hotel, and the directors—in consultation with the debenture holders' committee—put in a claim for compensation, but pending a settlement details are withheld. Meantime, the Board of Works have "recommended" the Defence of the Realm Finance Committee to hand over £5,000 to enable the debenture interest to be paid! In other words, while hundreds of millions are being squandered (look at the horse scandal exposed in *Truth*, for instance), the Government condescends to the most

contemptible treatment in the case of perfectly legitimate, if not conspicuously successful, businesses like the St. Ermins, De Keyzers, Metropole, and a score of other hotels. We are all for the strictest scrutiny of expenditure, but the petty robbery of a few thousands as an offset to the waste of many millions does not appeal to us.

Now let us give an actual illustration of the way in which the gigantic National Service Bureau, which dispossessed the St. Ermins proprietors, has done its work. A gentleman in—let us say—the textile trade found that he had a good deal of spare time on his hands owing to changes in his business. He is a recognised expert in his own line, and has several times acted as arbitrator for the London Chamber of Commerce. When the Palace of Make-Believe was set up he offered his services gratis as an examiner of certain classes of goods, but except for a formal acknowledgment he has never heard another word from that day to this. And in the meantime half a dozen quite inexperienced men with nice fat salaries are doing indifferently the work which he could easily accomplish in his spare time! We cannot vouch for it, but we believe there was a suggestion that he might be useful as a window cleaner in Whitehall.

Monday's adjourned debate on the Corn Production Bill was useful in one respect; it brought out an official estimate of what the Government proposals may cost the taxpayer in subsidising the agricultural industry and the landlords. Mr. Prothero made a dramatic disclosure of the financial liability under the Bill. If prices fall to the pre-war standard, as they probably will when labour is released from the Army and the inflation due to the tremendous war expenditure comes to an end, the six years' guarantee to the farmers will involve a payment by the State of £68,000,000 on the basis of pre-war production, and the amount will be correspondingly increased if the object of the Bill is attained in procuring a larger output of wheat and oats. It is certainly improbable that anything will have to be paid on this year's crop, and if the war lasts over the following harvest the taxpayer, as such, will not have to foot the bill, but even so the contingent liability is sufficiently startling, and it might have given even our present Government of dictators pause. But they were determined to carry it through, and threatened to throw the country into the unspeakable turmoil of a General Election (on a four years' old register) if they were defeated. Mr. Prothero brought out his interesting figures in rebutting Mr. Wardle's amendment to raise the minimum wage for agricultural labourers from 25s. to 30s. The lower figure is worth 14s. 6d. on the basis of pre-war prices, and the higher 18s.—surely not very extravagant remuneration for hard work of extreme national importance. However, Mr. Prothero stated that to raise wages to a minimum of 25s. would cost farmers £59,000,000, while the 30s. standard would cost £100,000,000. That merely indicates to what a terrible extent average agricultural wages fall below the most moderate standard of decent living. In the North and in Scotland the Bill will not improve matters at all, as the labourer already gets the minimum or more, but it is certainly imperative that a standard should be fixed, and we cannot quite follow the argument of those who, if they could not get the 30s. they desired, wished to cut out any precise figure at all. In any case, it is evident that the farmer and landlord are not to contribute towards the higher wage. Either the consumer or the taxpayer will provide them with a fund of £68,000,000, and on Mr. Prothero's showing the increased wages will cost £59,000,000, so that £9,000,000 will go into their own pockets. "It's a mad world, my masters, and will be madder," but we do not like to think what may happen when the town workers wake up to the fact that they are to be bled white to subsidise the landlord class, and that it is purely a landlords' measure seems to be proved by the high prices which agricultural estates are now fetching.

Cases have occurred recently where estates have changed hands several times and on each occasion the seller has made a handsome profit, while the demand, either by speculators or genuine purchasers, far exceeds the supply. We cannot hope for any far-sighted views from the Government as at present constituted, but a wise settlement of the land question is one of the first essentials of national security, and an equitable solution will have to be found before any of us are much older. But the Corn Bill merely puts unnecessary obstacles in the way, and the answer will be confiscation (or nearly that) when the workers find that their birthright has been sold for a mess of pottage.

Much good may spring from the Conference of the Allies now assembled in Paris, and not least on the question of the rights and duties of the Powers after the war ends. Italy has, through the columns of the *Giornale d'Italia*, given a clear exposition of her claims and attitude, and it is fully in accord with our ideas. Italy alone has the right to be supreme in the Adriatic, because Italy alone has the power to safeguard the rights of the weak there. But she has no pretensions to the rights of a conquering oppressor there or anywhere else. The sea will be open to all the States in the Balkans, to the Serb, perhaps even to the Bulgar, and to the Greek. And in regard to Asia Minor, the greater Powers, France and England, cannot divest themselves of their responsibilities toward the forlorn fragments of races whom they have taken under their protection there. Are the people of Lebanon to be left to the tender mercies of the Druses? No; the numerous little communities there and elsewhere in Syria and Asia Minor must be protected and taught to be orderly, to respect in their turn each other's idiosyncrasies. All over Syria and Asia Minor peace must be imposed and the people taught the art of good government. Because that is the duty imposed on England and France it follows that Italy must be given her share in the work and also Greece. Provided no selfish end is sought, no conquest in the brutal imperialist sense, there need be no friction. The duty is arduous, but it is a duty, and it must not be shirked by any of the States on whom the responsibility for its fulfilment rests. Here is what the *Giornale d'Italia* says as quoted by the *Times* :—

In the first place, Italy believes that her claims to Trent and Trieste are universally recognised by the Allies, and correspond to the French claims to Alsace-Lorraine. In the second place, the Adriatic question was already settled by the Pact of London in a manner satisfactory to all parties. As Serbia cannot seriously pretend to refuse Italy those strategic and economic positions in the Adriatic which are hers by inherent right, and by the right of her sacrifices in the war, neither has Italy any intention to deny the right of Serbia to those Adriatic positions corresponding to her economic needs, and has no reason to withdraw from Serbia the benevolence she has always manifested towards her. Thus every dispute between Italians and the Yugo-Slavs is the work of irresponsible people, and is inspired by the common enemies of Italy and Serbia.

Italy desires the independence of Albania and not its division between the Balkan peoples, nor that it be devoured by Austria, but on her part Italy has no territorial aspirations in Albania, only demanding a strategic base at Avlona. Italy asks that independent Albania shall have as its southern limit Cape Stylos (according to the London and Paris agreements) in order that Greece may not transform the Corfu canal into a strategic base such as would diminish the value of Avlona. Italy wishes Greece to enjoy the fruits of the second Balkan War, but that Greece should respect Albanian independence and the strategic interests of Italy.

Regarding the Eastern Mediterranean, the journal says that if the peace decisions are inspired by the principle of territorial renunciation, Italy will never violate this condition. But should the Allies, for one reason or another, wish to take possession of Asiatic Turkey, the imperialism of others cannot be met by an Italian renunciation, and this not from imperialistic motives, but from the just desire that the equilibrium of power should not be disturbed to Italy's harm.

With an increase of £2,300,000 the current and deposit accounts of the London County and Westminster Bank, Ltd., now amount to £112,750,000, and in addition circular notes, &c., have risen £1,300,000 to £4,014,000. On the other hand, advances to customers have increased no less than £11,000,000, no

doubt largely in connection with War Loan operations. Cash has fallen £2,000,000 to £23,937,000, and money at call, &c., £3,500,000 to £4,588,000. Bills discounted also are £2,000,000 lower at £10,200,000, while investments are practically unaltered at £35,479,000, and the balance-sheet total is £2,900,000 higher at £128,985,000. Nett profits for the half-year were £35,000 lower at £355,500, but £21,000 more was brought in, and after paying the usual interim dividend of 9 per cent. (9s. per share) the carry forward is reduced by £14,000 to £222,800. We may take it for granted that the reduction in nett profits is due to increased expenses and not to any falling off in gross profits, which, on the contrary, are likely to have been larger than ever.

The Capital and Counties Bank, Ltd., has changed the close of its financial year from June 30 to December 31, and consequently it now issues merely a summary of liabilities and assets instead of a complete report. During the past twelve months deposits have increased £1,160,000 to £49,407,000, while cash is £2,600,000 lower at £6,292,000, and investments have been reduced £100,000 to £15,874,000. On the other hand, money at call, &c., is up £700,000 at £4,517,000, and loans, advances, &c., have increased by £3,000,000 to £15,874,000. No particulars are given as to the extent to which it helped to finance the War Loan, but we may assume that a considerable portion of the increase in advances is due to this cause.

From Sir C. K. Mackellar's statement at the half-yearly meeting of the Bank of New South Wales which accompanies the report, we gather that conditions in Australia, on the whole, are very satisfactory. The wool clip was a fair one, and was taken over by the British Government at good prices, while the wheat harvest, though less than expected in New South Wales, was well up to the average. Indications point to a dry winter in several of the pastoral districts which may adversely affect the next lambing, but the country cannot escape these vicissitudes. Nett profits for the half-year to March 31 amounted to £279,000, an increase of £31,000, but £6,000 less was brought in, and the available balance of £384,300 is £25,000 higher. After again placing £75,000 to reserve (raising it to £2,800,000) the dividend of 10 per cent. per annum is repeated, but it requires nearly £20,000 more now as the paid-up capital has been increased by £395,000 to £3,895,000. Last year, however, £20,000 was placed to the Buckland fund, and as there is no similar appropriation on this occasion the carry forward is increased by £26,000 to £114,800. Notes in circulation have risen £67,000 to £525,000, but current and deposit accounts are £700,000 lower at £40,700,000, wheat accounts for £1,026,000 have disappeared as a liability, and bills payable, &c., are down £3,500,000 at £7,800,000. On the other side coin, bullion, and cash balances are £800,000 higher at £11,253,000, but Australian Commonwealth notes are £4,400,000 lower at £2,894,000. Notes of other banks are up £308,000, and money at call, &c., in London has increased £2,200,000 to £2,735,000 owing to wool and wheat transactions. Bills receivable are down £4,200,000 at £3,040,000, because wool and wheat have been paid for in cash instead of being financed by bills against shipments, and advances under the Government wheat scheme have dropped from £3,148,000 to £90,000. Investments are £2,200,000 higher at £7,700,000, and advances, &c., are £1,300,000 up at £26,225,000. These changes have resulted in a reduction of £4,700,000 in the balance-sheet total at £55,407,000, but everything looks healthy, and the bank maintains its reputation for sound business wisely conducted.

Rather a stagnant condition of affairs is shown in the report of the Hibernian Bank, Ltd., for the past half-year. As compared with the corresponding period deposits have increased £700,000 to £5,288,000, and on the other side of the balance-sheet that is represented by an advance of £310,000 in cash and Treas-

ury bills, £240,000 in investments, and £160,000 in loans and advances. Under the circumstances the increase in deposits is encouraging, but it seems fair to assume that general business has not been particularly brisk. Gross profits amounted to £68,500, an increase of £4,300, and the nett profits were £2,000 higher at £26,680, while £5,500 more was brought in. The dividend of 6 per cent. is repeated, and of the increased balance available £2,500 more at £10,000 is placed to reserve, and £5,000 more at £10,060 is carried forward. Very similar conditions appear to have prevailed in the case of the Munster and Leinster Bank, Ltd. Deposits increased £1,700,000 to £9,480,000, of which £1,400,000 was added to cash and Treasury bills at £3,438,000, and £340,000 to advances at £3,210,000, while bills were £70,000 lower at £907,000. Nett profits were £5,000 up at £33,130, and the gain is added to reserve, which gets £15,000 against £10,000. The dividend of 16 per cent. per annum is repeated, and the balance forward is a trifle higher at £16,930.

In the accounts of Furness, Withy and Co., Ltd., for the financial year ended April the profit is given after making provision for excess profits duty for 1916 and 1917, and it is impossible, therefore, to ascertain with any degree of accuracy how the results compare with those of the previous year. An examination of the balance-sheet, however, leads us to the opinion that the company did not fare so badly during the financial period in question as might be imagined from a first glance. Profit for the year, after making the provision referred to, amounts to £787,565, whereas in the previous year it was returned at £1,386,960, subject to excess duty. The officers' war bonus takes this time £40,000, and after providing for the preference dividend and the ordinary dividend of 20 per cent., as before, £350,000 is again set aside to depreciation account. These disbursements and allocations exceed the year's profit by £158,700, and this comes out of the £395,300 brought in, reducing the carry forward £258,700 to £136,600, but it must be remembered that last year's figure was arrived at before providing for excess profits. The company has during the last twelve months acquired a controlling interest in the Prince Line, and this apparently accounts to a large extent for the increase of £1,455,820 in steamships. Plant and other property, investments in shipping, shipbuilding, and various industrial undertakings, payments on account of new tonnage, &c., are now lumped together in the balance-sheet at £5,434,000. The Prince Line investment was acquired during a period of inflated values, but, on the other hand, nearly all the other shipping investments of the company were purchased at a time when values were low. A large expansion has taken place in sundry creditors, which are £2,201,500 up at £3,641,500, and in bills payable, which are £96,000 more at £126,400. Including dividend disbursements, current liabilities show an increase of £2,314,500 at £4,086,000. Bankers' balances are £352,000 lower, but sundry debtors exhibit an increase of £1,131,700, and taking into account the expansion in the property item already referred to the nett assets of the company are only about £78,750 down.

It must be with a feeling of intense satisfaction that the share and debenture-holders in the Welsbach Light Co., Ltd., witness the removal of all traces of the Teutonic taint from the report and accounts. The report gives effect to the scheme whereby under the sanction of the Government and the court the shares and debentures owned by enemy interests were exchanged for the company's holding in the Austrian concern and the renunciation of the guarantee of the German company. There is no doubt that from a material point of view the course pursued was the best one possible under the circumstances, but we should like to know what the position really is. The electric lamp business was, we understand, prior to the war dominated by the German company, the Deutsche Gasglühlicht Aktiengesellschaft of Berlin, through

their Osram lamp patents in this country. Under the new conditions what is the future of the Welsbach electric lamp? And what is going to happen when the present barrier erected by war conditions is removed? To turn to the report for the period ended March last, profit on trading and interest is £12,885 up at £42,250, and the dividend on B. Cars yielding £400 more at £15,075, the gross profit comes out at £57,320, an increase of £13,290. Expenses, however, chiefly on account of income-tax, show an increase of £3,535, and after providing for debenture interest, which takes £2,125 less than a year ago, nett profit is £9,435 up at £21,760. What proportion of this will be retained in the business, however, it is impossible to say. The profit is struck before providing for excess profits duty, and if the provision made out of the 1916 surplus, £15,993, for this contingency for the two years ended March 31, 1916, is anything to go by, it looks as if the Exchequer will call for a large sum. We understand, however, that the company lodged an appeal, and it may come off more favourably than indicated by the amount set aside. The carrying into effect of the new scheme has put the balance-sheet in better shape. The intangible item, consideration paid in respect of shares, which figured in last year's balance-sheet at £65,000, has been reduced to £29,210. Sundry debtors, cash investments, balance of consideration receivable, total £52,965 more at £169,000, and stock is £9,330 up at £44,020. Of the 173,048 shares acquired from the German company, 83,048 were sold at 11s. per share, and the proceeds, £43,080, invested in War Loan, to be held by the trustees of the debenture-holders until the termination of the war, when part will be available for the redemption of debenture stock. The debenture stock acquired has been cancelled, and the debenture debt now amounts to £133,750. The share capital in issue is now £175,000 compared with £265,000, and the holding in the Austrian Incandescent Gas Co. previously figuring at £179,620 disappears.

Last year the report of Spillers and Bakers, the great Cardiff milling firm, came as a severe blow to the "profiteer hunter," and it will be strange if the latest document to hand does not administer the *coup de grâce*. Our readers will recollect the foolish and irresponsible clamour that arose when the company published its report in 1914. In that year profits—owing to the operation of influences which are just as likely to operate the reverse way in the future—rose to £367,865. For 1915 they fell to £217,416, and for the year ended February last to £187,708. And this before providing for excess profits duty. When it is borne in mind that for the year 1911 the company earned as much as £196,517, it will be realised how ill-founded and fatuous has been this outcry against an undertaking whose large stocks of grain proved to be such an asset at a time of national crisis. The report is late in making its appearance owing to the uncertainty created by the passing of the company's property into the possession of the Food Controller, the directors deeming it advisable to postpone its publication until further information was obtained as to the extent to which the shareholders' interests would be affected. No mention is now made as to what effect the Government control is likely to have on prospects, but the chairman's speech at the meeting will presumably contain some reference to this aspect of the situation. In the meantime the maintenance of the dividend at 15 per cent. is not calculated to discourage shareholders. After providing for the preference dividend, which absorbed £22,750, and for the ordinary distribution, which requires £56,875, there remains a surplus of £108,080, a decrease of £19,500 on that of the previous year. Last year £50,000 was set aside as provision for excess profits duty and £50,000 to reserve. This time there is only one allocation, £70,000 to excess profits account. The amount brought in from 1916 was £27,583 larger, and the carry forward is left £38,065 up at £323,780. Stocks are £185,550 up at £694,230, and further accommodation has been obtained from the company's bankers.

Trade creditors are down £15,500, but the total amount due to creditors is £159,260 more at £923,270. Cash, debtors, and investments also total £69,750 less at £943,980. We really fail to see why the Treasury could not have seen its way to grant the company permission to make a further issue of capital.

The International Tea Co.'s Stores, Ltd., did better in the year to the end of April, but it has not got back to the 1914-15 level. Profits for the 12 months show an increase of £34,000 at £171,500, but a year ago there was a drop of £51,000. With £4,000 less brought in, the total is £30,000 up at £179,440, and this allows of the dividend being restored to 10 per cent., as against 7 per cent. last year. Income-tax reserve is doubled at £10,000, while £22,000 is again set aside for depreciation, &c., and £20,000, as before, is placed to reserve, raising it to £415,000. This leaves £11,500 more at £19,560 to be carried forward, subject to excess profits duty, if any. The company continues the policy of purchasing the freeholds of properties in its occupation when the opportunity occurs, and the value of these is now £391,600, an increase of £9,000. Sundry creditors have risen £18,000 to £292,600, but temporary loans have been reduced by £27,000 to £251,700. Except for an increase of £15,000 in cash at £66,750, the other changes in the balance-sheet need not detain us. Goodwill stands at the large sum of £626,700, and it would look better if part of the reserve were utilised in writing it down to more moderate dimensions.

In 1916 the Western Union Telegraph Co. handled the largest volume of business in its history with exceedingly satisfactory results to the shareholders. Operating revenue shows an increase of 21 per cent. and operating expenses an increase of only 18.9 per cent., the ratio of operating expenses to gross receipts coming out at 78.7 per cent. against 80.1 per cent. This is particularly satisfactory in a year when all materials and labour cost more. The report does not go into detail regarding the sources from which the company's gross operating revenues of \$61,919,000 were derived, but we understand that the commercial telegraph department furnished \$45,810,000 of the total gross, and the cable department \$7,865,000, of which \$7,400,000 was from commercial cable tolls and \$465,000 from Press cable tolls. After deducting operating expenses nett operating revenue comes out at \$13,191,000, an increase of \$2,992,000 on that of the previous year. Interest on loans and investments yielded \$398,500 more, and after making provision for interest on bonds, which required slightly less, the nett income displays an improvement of \$3,395,000 at

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\$13,562,000, equivalent to $\$13.59$ per cent. on the capital stock, which receives a distribution of 6 per cent. compared with 5 per cent. in 1915. After allowing for various adjustments and special payment to employees the profit and loss surplus is \$5,685,000 up at \$24,568,000. In the balance-sheet the item investments has been separated, securities of closely allied companies amounting to \$1,117,000 being now included with stocks of telegraph, cable, and other companies, and marketable securities at cost of \$14,471,000 grouped under current assets. The latter securities have been increased by \$1,780,000, and produce an annual return of 4.8 per cent. Current assets total \$27,299,000 and current liabilities only \$7,517,800, so the position is an exceedingly strong one.

The operations of the British Thomson Houston Co., Ltd., have again resulted in a large expansion in profits, but excess profits duty will, we fear, call for a large sum. This is presumably why no dividend is recommended on the 4 per cent. cumulative preference shares, which have received no distribution since 1904. Profit rose from £262,360 to £359,360, and the improvement is probably greater than indicated by these figures, for in 1915 the company were able to take the usual inventory of stock, while this time it has not been possible to take an inventory at the Willesden and Rugby main factories. Book figures have had to be relied upon as far as these particular stocks are concerned, and these are presumably considerably below current market prices. The reserve set aside in 1915 in respect of raw materials was not required and is written back. This increases the profit to £384,365. The various depreciation appropriations absorb £33,820 more at £153,700, and after providing for interest on loans and debentures, which takes £12,175 more at £70,100, the nett profit, subject to excess profits duty, comes out at £160,565, compared with £59,559. Of the balance of £73,356 remaining last year after bringing in the surplus from the previous year, no less a sum than £70,000 was paid away in taxes, so that there is only £3,355 to be brought in this time, which brings the total surplus up to £163,920. In the balance-sheet the larger business done is reflected in apparatus, supplies, &c., which have gone up £124,290 to £729,600, sundry debtors and cash, which together total £197,400 more at £935,455. The company has, however, had recourse to further credit. Sundry creditors are £126,220 more, and its indebtedness to the General Electric Co. has increased £56,945 to £1,108,825. Goodwill has been reduced from £100,000 to £60,000, and the item, cost to date of the Rugby, Coventry, and Willesden factories, freehold land, &c., appears at £865,000, a reduction of £27,275. It is a pity the capitalisation is so heavy.

It is satisfactory to find a very substantial improvement in the results of the Egyptian Delta Light Railways, Ltd., but owing to the abnormal increase in the cost of fuel and the uncertainty of the outlook the directors have with much regret again decided not to recommend a dividend on the preference shares, which for 1914-15 received $2\frac{1}{2}$ per cent. and for the previous year 5 per cent. In the circumstances we think they are right, and the shareholders must possess their souls in patience till conditions become more normal. Gross receipts for the year to March 31 amounted to £232,900, an increase of £40,100, while the average receipts per mile rose to £401 12s., which is not far short of the 1913-14 level, and £89 3s. more than last year's level, a very encouraging recovery. Coaching receipts were £19,700 higher at £13,100, and the number of passengers rose 863,000 to 6,046,600. Goods traffic produced £8,500 more at £79,000, and the tonnage carried rose 45,500 to 597,300 tons. Building materials and cotton showed substantial increases, but grain and seeds were reduced. Working expenses amounted to £180,800, an increase of £38,700. Locomotive expenses increased £43,000, but there was a saving in maintenance and traffic charges. The ratio to receipts was nearly 4 per cent. higher at 77.63 per cent. Under

the agreement with the Government the working ratio is fixed at 64 per cent., and accordingly credit is taken for £31,750 to bring the figure down to this limit. This sum, however, is carried to a suspense account (raising it to £57,560), and as it is only recoverable in future years when expenses fall below the 64 per cent. standard the amount is not considered by the board or the company's auditors as available for distribution. After providing for fixed charges, and including £65,220 brought in, there is a balance of £106,800, which it is proposed to carry forward subject to the suspense account mentioned. Out of money set aside for extensions which cannot be proceeded with during the war the directors purchased £85,000 of the 5 per cent. War Loan, and a comparatively small change in the conditions would greatly improve the fortunes of the company, but the arrears on the $5\frac{1}{2}$ per cent. cumulative preference shares amount to £251,740 (roughly 25 per cent.), and that is a fairly heavy amount to clear off. All the same, if we were holders we should not sell at 6 if we could hang on.

A £650,000,000 Vote of Credit.

People have ceased to think about it. The nation has made up its mind to "see the thing through," and declines to involve itself in the maze of economic problems. We know that our accumulated wealth is being consumed like wooden buildings in a fire, but better live poor and clean of record and free than rich and a slave. What purpose, then, can be served by harping on war costs? Let us get on with the fighting. Well, we *are* getting on, and quite fast, too, all things considered; but while that is so a suspicion prevails that we are paying more than we need, that the "profiteers" have the whip hand of us all round, and that our officials are, as a rule and in the mass, but so much indiarubber in their hands. And it is partly true.

Mr. Bonar Law's exposition of the facts should help to reassure us a little, and we have no doubt but that what he says about the zeal of our bureaucrats to economise is sincere. It is not the men but the system which protects and often compels waste. Fancy an office where any letter, the most trivial equally with the most important, has to be turned out in quadruplicate, variously filed, and registered. The product of such antiquated routine is delay, absence of definite responsibility, and a multiplication of office staffs, always fertile in waste.

But we need not dwell on that now, there are much more important subjects touched upon in the Chancellor of the Exchequer's speech, and amongst these the leading place is occupied by our relations to our Allies. From one point of view it is alarming enough to be told that the demands of these Allies on the British Exchequer are steadily increasing, how steadily may be measured by the following summary given by Mr. Law for the 112 days elapsed of the current fiscal year:—"The average daily expenditure estimated for in the Budget was £5,411,000; the total expenditure per day for these 112 days was £6,795,000; an average daily excess of £1,384,000. Let us see in what direction that excess has occurred. It has occurred in the items for: Army, the Navy, and the munitions vote to the extent per day of £506,000; advances to Allies and Dominions represent a daily increase of £569,000; miscellaneous items account for £309,000; making a total excess of £1,384,000."

This looks serious enough, and it is plain that expenditure will go on increasing, not only because our Allies, one after another, are reaching the end of their available resources, but also because their participation in the war tends to become more active and strenuous as the final crisis draws near. Even France and ourselves would, perhaps, have begun to flinch before another year had passed but for the timely support afforded by the United States. How much more Rumania, Greece, and dispossessed Serbia; how much more, also, harried and exhausted Belgium, as well as troubled Russia?

But there is another side to this ruinous looking drain—it will economically tie the Allies together after the

war to an extent which should put an end to the framers of tariffs generative of hate and cruel to the people. Also it should be a stimulus to the peoples of the great Powers to do their best unselfishly to develop the resources of those weaker and more poverty stricken Allies who have now to depend on us. Asia Minor, for example, can be made a granary for devastated Europe and a source of mineral wealth inexhaustible, if given orderly and just administration, together with the use of capital honestly applied; and the same is true of Russia, Rumania, Serbia, and Greece, so that if we encounter the problems set by the war debt in an unselfish spirit, we shall gain in all ways by having allowed those who are standing by us in the war to draw so liberally on our purse.

This vote of £650,000,000 is larger by £150,000,000 than any ever before presented to the House of Commons. The last vote taken on May 9 was only for £500,000,000, and it was then thought enormous, but it will all be spent within the time which it was arranged to cover, for last Saturday only £89,000,000 of it remained available. The average daily expenditure, notwithstanding some curtailment, has exceeded the Budget estimate by more than £1,000,000 a day, as the figures quoted above demonstrate. These figures show that the total excess on the Budget forecast for this period of time has been £155,000,000, of which £63,500,000 represents advances to the Allies and the Dominions, leaving £91,500,000 to be paid to the charge of our own services. It is an exhausting rate of expenditure, however caused, and its growth can be summarily followed in the appended tables. Here we need only to direct attention to the opportuneness of America's adhesion to the war on the side of the Allies. It is an open secret, Mr. Law told the House, that we have spent so freely of our resources that those available for payments in America had become nearly exhausted when our great Ally entered into the struggle. The position was, indeed, becoming critical, for we had bought on credit, or taken in pawn, nearly all available American securities, and the credits raised in America by these means were almost exhausted. The Prussian war-makers had some reason for thinking that if they could only continue to drive the German sheep to the shambles for a few weeks longer they would force the Allies to end the war by exhaustion. They were playing for universal ruin, but the hope of a victory of that kind must now disappear, and doubtless its disappearance accounts in no small measure for the reawakened fury of Germany's efforts to win a semblance of triumph—somewhere, somehow. And the following statistics should convince him that his chance has gone.

Dates and amounts of votes of credit taken since the beginning of the war :—

1914-15.	
August 6	£ 100,000,000
November 15	225,000,000
March 1	37,000,000
	362,000,000
1915-16.	
March 1	250,000,000
June 15	250,000,000
July 20	150,000,000
September 15	250,000,000
November 11	400,000,000
February 21	120,000,000
	1,420,000,000
1916-17.	
February 21	300,000,000
May 23	300,000,000
July 24	450,000,000
October 11	300,000,000
December 14	400,000,000
February 12	200,000,000
March 15	60,000,000
	2,010,000,000
1917-18.	
February 12	350,000,000
May 9	500,000,000
July 24	650,000,000
	1,500,000,000

The subjoined table illustrates the way the money goes in the current fiscal year :—

VOTES OF CREDIT.	
New Vote	650,000,000
Last Vote (May 9)	500,000,000
Total Votes for War	5,292,000,000
DAILY EXPENDITURE.	
Average for last 112 days	6,795,000
Budget Estimate	5,411,000
Excess over Estimate	1,384,000
Aggregate excess over Estimate	155,000,000
ADVANCES TO ALLIES AND DOMINIONS.	
Advances for 112 days	197,000,000
Excess over Estimate	63,500,000
Total advances for War	1,025,000,000
Total advances to Dominions	146,000,000
EXPENDITURE AT HOME.	
Excess over Estimate for 112 days	91,500,000
Excess on Munitions	12,000,000
Excess on Food (about)	25,000,000
Excess on Army	64,000,000

Another Winter of War.

So the Prussian masters of Germany have resolved to face another winter of war, and they say that the active participation of the United States in the fighting on land, in the sea, and in the air dismays them not. That is the plain meaning of the new German Chancellor, Dr. Michaelis's, harangue in the Reichstag, and it is well. In form the speech was less overbearing, its jactancy wore a less insolent air, but at root it differed no wise from previous similar performances on the Hohenzollern stage. All the players thereon chant the same tune always. Some yell it in tones of defiant rage, others adopt the Uriah Heep manner, and still others "roar you as gently as any sucking dove," but the substance never changes—"we are the chosen of God to subdue the world." Look at this new man Michaelis. He begins with the usual lie, "We did not begin the war; we only defended ourselves." In the mind of suffering mankind snivelling falsehoods of this type sometimes awaken a sort of hope that the guilty conscience may be beginning to assert itself, even in Germany. It is a hope that gets no nourishment in the phrases of this latest "ventriloquist's dummy."

"We deny that submarine warfare is contrary to international law and violates the rights of humanity," said the new Chancellor. He was within his right; the assertion was received with cheers. Could it be otherwise with a people who gloat over the *Lusitania*? Louder still was the cheering when the factotum of absolutism went on to declare that "what our troops, under the leadership of their great commanders, have accomplished during three years is unprecedented in the world's history." That is true, also. Never has the world beheld such slaughter, such fiendish and cold-blooded swinishness in warfare, such malignity in devastation, such disciplined brigandage. And the Reichstag cheers, and probably wonders why the world outside does not join in the admiration.

Ghoulishly jubilant, also, was the note heard when Dr. Michaelis went on to boast of the U-boat success in indiscriminate piracy and murder. Let us preserve here a few of the choice morsels in the harangue. The following, for example, is particularly appropriate, addressed, as it is, to the Turk, the best fighting "ally" the Hohenzollern has, and to Bulgar and Austrian, rivals in savage inhumanity :—

Our thoughts turn with gratitude to our faithful allies. The brotherhood in arms which has been cemented and tested in the heat of battle will not be dissolved. Germany will hold fast in faithful alliance to her treaties and agreements. [No scraps of paper here.] The reports upon the military situation from our supreme Army command are very good. The great Anglo-French spring offensives in the West have been shattered. The counter-attacks of our armies show their unbroken power and their superior ability. (Loud cheers.)

There follows stump-orator flummery in depreciation of the *Entente* powers and efforts, assertions that the Anglo-French offensive in the West has ceased, that America cannot intervene with much effect, be-

cause she can neither transport her troops nor feed them should they somehow get across. For—

France and England are scarcely able to feed and supply their own army without influencing their military and economic situation still more. After our previous successes we shall be able to master the new situation, too, through our fleet, particularly the submarine. That is our firm conviction and assurance. (Cheers.) We and our Allies can therefore look forward to any further development of military events with calm security.

All this leads up to the peace ideas the despots of Germany still entertain, and on these Dr. Michaelis was perfectly explicit. His language, less maladroit than that of his predecessor often was, plainly told the world that Germany will not let Alsace-Lorraine go back to France, nor surrender, except for a *quid pro quo*, her colonies or any yard of the invaded territory on which German and Austrian troops now play badger, mole, wolf, and polecat in Belgium, France, Poland, Rumania, and the Balkans. Our pacifists, carried away by a phrase cunningly stuck in here and there, may doubt this, and would have us go and "meet the Germans half-way." But there is no half-way, and even the most fanatical among our phrase devotees can hardly misread the following:—

First of all, the territory of the Fatherland is inviolable. With an enemy who demands parts of our empire we cannot parley. If we make peace we must in the first line make sure that the frontiers of the German Empire are made secure for all time. (Loud cheers.) We must by means of an understanding—(cheers from the Left and Centre)—and give-and-take—(Ausgleich)—guarantee the conditions of existence of the German Empire upon the Continent and overseas. Peace must build the foundation of a lasting reconciliation of the nations. (Loud cheers.) It must, as is expressed in your resolution, prevent the nations from being plunged into further enmity through economical blockades—(cheers)—and provide a safeguard that the league in arms of our opponents does not develop into an economic offensive alliance against us. These aims may be attained within the limits of your resolution as I interpret it. (Cheers.) We cannot again offer peace. We have loyally stretched out our hand once, and met with no response; but, with the entire nation, with the German army, and its leaders in accord with this declaration—"Hear, hear," from the Left and Centre)—the Government feels that if our enemies abandon their lust for conquest and their aims of subjugation, and wish to enter into negotiations we shall listen honestly and ready for peace to what they have to say to us. Until then we must hold out calmly, patiently, and courageously.

In its way the suggestion of an "understanding" with the Entente Powers is delicious, and also a droll exhibition of Teutonic generosity and inflexible loftiness of soul. But could anything, however, be plainer than the intimation that Germany will not be content even with the *status quo ante*? She must have full liberty in trade, retain all she can of the lands she has tried to steal, and be restored to her position as the dominant Power in Europe, paying nothing for the damage done, all as if she had been indeed innocent. There should be no necessity to warn the public to beware of the pacifist snivel here with this insolent note of the brigand bully ringing in its ears.

Unfortunately, Germany's real hope of triumph probably lies to-day much more in successful intrigue than in U-boats, aeroplanes, or poison gas and monster guns. Witness what is happening in Russia. From there also comes a warning. Our vigilance must not slacken any more than our efforts; and therefore it was well the Prime Minister should take the opportunity that was offered by "Belgium's Day" to give Dr. Michaelis a taste of his discipline. A well-timed and admirable speech it was, that of last Saturday, and we wish we could preserve it. That being impracticable, we must rest content to present some excerpts. They are valuable for the derisive scorn exhibited towards the laboured mystifications of the German official. To us German oratory always smells of prussic acid, of cyanide of potassium, that all-pervading odour of death which one cannot continue long to inhale without sickening. The Prime Minister's light mockery will be incomprehensible to the usual German, but some even among that drugged race may catch a glint of his meaning. "Keep your courage up with lies by all means, for it looks to be to the advantage of humanity that you should go on with the war until the poison in your souls has been bled out of you." Peace? Better half the population of the Allies should die than

that the war the Germans have prepared for and deliberately promoted should end in a bargained treaty with them. So perfect has been the success of the Kaiser's abrutishment of his subjects, that were they ever so democratic in words, and proffered treaties in heaps, no one in the world would now believe in them. Therefore, when Mr. Lloyd George says that "democracy itself is a guarantee of peace," he no doubt propounds a great truth, but it is not truth universal. Mankind will be very slow to accept it without challenge so far as the German people are concerned, not for perhaps several generations after the war. But read this:—

There are phrases for men of the democratic mind in that speech—many. He was going to call men from the Reichstag to co-operate with the Government. . . . Ah! they will call men from the Reichstag to office, but they will not be Ministers, but clerks.

It is as the speech of a man waiting on the military dispositions. Let the Allies—Russia, Britain, France, all of them—bear that in mind. It is a speech that can be made better by improving the military situation. If the Germans win in the West, if they destroy the Russian Army in the East, if their friends the Turks drive Britain out of Mesopotamia, and if the U-boats sink more merchant ships, then that speech, believe me, means annexation all round and military autocracy more firmly established than ever. But if, on the other hand, the Germans should be driven back on the West and be beaten on the East, and if their friends the Turks fail in Baghdad, and the submarines are a failure on the high seas, that speech is all right. We must all help to make that a good speech. There are possibilities in it of excellence; let us give our assistance to make it a real success. But for the moment it means the military party has won. . . . What manner of Government they chose to rule over them is entirely the business of the German people themselves; but what manner of Government we can trust to make peace with is our business. Democracy is in itself a guarantee of peace, and if you cannot get it in Germany, well, then we must secure other guarantees as a substitute.

The German Chancellor's speech shows, in my judgment, that those who are in charge of affairs in Germany have for the moment elected for war. There is no hope for Belgium in that speech; it is not even mentioned. Its phraseology is full of menace for Belgium. All that about making their frontier secure, which took Metz and Strassburg away, will take Liège and the control of Antwerp away. That is not a phrase of good omen for Belgium. And that about the necessity for seeing that the economic interests of Germany are secured. That means that, even if they restore Belgium, the restoration will be a sham. The determination of the Allies is this: that Belgium must be restored as a free and independent people.

Mr. George went on to speak of America and of German self-deceptions in regard to what the United States can do. As we read we said, "Why take such trouble to instruct or warn the enemy?" It would, indeed, have been indiscreet if he had been dealing with a people sane. But the Germans are as mad as their Hohenzollern master, and the wise words are more likely than not to further inflate their vain glory. So no harm is done. The Reichstag cheered and turned on many spouts of eloquence after the Junkers' speaking trumpet, Dr. Michaelis, had spoken his piece, a scummy stream of speech flowed forth, dyed with falsehood in every sentence. Then having refreshed its lungs, the debating society forthwith amiably voted another £750,000,000—probably all already spent—to carry on the war, gathered up its hats and sticks, and went home. Is there any hope for a people thus eager to be befooled? Can there be any hope? The Prime Minister, referring to the threadbare lie, now three years old, but daily repeated still in obedience to necessity—and believed—that "the Germans are fighting for the freedom and independence of the Fatherland," declared that "it was never true."

It is less true to-day than it ever was. The freer Germany is, the more independent Germany is, the better we like it. Those who are the enemies of the freedom and independence of Germany are her own rulers, and not the Allied Powers. We prefer a free Germany. We could make peace with a free Germany, but a Germany dominated by autocracy we cannot make any terms with.

Yes, the Allies could perhaps make peace with a free people, a people jealous of its own liberties, and reverential towards the liberties of other nations, even the smallest. But what hope is there of seeing a people like that emerge from the cloaca of brutalities, falsehoods, cruelty and satanic pride which is the Germany of this war, the foulest in all respects, the most unscrupulously infamous mankind has ever been witness of? We can see none, anxiously though we

have looked ever since the war began. There can be no peace, therefore, and there must be no slackening in our offensive. If possible, this coming winter Germany must starve.

"Germany Richer than Before the War."

In the June number of the *Journal des Economistes* M. P. Ronce summarises an article by a German statistical conjurer, or gelatinous transcendental philosopher, designed to assure his countrymen that the war has made Germany richer than ever she was before. We recollect something of the same kind being attempted by a statistical sleight of hand man here, backed by an array of figures bewildering to look upon, and somebody told us that the wizard who performed this feat actually took in Mr. Asquith, at any rate for a time. His German imitator, Herr Arnold Steinmann Bucher, has not been afraid to declare that if Germany was rich before the war she is still more so since it began, grows ever richer in fact; and it is easy to juggle with statistics so as to prove the assertion seemingly true. In certain directions the business done in Germany undoubtedly expanded enormously after the outbreak of hostilities. Railways were occupied to their utmost capacity in conveying troops and material of war—food, clothes, tents, &c., &c., besides guns, shot and shell, from one theatre of murder operations to another. Manufacturers were also fully occupied in supplying the army with its clothing and food as well as with weapons of death in all shapes, and consequently the revenues of the railways increased as well as those of all manufacturers made busier by the war demands. Now if no thought is given to the consequences, or account taken of the fact that the whole of this activity was devoted to wealth's destruction, or to the question of how lavish waste was to be paid for, the sheen of prosperity can easily be made to look dazzling. That every gun bored or shot filled was in itself waste and the cause of wealth's loss, and was all provided for, or nearly all, out of creations of debt, considerations of that kind were put on one side, as also the fact that the business which created wealth, the foreign trade of the empire, had meanwhile well-nigh disappeared, was probably ruined beyond possibility of resuscitation.

By following this line the ingenious Steinmann Bucher was able to paint a dazzling picture, almost shadowless. Between 1909 and 1914 he presented fancy figures to prove that the wealth of Germany had risen from 1,652,000 millions of marks to upwards of 1,880,000 millions of marks. Only rural landed property had remained stagnant in capitalised value, it appeared, and with this foundation to work upon the writer was able to demonstrate that the business traffic of Germany, as he would have us infer, was sustained and augmented after the war began. The country, he declared, could support a long isolation from foreign markets on condition that "all the elements which constitute the riches of the people are in proper dependence the one on the other," as is the case in Germany. The war, he contends, has not been a destructive force for Germany, but the contrary, although it has not acted in a uniform fashion in all compartments of wealth. He even cites the loans that the military tyrants forced the people to subscribe as proof of the impregnable wealth of his country; so his conclusions naturally are that Germany was rich before the war and has become still more so since, and also that she will remain rich after the war ends. She will do so because, once hostilities are at an end, there will be so much to do for the army and the navy in view of the coming war, for the transports, to replace the livestock on the farms, and to resuscitate the foreign commerce, &c. Thus an extraordinary demand will arise for labour and for raw materials. Prices will go up, and with their rise the national income and riches will increase. Therefore it is first of all necessary that Germany—should have capital free to her hand? no, "should be better

organised." One of her weaknesses, which dates from before 1914, was the defective method of distributing the commodities of primary necessity and the regulating of their price. This happy theoriser, therefore, recommends above all "that a well-matured and comprehensive scheme of regulating production, purchase, distribution, and price" should be adopted, not that money, capital, should be provided for the urgent post-war necessities. It would, in his opinion, be better to influence the prices of certain groups of merchandise so that the State would have scope in them for insuring the fertility of its taxes. These will be heavy, the eager apologist admits, but hastens to assure the consumer that he would find in this State control and plundering his salvation. The insinuation is that under monopolies alone can refuge be found from the weight of the post-war burdens the war will have imposed. That is to say, while boasting of the growing wealth of his country as arising from the war, the labouring comforter is honest enough to admit that such arrangements will have to be made in regard to the production of commodities in the future as will make them and those who work for their creation mere ministers to the State's necessities, slaves, that is, after the fashion considered the model as displayed in the Rome of the original Cæsars whom William Hohenzollern apes.

Granting, as M. P. Ronce says, that the "riches of the country have increased in the manner set forth, that new wealth merely represents destitution, the pawning of everything that the people possess, not for their benefit but in order that the Prussians may prosper in thieving. The German people probably swallow dishonest babooneries of this description as they swallow the harangues of their masters about "enlarging the territory of the empire," "obtaining a dominant position in the world's markets," "recapturing lost commerce," "our glorious civilising mission," and stage "gag" of similar flimsiness. They can doubtless be deceived for a time by appearances. The money they have raised by one device or



STREAMSIDE RAMBLES.

No. 7.—ALONG THE LEA.

The beauty of my Lady Lea has been somewhat marred by the encroaching town since the days when Izaak Walton set forth at dawn from his house in Fleet Street and trudged through Kingsland and Tottenham to fish its waters, but there are still pleasant enough rambles to be had along the stream, with a touch here and there reminding of the *Compleat Angler*.

At Hackney there is a stroll along the marshes, with the Lea Navigation on one hand and a channel of the Lea itself on the other. Beside the latter is the old White House, where, not more than a generation ago, brothers of the angle cast many a line for dace and perch.

Crossing the highway at Lea Bridge, one reaches the Leyton Marsh, with Clapton—like an old Dutch Town—on the bank, its streets coming down to the water. Farther on is Springfields, the last of the Lea-side estates of London, and now a public park.

From Clapton the towpath can be followed to Tottenham, where there is still a little fishing to be had at the old "Ferry Boat," and thence to Cook's Ferry below Chingford Mount. Hereabouts Piscator heard the milkmaid and her mother sing the songs of Marlowe and of Raleigh, but now only the cries of the bargees are heard.

Bleak Hall, the resort of the anglers, was near Cook's Ferry.

For Hackney Marsh: Route No. 6 to the "Victoria," Hackney Wick, walk thence along Gainsborough Road.

For Hackney and Leyton Marsh: Routes Nos. 35*, 35A, 38, 38A* and 42 to Lea Bridge.

For the Lea at Clapton and Springfields: Route No. 42 to Spring Hill.

For Cook's Ferry: Route No. 76 to the Angel, Edmonton, walk thence via Angel Road.

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another to carry on the war has been spent with increasing profusion and fury, and its spending forces up prices, raises wages, and spreads through sundry classes of the community a feeling of well-being that may be greater with many than was experienced before the war began. Rural Germany and certain groups of war-busy workers in industrial Germany have undoubtedly "made money," as the phrase is, or are earning higher wages by reason of the war, and some among them may not yet regard with favour the prospect of its early discontinuance. By shutting the eyes to what this abundance and lavishness mean it is possible to remain sanguine and to continue in a state of mind easy to befooled. But it cannot be for long now. The other side of the shield begins to appear, and when we turn to the tale of Germany's debts the prospect grows altogether different. It is worth while to look for a moment at this other side, and in order to make it plain we insert here, extracted from the *Journal des Economistes*, a table of particulars relating to the six public loans which the war has thus far forced Germany alone to contract:—

RESULTS OF THE SIX GERMAN WAR LOANS.

	No. of Subscriptions.					
	1st Loan.	2nd Loan.	3rd Loan.	4th Loan.	5th Loan.	6th Loan.
Subscriptions up to £100.....	926,059	2,113,220	3,291,388	4,728,712	3,382,468	6,204,844
from £105 to £500	214,020	492,362	570,219	461,652	339,062	443,276
" " £500 to £5,000	34,526	80,254	96,375	81,619	78,819	105,686
" " above £5,000	2,621	5,224	8,436	7,662	9,627	14,276
	1,177,235	2,691,060	3,966,418	5,279,645	3,809,976	6,768,082

AMOUNT OF SUBSCRIPTIONS (in Thousands of Pounds Sterling).

	£	£	£	£	£	£
Subscription up to £100	36,700	83,100	113,550	109,700	75,950	111,300
" from £105 to £500 ..	51,450	120,550	138,250	107,700	83,950	107,903
" " £500 to £5,000 ..	51,600	115,950	143,750	119,000	122,150	158,700
" " above £5,000	83,250	133,400	209,500	109,200	250,550	271,050
	223,000	453,000	605,050	535,600	532,600	648,950

SUBDIVISION OF SUBSCRIPTIONS (in Thousands of Pounds Sterling).

	£	£	£	£	£	£
Reichsbank	23,950	28,250	28,450	23,050	34,250	31,250
Other banks and bankers	144,750	279,600	360,250	308,250	304,200	377,250
Savings banks	44,150	98,850	143,850	136,350	128,350	160,200
Life insurance offices	10,150	19,200	20,850	17,450	16,850	19,300
Loan societies	—	21,500	34,000	41,950	42,350	55,150
Post offices	—	5,600	8,350	8,550	6,700	5,800
Total	223,000	453,000	605,050	535,600	532,600	648,950

and no export of merchandise to do it with. Suppose peace were concluded within the next three or four months, what would the position of Germany be in the matter of beginning to pay the damages, the costs of the war, or the interest on the public debt it has imposed? The industries kept active by the war and nourished by the proceeds of the loans would immediately cease to absorb the proceeds of loans, would collapse. Essen would not be required to turn out so many guns, so many armour-plates, so many tons of shot and shell per day or per week. Krupps would probably go into liquidation. The country, as a whole, would be thrown back at once upon the industries of peace, and what are the prospects in that direction? During the time the war has continued Germany has not only lost her splendid trade with the rest of the world, but the best among her former customers have learned to do without her merchandise. Her mercantile marine, or what the war has left of it to her, even if permitted to enter any foreign port, which is doubtful enough, will have nowhere to go with home-provided cargo, even supposing the victorious Allies in their soft-heartedness make no stipulations directed to regulate Germany's commerce with the rest of the world with a view to drawing from it something to recoup them for their sacrifices or to enable them to repair the damages the Prussian *Junkers* and their brutalised slaves of troops have inflicted upon Belgium and France, on all the peoples of the world. Where will the "wealth" of Germany be then, if she has no foreign commerce to speak of after the war, if there is only silence in the once busy centres of industry at home? Will the product of her mines, tilled fields, pastures, or forests put her in a position to "renew her armaments on sea and land" and to resume her trafficking in goods of sorts "made in Germany" with the chance of profit and in volume sufficient anywhere in the world? "The answer to this question is in the negative," as our official sticklers for usage are wont to say in the House of Commons, emphatically in the negative, and reflection upon the answer should help to reveal to the German people the profundity of the abyss of ruin into which their insane dream of world domination and of "wealth" procured by neighbours' spoliation and conquest has lured them. By prolonging the mad struggle to avert the fate of this anachronism of an empire the Germans are every day rendering more certain the hopelessness of their future servitude, were it only because they are impoverishing their enemies to a degree that must compel them to unite in providing for their wants among themselves. Therefore Germany—and the Germans in Austria—will be left to their own devices after the war, perforce left, and will have ample time to find out what "wealth" means.

Brazilian Traction Results.

It was certainly unfortunate for the Brazilian Traction, Light, and Power Co., Ltd., that it had only just completed its first year when the war broke out and threw Brazilian finances into a state of considerable disorganisation. The company holds a controlling interest in the Rio de Janeiro Tramway, the Sao Paulo Tramway, the Sao Paulo Electric, and a number of telephone and other minor undertakings, so that its ramifications are extensive, and embrace almost every form of electrical enterprise. Like all the other companies formed under the same auspices, it is heavily weighted with capital, the amount issued being \$106,418,000 in ordinary shares, and \$10,000,000 in preference shares, while during the past year 6 per cent. gold notes, repayable November 1, 1919, were issued for \$7,500,000 in New York, mainly for the purpose of financing the purchase of five telephone undertakings which are now incorporated under the title of the Rio de Janeiro and Sao Paulo Telephone Co., which has a share capital of \$5,000,000 and 30-year bonds for \$7,500,000. How the Traction Co. has fared since

We have not here by all means the whole of Germany's debt, for there may be £1,000,000,000 or more of paper money and other debt to add, but as they stand in the aggregate the above loans represent roundly £3,000,000,000, and at 5 per cent. they will impose upon the German people an annual, after the war, burden of at least £150,000,000 a year, which is more than the entire revenue of the empire came to in 1912. And this is only the beginning of the story. The debt interest is payable in gold, and the Government will only have a depreciated currency with which to pay it. The German mark is now down to about half its par value on the exchanges of Europe where it is still quoted; it will certainly fall much further after the war. What prospect is there that when the war ends it will rally? There is none that we can see. On the contrary, every probability points in the other direction. In spite of the absence of purchases abroad the Empire will have much foreign debt to liquidate,

its inception may be gathered from the following statement:—

	1913.	1914.	1915.	1916.
	Milreis.	Milreis.	Milreis.	Milreis.
Gross earnings.....	71,912,000	73,185,000	77,119,000	84,942,000
Nett earnings	39,313,000	41,880,000	44,177,000	46,526,000
Rate of exchange ..	16d.	15d.	12d.	12d.
Revenue (Canadian currency) after paying fixed charges..	\$ 8,420,500	\$ 8,058,800	\$ 5,612,900	\$ 6,019,500
Administration expenses, &c.	308,300	392,300	218,100	344,800
Nett revenue	8,112,200	7,666,500	5,394,800	5,674,700

It will be seen that very substantial and continuous progress has been made in the earnings from operation in Brazil, even allowing for the fact that the 1916 figures include, for the first time, the earnings of two recently acquired telephone companies, which brought in 2,543,000 milreis gross and 856,400 nett. But the low rate of exchange in the past two years has caused a heavy decline in the revenue converted into dollars, the loss on this account being approximately \$3,000,000 in 1915 and \$3,300,000 in 1916. That, of course, is a matter entirely beyond the control of the management. Even so the nett revenue showed an advance of \$280,000 over 1915, and, after repeating the dividend of 4 per cent. for the year, that is the increase in the surplus, which amounts to \$823,000 for the twelve months, and raises the total undivided balance to \$4,690,000, after placing \$500,000 to amortization reserve. A quarterly dividend of 1 per cent. was paid in March last, but in April the directors issued a circular setting forth their reasons for deciding not to pay further dividends on the ordinary shares during the current year unless there should be such improvement in exchange as to justify the resumption of dividends at an earlier date; and we certainly think that is a prudent course to adopt in the circumstances.

Pending the resumption of dividend payments, the directors propose to apply the surplus revenue from time to time in liquidating the floating indebtedness of the allied companies and in providing for necessary capital expenditure; but it has been the policy of the board since the outbreak of the war to confine the latter to what is absolutely unavoidable for the improvement of the services or to take care of the growth of the business. There is practically no other course to adopt under present conditions, owing to the high cost of materials. It will be seen that last year, while gross earnings were 7,823,000 milreis higher, the nett earnings only increased 2,349,000 milreis, the difference being chiefly accounted for by the extremely high cost of coal and other materials delivered in Brazil, and there is not likely to be any improvement in this respect in the immediate future.

The surplus profits of the various subsidiaries which remained undistributed in dividends at the end of 1915 amounted to \$14,773,000, of which \$4,660,000 had been allocated to special reserve accounts for renewals and contingencies. A further sum of \$1,500,000 had been applied as sinking fund for the first mortgage bonds of the Rio de Janeiro Tramway, Light, and Power Co., leaving a balance of \$8,613,000, out of which \$4,600,000 was allocated to various special funds during the past year. As already mentioned, three-year gold notes for \$7,500,000 have been placed in New York, and this operation has helped to relieve the financial position, which, however, is still rather lopsided. Bank loans have been reduced \$1,200,000 to \$633,000, and bills payable \$500,000 to \$487,000, but \$1,700,000, or \$700,000 more, is due to sundry creditors, and there is a balance of \$2,253,000 owing in respect of purchase of bonds of the Rio de Janeiro and Sao Paulo Tramway companies. Altogether, the current liabilities amount to \$5,222,000, against which there are advances to subsidiary companies of \$3,867,000 not immediately realisable, sundry debtors for \$738,000, and cash \$902,000. The really liquid assets therefore amount to only \$1,640,000, but we need not lay too much stress on that fact, as the company is in sufficiently good credit to get further capital on reasonable

terms when conditions are more normal, and meantime its subsidiaries appear to be making satisfactory progress.

By-the-Way War Notes.

Perhaps if we and our Allies could arrange things after the German manner, the war might end sooner. Happily, we cannot quite. Evidently when the new Chancellor of the Empire delivered his speech to the Reichstag last week, his hopes were fortified by what he knew to be getting ready in Russia, and now it looks as if Berlin officials had really scored a great knave's triumph there. Everybody here, at any rate, is inclined to be pessimistic about the Russian outlook, and superficially it is as black as black can be. But we refuse to despair to Prussian order, and feel confident that the Russian peasant will prove loyal to his country and his race; that he will be eager for revenge when he comprehends that he has been victimised by the enemy. After all, it has to be remembered that some 90 per cent. of the Russian people can neither read nor write, such is the degradation in which they have been kept by the Russian Church and its Tsardom. The people are consequently prone to become easy prey to a designing rogue, and we have no doubt at all that German intrigue has been busy in Russia since the Revolution, as it was before, when Berlin was master. Since the outbreak of war, just as before, Germany set to work to corrupt Russian officialism, Russian society, and to paralyse Russian armies in the war by launching a sham Socialist propaganda for the betrayal of the peasantry. Before the war the headquarters of the German spy and corruption agency was in Stockholm, and that notorious scoundrel, Rasputin, the Empress's "saint," was in German pay. Through him, and the women who worshipped and obeyed him, he filled the services with German instruments and tools. These and many other facts have come out since the Revolution, amongst them the startling revelation that the weak, one might say imbecile, Nicholas II. was tricked into signing a treaty of offensive and defensive alliance with William II. of Prussia in 1905, when the two met at sea in the Gulf of Finland during the Japanese-Russian war. Amongst the papers found in the house of one of the German agents, an ex-danseuse, and "head centre" of the German plotters, was a letter written in William Hohenzollern's own hand to his "dear cousin," reminding him that there could be no hostility between Hohenzollern and Romanof, and stating that the war is only waged against the Russian people, who are afraid of the German influence. Without doubt, everything was ready for a separate peace, which it was certain that Nicholas would, as he always did, betray his Allies by signing. Happily the Revolution was hastened by the madness of the Court and the depravity of its officials. It was, in a manner, summoned to break out by the superlative follies of the Court and the incompetence, malversations, and treachery of its ministers. In the nick of time Russia was saved.

We cannot doubt that she will be saved again. The same agency has been feverishly at work since the Provisional Government came into being endeavouring to undermine the discipline of the Russian armies, and probably the anti-revolutionary classes in Russia itself have adherents hostile or disaffected to the new régime amongst the wealthier classes in Russia, especially in the wasps' nests of its dispossessed bureaucrats and threatened landowners. The schemers, German led and inspired, have succeeded up to a point, and therefore the peril of the infant Republic is great. But just because it is great we believe it will be surmounted, for

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the minds of the masses are awake and no longer amenable to duperies so clumsy as those of the Berlin would-be world-controllers always are. The fact, however, that the second army has flinched, that large masses of the troops have deserted, and that the same demoralisation is spreading to the other armies, undoubtedly encouraged William and his commanders to think that now at last their long-postponed chance had come. They felt themselves able once more to shift troops from the Eastern front to the Western with apparent immunity, and to deliver attacks upon the French front and our own apparently with masses of men one had begun to think they could no longer muster, and with a weight and fury of artillery, poisoned shells, and fire sprayings excelled at no period of the war. The whole plan stands revealed, and once more the mad Kaiser and his chief butchers are doomed to disappointment. He, the ever restless, has dashed away to visit his Eastern frontier, after talking at large to Reichstag Deputies in the fixed idea style of the lunatic he is. The Russian armies undisciplined rabble, the United States of little account in the war, "cannot take a decisive part," William thinks, being sure that his U-boats will win him the victory and the empire he still covets with all the fierceness of the insane.

And we believe that it will be all in vain, even in Russia. Again the Kaiser will be disappointed, just as he was at the outset of the war when he assembled 10,000 of his cavalry clothed in white mantles in order to make his triumphal entry into Nancy at the head of his "Teutonic knights" in 1914. We should not be surprised, indeed, were events in Russia to turn out more disastrous to the Germans because of this initial success than if the plodding conflict had gone on in the way it started; for if the root of the Russian defections is agrarian, as we suspect, the German serf may pluck up heart to imitate. Or, on the other hand, if the Provisional Government rises in determination and vigour of execution in proportion as the danger of anarchy grows more imminent, reinvigorated Russian armies may yet drive the Prussians out of Galicia and Poland. Anyhow, those at the head of Russian affairs are not now the type of the men who lead only to betray. The Government of President Wilson, we note, has not lost faith in Russia's leaders or in Russia's destiny, for it has advanced another £15,000,000 to the Government with provision for another £12,000,000 later.

It is to them of the utmost importance that the Hohenzollern invaders should force a decision before the United States can put forth her full strength in the war, and also if possible before next winter. Therefore the fighting has been renewed not only against the British on the coast of Flanders, but with the utmost fury against the French in Champagne. There, on the California plateau and the heights around Craonne the French centre has been subjected to fierce bombardments and a succession of assaults of the most furious description by the Prussian Guards and other picked troops—and all in vain. As around Verdun last year, so around Craonne the Germans have been driven forward with the maximum of obstinacy and the minimum of success in the vain hope of dislodging the French from the dominating positions they have reconquered. But though defeated, the foe dare not retire until forced. For what are a hundred thousand German lives to one hour of vain boasts of "victory" by that degenerate—the Crown Prince? And Hindenburg knows, if the Crown Prince does not, that unless he can loosen the hold of the French on his left wing his whole line from beyond Verdun to the sea will soon have to be shortened. Hence, probably, the recklessness of the fighting at both ends of it.

Whether our troops were badly surprised and stupidly handled in the Nieuport corner of Belgian Flanders or not, now is not the time to inquire. The point to dwell on is that the brief success of the Germans has apparently tempted them to pile up fabulous quantities of guns and ammunition there, and to subject our lines to an intense bombardment in the hope of checking our plans, for the effort has gained them no advantage. Their reliance is everywhere now more

than ever on weapons rather than on men, and enormous guns have been hauled to the front to throw shells far in the rear—20 miles the enemy reports say—of our lines. We may accept the news as another indirect proof that the Germans have become conscious of our mastery in the air. They cannot scout and spot targets as we do. So they arrange to fire at a distance at random, at a guess, by the map, just as their aeroplanes do when they pay us a visit. With all their ingenious perseverance in demonising the art of slaying, they have not of late increased our death roll. The most heartening statement Mr. Bonar Law made in introducing his Vote of Credit was the one to the effect that our casualties this year have been much below expectation, and below those suffered towards the end of last year. They are still woeful enough, but yet this is proof not only of the greater care with which the French and British commanders are husbanding their man-power, but of the skill with which all devices of the enemy are countered and overcome. The fighting therefore may seem slow on all fronts, but it is most certainly sure in its results. In man-power and in finance the two brigand Empires are being bled to death. Italy alone has destroyed Austria's offensive power, and Italy, Serbia, and Russia among them have so undermined the Empire of the Habsburgs that it cannot now be saved. We shall rejoice at its foundering.

We are doing the same with the steel-hooped but raw and unwelded Empire of the Hohenzollerns. Time given, we could have done it alone, we the Powers of the Entente; with the active assistance of the United States another winter should see the giant labour completed, and the way made clear for a real democratic peace. William Hohenzollern's vaunt that his U-boats are destroying England's commerce and insuring "victory" to his empire through our starvation is not supported by the facts. Nevertheless we do not like to see the casualties to our shipping again mounting. Last week 21 ships over 1,600 tons gross were sunk by the enemy—or 20 nett—an increase also of 20 per cent.—if we allow for one sunk the week before but not reported. Only three smaller ships and one fishing vessel were sunk, so that the aggregate losses of all types for the week were no more than in the previous week, but there is no consolation in that fact. The U-boat commanders may have been instructed to concentrate their energies on the bigger ships and leave the small fry alone. If that were so, it might mean that the supply of submarines as well as of crews was on the decline, but we want no consolations of that kind while a single enemy pirate craft is free on the sea. France, however, lost no ships at all last week, and that, too, may be significant of a weakened enemy. So let us persevere in good hope.

Lord Northcliffe seems to be unable to keep his fingers from meddling with home affairs even in America, where the self-advertising business he conducts goes on with greater swagger and persistency than ever. Not a day passes but what the British people is treated to some of this man's sayings and doings here, there, and everywhere, except where his ostensible business presumably should be. His latest advertisement is a shout, "Tell us the tonnage lost by the U-boats. The Germans know and publish the figures, why not we? Who's afraid?" He began to shout in the *New York Sun*, and now the *Daily Mail* and *Times* take up the cry, giving the German figures as quoted in New York. Here are the alleged sinkings, ships of all nationalities being included:—February, 781,000 tons; March, 885,000 tons; April, 1,091,000 tons; May, 869,000; and June, 1,000,000 tons; total, 4,626,000 tons. No doubt there is exaggeration in the display, but equally certain is it that the losses have been formidable, and that they have not yet been half made good by new ships built. "Tell the truth," therefore bawls Lord Northcliffe and his merry fuglemen. "The Germans know it, the Yankees know what the Germans allege, and in the absence of any statement of the facts from our side, believe. That produces a bad impression which you must remove by pub-

lishing the facts." But why? We felt in the early day of this new abomination somewhat as Lord Northcliffe appears still to feel, but soon came to agree that silence is, on the whole, best. So long as we are stimulated to leave no measure untried to abate or eliminate this new form of piracy, is any harm done by keeping silence? Have we any good reason for putting our correct figures against German exaggerations for German enlightenment and perhaps encouragement? Who would benefit by the publication of the figures? Only the sensation mongers in the Press so far as we can see, not the public, nor the Ministry, nor the commanders in whose hands is the conduct of the war. What we should like to have is the number of the enemy's submarines sunk or otherwise disposed of, but as we cannot have that, we are content to accept what the Government sees fit to give us, and to have patience, knowing that it is doing its best. Did not the Prime Minister say so last Saturday?

American Business Notes.

America is going ahead with her war preparations, and the President is proving himself to be an enlightened and resolute dictator. His masterfulness has developed in a way which makes us envious, as we watch. It does not require a tithe of the oratory needed in this country to get anything done in America. Mr. Wilson writes a letter, gives an order, the thing is done, or set about getting done forthwith. Look at the trouble he had over the Shipping Board which was appointed three months or so ago to carry out a "ship-building programme." Instead of doing that, it split into two parties, who fell a-wrangling over the respective merits of steel and wooden ships, sizes, and what not. Neither side gave way, so in the end the President's patience became exhausted. He dismissed the lot and appointed a new board with Rear-Admiral Kapps, a well-known naval builder and inventor, at the head of it. The board has been reconstructed to build ships for service in the war, and it seems to be composed of men who have the confidence of the nation, or at least of the Press, and at least it will do something.

But can America do much in the way of shipbuilding? The New York correspondent of the *Daily Telegraph* says "yes" it can. The present annual rate of steel ship construction in existing yards is 2,000,000 tons, and this may be increased to 3,000,000 tons "if the yards are permitted to employ and train adequate labour." As for wooden vessels, the building capacity of the yards is 1,000,000 tons per annum, and steel ships can be immediately contracted for by the emergency fleet corporation at the rate of 1,500,000 tons per annum, so that the total tonnage of merchant ships which can be built under co-operation and the wise control of the Washington Government is 5,500,000 tons within two years.

No wonder the war budget has had to be enlarged. Instead of a total of £360,000,000 odd, Mr. McAdoo now forecasts an expenditure of £2,400,000,000. The first draft of an army for European service has been raised to a million, double the first intention, and something like £130,000,000 will probably be absorbed in the construction and equipment of America's air fleet. And if we add the shipbuilding requirements, it is not an extravagant estimate to put the direct cost of the fighting forces of the Republic to be speedily set in motion at £500,000,000 for this fiscal year. Moreover, by next October it is estimated that the £600,000,000 which the Government was authorised to lend to the Allies and which was more than provided for by the 3½ per cent. "Liberty" Loan, will be exceeded, so that it is expected that Congress will before long be asked to authorise new borrowing to the extent of from £400,000,000 to £1,000,000,000 according to requirements. So Mr. Secretary McAdoo now places the total of his war budget at about £2,400,000,000, and there is a probability, says the financial correspondent of the *Daily Telegraph*, that the cost of the war to the United States for the first year will range to between £3,400,000,000 and £4,000,000,000, including, of

course, the money advanced to prevent any one of the Allies from fainting by the way. "England," adds the same correspondent, "has aroused world admiration by her wonderful financial ability," and the States will not fall behind.

No time has been lost in dissipating the reserves of the American banks. As soon as the new Federal Bank Law as amended had been signed by the President, the Federal Reserve Bank of New York at once took action. Under the new law banks affiliated with a Reserve Bank have to transfer the whole of their reserves to its custody. They have now, to be sure, to keep nett balances equal to not less than 13 per cent. of the aggregate amount of their demand deposits against 7 per cent. hitherto held. Member banks, as they are called, in the ordinary reserve cities have to maintain a 10 per cent. proportion instead of 6 per cent. as hitherto. And country banks must now keep with the Federal Reserve Banks of their respective districts a nett balance of no less than 7 per cent. compared with 5 per cent. before the law was amended. Thus the balances which the Reserve Banks held are increased, but they are not kept idle—do not, as hitherto, constitute true reserves. As we said last week, these banks can buy gold with the money or securities the law places in their custody, and use the assets thus acquired as basis for issuing more notes. That is to say, 65 per cent. of the total reserves handed over to them can be used in buying bills or making other investments, and only 35 per cent. has to be kept in gold. Moreover, Reserve Banks are now permitted to issue notes against gold or gold certificates acquired in the ordinary course, and then to allow gold so acquired to count as part of the 40 per cent. gold reserve which the Reserve Banks are required to maintain against Federal Reserve notes. That is to say, they can buy gold with the notes they create, and use these notes in purchasing more gold if they desire, against which further issues of notes may be made, so that inflation of the currency can go on seemingly without limit. These banks had begun to act thus without any legal authority before the law was amended; and had upwards of £80,000,000 of their paper money already in existence. What it is going to be in the future who can imagine?

New York clearing banks have hitherto been regarded as the pivot around which the credit of the entire Republic revolved, and they have, on the whole, managed their business with such skill and care that they have proved themselves deserving all the confidence placed in them. Under the rules of the Clearing House they required the banks that became members of it to maintain a reserve of 25 per cent. of their liabilities, but under the new law the legal reserve is reduced to 13 per cent. Without breaking the new law, however, this 13 per cent. may be fined down to 4.55 per cent., and, in any event, 13 per cent. will not be represented by that proportion of the liabilities in gold. In other words, while the top structure of credit may be indefinitely spread, the core of hard cash on which it is supposed to be based—and hitherto was in a sensible measure based—is being fined away nearly to invisibility. And the worst of it is the Clearing House committee seems to have made no protest over the change. It has not even passed a rule directing their members to hold till-money of any importance, as it might have done, for the law leaves it to cash banks to determine how much counter cash it shall keep in hand. As the *Commercial Chronicle* points out, it would therefore have been easy for the Clearing House to dictate that a certain percentage—say 7 or 8 per cent. of the "at sight" liabilities—should be kept in the tills of the New York Clearing House banks, but the only thing done by the committee was to pass an amendment in the Clearing House constitution which provided that "all members of this association shall keep and maintain a reserve in such proportion and in such depositories as may be required by the Federal Reserve Act or the laws of the State in which they are incorporated." After that, there does not seem any necessity to bother about reserves of any sort. When a bank's cash is exhausted it can hand out I.O.U.s.

JUNE RUBBER OUTPUTS.

Company.	Current Estimate.	Last All-in Cost.	June, lbs.	(+) or (-) lbs.	Months	Aggregate lbs.	(+) or (-) lbs.
Aboyne Clyde	392,629a	1/0.50	37,316	+ 4,752	12	444,374	+ 51,745
Allagar	360,000	1/1.62	27,000	+ 3,500	6	173,300	+ 46,600
Alliance	163,716a	—	14,457	+ 2,660	6	68,160	+ 11,918
Alor Pongsu	275,000	1/0.75	24,337	+ 1,922	6	126,940	+ 8,384
Ampat	180,000	1/1.35	*17,500	+ 3,850	8	136,500	+ 37,390
Anglo-Java	2,624,000	—	231,131	+ 86,731	6	1,321,431	+ 511,731
Anglo-Johore	300,000	1/3.20	23,010	+ 2,419	3	70,310	+ 11,970
Anglo-Malay	1,720,000	1/1.23	130,948	+ 19,562	6	707,615	+ 4,958
Anglo-Sum.	945,575a	1/1.02	74,481	+ 4,677	1	74,481	+ 4,677
Asahan	360,000	1/3.40	33,086	+ 6,736	11	394,158	+ 160,869
As. T. Ceylon.	235,000	1/1.55	21,535	—	11	237,067	+ 45,912
Ayer Kuning	724,457a	1/0.34	60,000	+ 6,000	6	383,271	+ 106,349
Bagan Serai	417,000	1/1.82	37,500	+ 6,804	6	199,826	+ 47,112
Bah Lias	—	1/9.46	26,477	+ 16,812	8	165,126	+ 107,336
Bajoe Kidoel	250,986a	1/8.85	33,000	+ 40,017	3	96,000	+ 47,650
Bakap	375,000	—	18,600	+ 10,060	12	274,350	+ 62,800
Bambrakelly	235,000	1/4.96	17,966	+ 1,227	3	60,972	+ 19,488
Bandar Sum.	360,000	—	35,135	+ 6,069	11	358,863	+ 97,771
Bandjarsarie	250,000	1/2.48	21,838	+ 258	6	142,585	+ 16,205
Bandarapola	250,000	—	24,000	+ 7,300	6	120,000	+ 46,000
Bantardawa	300,000	—	32,240	+ 9,190	12	308,458	+ 71,209
Bantam	770,000	1/1.75	88,305	+ 10,747	12	854,681	+ 147,450
Banteng	388,750a	1/1.15	*29,520	+ 4,250	1	29,520	+ 4,250
Batak Rabbt.	292,000	1/1.99	36,000	+ 6,735	12	378,970	+ 119,793
Batang Mal.	400,000	1/3	26,400	+ 1,600	6	145,739	+ 24,179
Batu Caves	697,819a	1/9.13	78,578	+ 19,964	6	380,773	+ 84,960
" Matang	160,000	—	14,457	+ 349	12	164,989	+ 27,280
" Rata	420,000	1/1.50	40,000	+ 6,180	12	495,000	+ 126,280
" Tiga	—	1/0.25	65,500	—	6	38,000	+ 19,982
Be'ut'ri'Br'n'o	236,000a	1/5.75	16,000	+ 2,500	6	32,000	+ 4,500
Bekoh	420,000	1/2.8	48,900	+ 17,400	12	486,978	+ 187,263
Bentota	240,000	1/3.08	21,228	—	6	95,934	+ 8,226
Beranang	250,000	1/5.9	32,321	+ 5,052	12	294,168	+ 85,468
Bernam-Per'k	260,000	1/2.86	24,650	+ 1,450	12	280,700	+ 58,300
Bidor	419,500a	1/1.83	40,500	+ 6,700	3	118,500	+ 23,350
Bikam	420,000	1/3.62	31,350	+ 4,335	6	189,932	+ 4,368
Bode	273,000	1/5.22	20,800	+ 3,900	6	124,100	+ 40,662
Bradwall	480,000	1/5.58	33,057	+ 3,646	6	196,995	+ 44,980
Braunton	450,000	1/1.26	35,114	+ 1,986	9	325,971	+ 64,571
Brit Born Para	252,795a	1/1	14,500	+ 5,500	2	29,250	+ 10,750
British Malay	750,000	—	64,000	+ 41,941	12	601,389	+ 187,414
Broome	350,000	1/1.47	66,781	+ 22,391	12	610,310	+ 204,303
Bruas-Perak	111,000	1/6.57	32,266	+ 5,417	4	382,610	+ 113,114
Bukit Cloh	251,500a	1/10.39	8,710	+ 5,406	6	32,593	+ 22,505
" Ijok	340,000	1/1.57	14,500	+ 6,500	6	104,500	+ 4,500
" Kajang	800,000	—	25,000	+ 2,000	6	141,000	+ 8,000
" Lintang	300,000	1/1.12	79,730	+ 2,360	12	941,280	+ 201,280
" Mert'jm	932,000	1/0.74	22,500	+ 1,850	12	274,990	+ 4,131
" Pan'ng	525,000	1/0.45	64,923	+ 6,199	3	198,348	+ 34,348
" Rajah.	1,049,329a	1/11.83	37,400	+ 2,600	6	244,400	+ 25,400
" Sembah.	800,000	1/1.17	69,515	+ 8,317	3	183,211	+ 13,911
Carey United	340,000	—	67,503	+ 7,275	6	376,503	+ 54,700
Castlefield	555,000	—	28,557	+ 8,780	9	225,218	+ 73,939
Cent. Trav.	280,000	1/2.34	49,810	+ 8,238	12	571,342	+ 95,295
Ceylon Para	970,000	—	81,864	+ 11,203	6	81,864	+ 15,380
Ceylon T. & R.	—	1/4.31	88,096	+ 16,853	6	438,288	+ 92,850
Changkat-Sal.	925,000	1/0.47	18,773	+ 2,272	6	97,442	+ 9,282
Chemb Malay	440,000	1/1.37	83,000	+ 13,500	6	452,000	+ 19,000
Cheras	264,000	1/5.39	40,098	+ 5,680	6	207,730	+ 24,459
Chinese	750,000	1/0.58	264,000	+ 10,700	6	120,300	+ 52,216
Cherviot	610,000	1/3.24	62,999	+ 139	6	344,035	+ 34,476
Chimpul	222,641a	—	*49,330	+ 20,780	5	219,180	+ 97,810
Chota	230,000a	—	21,700	+ 5,869	3	65,240	+ 23,690
Cicely	364,495a	1/1.08	20,767	+ 4,243	6	109,474	+ 9,019
Cluny	265,000	1/2.54	34,265	+ 4,364	3	96,412	+ 12,196
Cons. Malay	906,550	—	22,859	+ 6,416	6	112,516	+ 11,614
Dalketh	475,000	1/4.78	83,359	+ 21,910	6	392,221	+ 38,674
Damansara	830,000	1/1.05	30,000	+ 2,500	6	173,500	+ 23,200
Dangan	225,000	1/2	74,343	+ 13,181	6	421,762	+ 54,215
Dennistown	656,000	—	25,756	+ 8,639	12	227,278	+ 43,470
Deviturai	340,000	1/1.90	*50,500	+ 2,400	5	235,864	+ 25,259
Dimbula	340,700a	1/10.36	23,810	+ 8,070	6	153,100	+ 20,390
Djasinga	407,000	1/7.39	25,500	+ 1,088	6	109,969	+ 23,751
Djember	250,000	—	44,000	+ 12,431	12	433,554	+ 193,403
Doranakande	215,000	1/4.47	21,000	+ 8,300	6	129,000	+ 48,700
Duff Develop.	400,400a	1/7.40	15,400	+ 2,676	6	79,200	+ 17,379
Dusun Durian	820,000	1/0.71	69,000	+ 17,000	6	304,650	+ 86,150
E. Ind. & Cey.	210,000	1/1.15	56,285	+ 630	5	362,108	+ 51,214
Edinburgh	465,000	1/9.14	16,220	+ 3,813	6	84,275	+ 11,727
Elphil	252,000	1/5.88	35,800	+ 4,200	6	268,300	+ 23,800
Emerald	377,700a	1/2	22,480	+ 54,347	6	55,666	+ 14,925
Eow Seng	185,000	—	45,200	+ 20,200	5	109,950	+ 81,555
Escot	245,000	1/2.34	*13,700	+ 490	5	67,315	+ 10,117
Fed. Malay S.	1,845,000a	1/9.50	23,600	+ 3,400	11	218,820	+ 21,784
Fed. Selangor	370,000	1/11.68	149,000	+ 1,000	1	1,000	+ 1,000
Galaha	143,500	—	31,916	+ 3,135	3	97,276	+ 17,521
Galang Besar	400,000	1/8.91	9,600	+ 1,055	6	38,863	+ 1,304
Gan Kee	160,000	—	*35,000	+ 1,250	11	411,750	+ 59,020
Garing	200,000	1/1.99	12,600	+ 601	12	170,136	+ 35,036
Gedong	229,000	1/1.75	17,953	+ 4,983	9	141,183	+ 26,653
Gen. Ceylon	1,012,000	1/1.27	23,658	+ 7,751	8	169,854	+ 58,414
Glen Bervie	275,000	—	83,130	+ 10,653	6	442,034	+ 86,725
Glendon	270,000	—	24,412	+ 1,102	9	193,185	+ 23,075
Glenshiel	458,500	1/2.18	18,767	+ 678	9	183,882	+ 17,802
Goldconda	594,000	1/11.36	45,500	+ 15,266	6	234,900	+ 72,502
Golden Hope	305,000	1/1.41	48,610	+ 2,085	6	311,569	+ 50,418
Grand Cent.	4,137,861a	1/0.72	26,549	+ 7,110	6	45,180	+ 37,711
Gula Kal'p'g.	1,370,000	1/1.2	359,937	+ 70,518	6	2,110,678	+ 517,742
Harpenden	568,000	1/11.49	110,816	+ 21,328	6	679,428	+ 166,960
Hayoep	520,000	—	51,850	+ 8,250	6	239,571	+ 18,671
Heawood	275,000	1/1.5	*43,879	+ 98	5	108,016	+ 7,371
Hewagang	646,200a	1/2.80	20,513	+ 2,243	6	116,410	+ 33,248
Hid. Streams	240,000	—	55,500	+ 8,800	6	241,200	+ 14,000
Highlands	1,353,000	1/0.01	20,500	+ 1,800	6	123,588	+ 23,088
Inch-Kenneth	437,580a	1/3.41	108,105	+ 1,814	6	646,940	+ 50,082
Insulind	268,000	—	41,320	+ 11,570	1	41,320	+ 11,570
Java Amal.	315,000a	—	*23,500	+ 5,470	11	234,510	+ 76,770
Java R & Prod	620,000	—	47,500	+ 6,500	6	335,800	+ 74,000
Jeram	265,622a	1/1.20	31,000	+ 5,780	6	186,300	+ 26,200
Johore Para.	200,000	1/2.14	37,400	+ 17,455	6	206,021	+ 89,882
" Rub. Lds	1,268,000	1/3.1	17,968	+ 6,745	3	49,431	+ 2,729
Jong Landor	659,000	—	16,930	+ 2,630	12	190,362	+ 23,262
Jugra Estate	378,613	1/0.60	108,163	+ 35,199	6	511,689	+ 186,647
Jugra Land.	1,133,888a	1/1.35	53,370	+ 6,721	12	659,670	+ 107,955
Kajang	263,709a	1/1.95	36,619	+ 4,792	3	92,603	+ 10,299
Kali Glagah.	192,200a	—	92,157	+ 15,582	2	167,340	+ 29,155
Kamp Kua't'n	360,000	1/2.07	33,600	+ 10,400	6	187,700	+ 98,575
Kamuning	810,000	1/1.49	16,000	+ 3,800	3	50,900	+ 7,500
Kapar Para.	954,000	1/0.91	30,500	+ 3,500	6	179,500	+ 12,000
Karak	220,000	—	*67,030	+ 2,350	11	841,610	+ 185,080
Kasintoe	400,000	1/8.56	74,646	+ 2,459	6	477,239	+ 141,536
			21,806	+ 3,806	6	117,920	+ 32,076
			66,000	+ 49,000	6	318,075	+ 200,360
Kawie Java	499,200a	—	51,565	+ 15,165	3	154,365	+ 27,065
Kepitigalla	640,000	—	47,758	+ 717	3	137,803	+ 2,238
Kepong	335,000	—	27,000	+ 1,000	6	147,500	+ 11,000
Kerala	250,000	—	25,271	+ 13,954	6	94,045	+ 40,749
Khota Tamp'n	202,000a	1/3.30	19,200	+ 3,200	5	80,500	+ 10,500
Killinghall	266,000	—	26,561	+ 6,965	12	305,359	+ 84,480
Kimanis	420,000	1/9.22	*28,000	+ 11,500	5	146,500	+ 67,700
Kinta Kellas	515,000a	1/2.81	43,780	+ 227	3	121,086	+ 9,394
Klabang	315,000	1/4.30	25,900	+ 7,454	6	151,142	+ 53,281
Klangan	505,125	1/1.02	36,000	+ 6,465	6	217,400	+ 28,379
Kombok	594,000	1/11.88	53,850	+ 9,300	6	287,360	+ 46,100
Kuala Klang	195,000	1/10.39	15,500	+ 320	9	150,852	+ 7,729
" Kubu	150,000	—	13,551	+ 2,102	12	158,950	+ 29,029
" Lumpur	1,600,000	1/0.64	156,420	+ 37,620	12	1,682,010	+ 272,780
" Nal	187,800a	1/2.36	22,500	+ 8,500	6	120,500	+ 40,000
" Pahi	200,000	—	20,000	+ 6,000	6	95,	

Taipei...	675,000	1/10.88	48,141	—	4,131	9	—	—
Tai Ayer ..	1,022,324	1/1.35	87,000	+	13,077	2	169,000	+ 25,363
Tamang ..	700,000	—	74,050	+	24,258	9	561,119	+ 176,626
Tangga Batu	180,000	1/3.59	14,243	+	3,802	6	87,979	+ 21,752
Tangkah ..	440,000	1/6	49,561	+	17,218	9	340,752	+ 71,946
Tanj. Malim.	1,100,000	1/2.97	107,910	+	34,050	12	1,227,600	+ 405,794
Tanjong ..	1,455,000	1/0.59	109,997	—	28,755	12	1,384,023	+ 177,073
Tangoe ..	290,000	1/5.67	22,330	—	1,870	12	284,286	+ 61,460
Tebrau ..	1,100,000	1/2.65	63,261	—	18,971	12	885,500	— 47,541
Teekoy ..	250,000	1/5.12	23,730	+	10,007	11	245,588	+ 52,630
Teloredojo ..	750,000	—	80,000	+	49,000	6	439,020	+ 282,644
TenomB'neio	690,000	1/1.98	44,600	—	1,700	6	278,100	+ 19,600
Third Mile ..	280,000	—	15,000	—	26,453	6	80,535	— 124,580
Tremelbye ..	550,000	1/0.80	51,000	—	6,000	12	682,000	+ 53,500
Trolak ..	280,000	1/2	28,180	+	3,450	9	250,439	+ 58,387
Ulu Rantau ..	250,000	1/1.16	25,956	+	3,649	11	133,860	+ 27,315
U. SuaBetong	900,000	1/1.15	81,963	+	17,057	11	444,641	+ 102,066
U. Serdang ..	3,265,000	1/0.60	251,427	+	7,597	10	2,745,236	+ 204,644
U. Sumatra ..	967,500	1/0.73	77,390	+	11,830	6	459,500	+ 90,970
U. Temiang ..	645,000	1/5.63	66,430	+	23,980	11	577,740	+ 236,480
Uva ..	189,833a	—	15,766	+	1,257	8	87,529	+ 188
Val d'Or ..	375,000	—	28,000	+	1,000	8	223,200	+ 49,151
Victoria ..	164,000	1/5.28	22,000	+	13,477	12	179,976	+ 108,965
Windsor ..	320,000	1/4.10	32,000	+	13,542	6	188,600	+ 73,856
Woodend ..	220,000	—	20,100	+	6,421	6	105,220	+ 38,197
Yam Seng ..	375,000	—	36,832	+	6,094	8	277,887	+ 53,424
Yatiantota ..	490,000	—	40,161	+	14,437	6	209,838	+ 54,981

a Last year's crop.

* For May, or previous month.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
		Rs.	Rs.		Rs.	Rs.
Assam Bengal ..	June 9	1,17,000	+ 2,465	†	12,16,000	— 60,236
Barsi ..	" 9	18,300	+ 4,000	†	1,83,900	— 12,700
Bengal & N.W. ..	" 9	4,61,390	+ 25,154	†	44,93,780	+ 3,18,881
Bengal Nagpur ..	" 2	10,64,000	+ 74,000	†	94,91,000	+ 3,13,161
Bombay, Baroda ..	July 21	13,09,000	+ 91,000	†	2,43,43,000	+ 1,26,600
Burma ..	June 17	25,463	+ 1,436	†	32,41,124	+ 29,134
Delhi Umballa ..	July 21	67,200	+ 12,052	†	12,34,100	+ 1,64,207
East Indian ..	" 21	19,78,000	+ 27,000	†	3,69,11,000	+ 9,29,000
Gt. Indian Penin. ..	" 14	18,69,100	+ 45,600	†	3,28,91,500	+ 20,89,326
Lucknow-Bareilly ..	June 9	45,713	+ 2,600	†	5,95,799	+ 5,601
Madras and S. ..	" 9	10,80,000	+ 19,201	†	1,06,23,000	— 28,027
Mahratta ..	" 2	1,22,958	+ 664	†	11,98,288	— 89,250
Nizam's Gd. (Broad) ..	" 2	81,947	+ 17,022	†	7,39,849	+ 16,386
" (Metre) ..	" 9	53,697	+ 6,018	†	4,92,068	+ 14,520
Rohilkund and ..	" 9	7,01,098	+ 43,439	†	67,34,900	+ 3,27,850
Kumaon ..	" 9	7,01,098	+ 43,439	†	67,34,900	+ 3,27,850
South Indian ..	" 9	7,01,098	+ 43,439	†	67,34,900	+ 3,27,850

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

		£	£	£	£	
Bristol	July 20	12,114	+ 1,523	†	299,526	+ 18,355
Dublin United ..	" 20	7,547	+ 513	†	186,861	+ 22,058
Hastings and Dist. ..	" 22	1,515	+ 249	†	31,264	+ 5,363
Isle of Thanet ..	" 21	376	— 149	†	11,832	— 446
Lancashire United..	" 19	2,512	+ 702	†	62,124	+ 12,255
Provincial	" 21	2,765	+ 67	†	91,774	+ 389
Yorks. (Wst. Rdng.)	" 22	2,250	+ 419	†	58,431	+ 9,287

* From Oct. 1.

† From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

		£	£	Ms.	£	£
Anglo-Argentine ..	July 22	48,949	— 780	*	1,488,797	+ 6,752
Auckland Electric ..	June 30	23,593	+ 1,888	a	282,604	+ 7,931
Brazilian Traction ..	May 3	4,289,000	+ 1,181,000	5	2,20,800,000	+ 1,128,000
Brisbane Elec. Inv. ..	June 3	32,475	+ 1,085	6	193,595	+ 755
British Columbia ..	May 3	72,739	+ 89,899	11	1,042,130	+ 244,747
B.A. Lacroze ..	June 3	38,020	+ 1,807	12	464,907	+ 25,457
Burmah Electric ..	May 17b	Rs. 24,906	+ Rs. 1,321	—	—	+ Rs. 27,698
Calcutta ..	July 21	Rs. 71,217	+ Rs. 1,863	—	Rs. 18,1967	+ Rs. 16,493
Cordoba Light ..	" 21	—	—	—	—	—
P. & T. ..	May 3	13,735	— 1,134	2	27,255	+ 1,546
Hongkong ..	" 12	123,323	— 15,115	6	250,293	+ 4,574
La Plata ..	June 6	3,852	+ 117	6	25,144	+ 781
Lima ..	June 6	16,843	+ 1,977	6	100,160	+ 5,662
Madras Electric ..	July 15	Rs. 36,083	+ Rs. 2,076	—	Rs. 444,499	+ Rs. 40,150
Mexico ..	Nov. 5	1,255,256	— 108,669	—	3,192,100	+ 197,227
Rangoon ..	June 3	4,813	+ 178	—	28,717	+ 1,039
Singapore Electric ..	May 25	13,175	+ 772	—	237,111	+ 16,064
Toronto ..	" 3	476,296	+ 18,422	5	2,343,762	+ 192,179
United of Monte V. ..	June 6	27,458	+ 2,158	8	242,700	+ 1,728
Vera Cruz ..	June 3	60,200	—	3	215,806	—
Winnipeg ..	May 3	64,145	— 39,132	5	336,233	— 156,704

b 28 days. * From Jan. 1. † Net. a From July 1. c Two weeks.

UNITED STATES OF AMERICA.

		\$	\$	\$	\$	
Chesapeake & Ohio	July 14	1,019,000	+ 80,000	†	27,806,000	+ 1,591,000
Chicago G.W.	" 7	291,000	+ 39,000	†	8,089,000	+ 405,000
Colorado & South'n	" 7	275,000	+ 25,000	†	8,734,000	+ 1,110,000
Denver & Rio Gran.	" 14	470,000	+ 8,000	†	14,284,000	+ 2,038,000
Louisv'e & Nashv'l	" 7	1,814,000	+ 278,000	†	37,532,000	+ 4,943,000
Minn. S.P. (Soo) ..	June 14	643,000	+ 3,000	†	13,896,000	+ 612,000
Missouri Kansas ..	July 14	781,000	+ 93,000	†	20,750,000	+ 3,639,000
Southern ..	" 14	2,070,000	+ 321,000	†	4,130,000	+ 578,000

† Includes Wisconsin Central. † From Jan. 1. † From June.

COLONIAL RAILWAYS.

		£		£		£		£
Beira	April *	55,042	+	2,908	7	476,973	+	18,275
Canadian Northern ..	July 21	886,900	+	85,200	†	2,626,900	+	83,100
Canadian Pacific ..	" 21	2,950,000	+	309,000	†	79,724,000	+	8,717,000
Gr. Trk. Main Line ..	" 21	228,826	+	46,032	†	5,637,255	+	751,959
Gr. Trk. Western ..	" 14	37,500	—	616	†	1,078,959	+	17,274
Detroit G. H. & M. ..	" 14	12,719	—	664	†	380,199	+	2,831
Gr Trk Pac Prairie Sc ..	" 21	20,593	+	3,487	†	69,433	+	21,432
Mashonaland ..	Apl. *	55,042	+	2,908	7	376,973	+	14,747
Mid. of Westn. Aus. ..	May *	6,428	—	513	9	84,036	+	870
New Cape Central ..	June 9	1,552	+	199	†	42,882	+	6,641
Rhodesia	April *	86,487	+	11,307	7	374,662	+	42,113

* Months. † Jan. 1. † Jan. 1. c From Oct. 1.

FOREIGN RAILWAYS.

			£	£		£	£
Alooy and Gandia ..	July 21	Pa.	12,000	—	Pa.	328,870	— Pa. 90,030
Antofagasta (Chili) ..	" 22		47,770	+ 16,195	†	1,141,360	+ 177,370
Arauco ..	May 31		11,000	+ 1,200	†	55,000	+ 11,800
Argentine N.E. ..	July 21		9,400	+ 3,200	†	27,200	+ 8,798
Bilbao R. and Canta ..	June *		1,908	+ 2,417	†	21,008	+ 3,769
Bolivar ..	" *		10,000	+ 3,684	†	122,250	+ 13,017
Brazil ..	May *	M3,869,000	—	M471,175	†	M19725000	+ M1853454
Brazil Gt. Southern ..	April *	Mis. 45,680	—	M10,280	†	M170,990	+ M29,600
B. Ayres & Pacific ..	July 21		73,000	— 7,000	†	219,000	+ 41,000
Do. Central ..	May *		25,929	— 22	†	268,840	+ 1,740
Do. Gt. South'n ..	July 22		92,000	— 12,000	†	273,705	+ 36,549
Do. Western ..	" 22		40,000	— 6,000	†	122,000	+ 23,000
Central Argentine ..	" 21		87,000	— 27,800	†	248,800	+ 92,100
C. Ur'g'ay of Mte V. ..	" 21		15,793	+ 5,077	†	47,483	+ 11,169
Do. East'n Ex. ..	" 21		4,741	+ 1,239	†	14,951	+ 1,753
Do. North'n Ex. ..	" 21		3,122	+ 1,368	†	9,229	+ 3,424
Do. West'n Ex. ..	" 21		1,227	— 382	†	3,691	+ 1,511
Cordoba Central ..	" 21		34,600	— 2,590	†	107,600	+ 10,030
Costa Rica ..	Mar. 3		4,939	— 1,996	†	185,662	+ 3,040
Cuban Central ..	July 21		12,639	+ 4,549	†	40,610	+ 10,704
Dorada Extension ..	May *		9,600	+ 1,700	†	45,700	+ 10,300
Egyptian Delta ..	June 30		4,792	— 192	†	50,183	+ 6,453
Entre Rios ..	July 21		12,600	+ 900	†	38,400	+ 1,300
French Sante Fé ..	Dec. *		81,752	— 1,139	†	1,080,727	+ 156,858
Gt. South. of Spain ..	July 14	Pa.	52,965	— Pa. 26,851	†	Pa. 574,716	+ Pa. 574,229
Gt. West. of Brazil ..	" 21		11,600	+ 4,300	†	356,950	+ 92,250
Havana Central ..	" 21		6,923	+ 1,198	†	20,213	+ 2,183
Inter. of C. Amer. ..	May 6*		31,028	— 3,895	†	177,234	+ 9,926
La Guaira and Car. ..	June *		7,250	—	†	50,250	+ 1,000
Leopoldina ..	July 21		30,190	+ 4,163	†	725,772	+ 121,708
Manila (N. & Sth.) ..	Apl. 6		10,389	+ 1,997	†	10,389	+ 1,997
Midland Uruguay ..	May *		12,766	+ 1,258	†	142,782	+ 128,588
Mogiana ..	April *	M1,476,000	—	M253,117	†	M5,386,000	— M17,162
N.W. of Uruguay ..	June *		26,000	+ 960	†	295,778	+ 26,900
Nitrate ..	July 15b		32,261	+ 1,252	†	415,020	+ 67,901
Paraguay Central ..	" 21		3,070	+ 50	†	7,920	+ 1,404
Paulista ..	April *	M1,880,000	+ M230,979	†	M7,721,000	+ M240,648	
Peruvian Corp'n ..	June *	S 965,420	+ S 35,920	†	S1128,092	+ S1364,595	
Salvador ..	July 7		19,550	+ 2,050	†	19,550	+ 2,050
S. Paulo (Brazilian) ..	July 15		21,721	— 7,705	†	629,803	+ 20,056
Sorocabana ..	May *	M1,497,000	+ M274,702	†	M7,819,000	+ M859,539	
Taital ..	June *		22,635	+ 1,492	†	234,090	+ 8,187
United of Havana ..	July 21		35,194	+ 5,394	†	107,709	+ 13,524
West'n of Havana ..	" 21		6,547	+ 559	†	20,992	+ 2,872
Zafra and Huelva ..	May *		11,544	+ 185	†	52,240	+ 5,518

* Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

MONTHLY STATEMENTS.</

THE INVESTMENT. 5% EXCHEQUER BONDS.



TENS OF THOUSANDS OF PEOPLE in the British Isles desire an investment where their money is absolutely secure and which will ultimately be paid back to them pound for pound in cash, while they get a dividend of 5% per annum. Such an opportunity is presented to them in

5% EXCHEQUER BONDS.

The Government *guarantees* to repay, pound for pound, in 1919 or 1922, as the investor prefers, any amount invested in 5% Exchequer Bonds, and further will pay interest every six months at the rate of 5% per annum on the amount invested. Could any investment be more secure, or worthy of respect? Should you, at any time, desire to realise the Bonds, a banker, or any member of the Stock Exchange, will arrange the matter for you, or if you buy it through the Post Office, the Post Office will do it for you.

TO HOLDERS OF FOREIGN SECURITIES.

HAVE you examined your List of Foreign Securities to see whether you can help your country by selling some of them and thus be able to invest in 5% Exchequer Bonds?

DEATH DUTIES.

HAVE you invested sufficient money in 5% Exchequer Bonds to enable your Executors to pay all the Death Duties in this security? If you hold 5% Exchequer Bonds there will be no need for them to sell out stocks at a loss because 5% Exchequer Bonds are accepted as the equivalent for cash in payment of Death Duties.

EXCHEQUER BONDS ARE ALSO ACCEPTED AS THE EQUIVALENT OF CASH IN PAYMENT OF EXCESS PROFITS TAX OR MUNITIONS LEVY.

If you have £5 to £50 to invest.

YOU can get a Bond for £5 or for £20 or for £50 from any Money Order Post Office, or from a Banker, or your Local War Savings Committee will see that you get what you want.

If you have £100 or over to invest.

GET a prospectus from any Stockbroker or Banker or send a cheque direct to the Bank of England. You can get either Bearer Bonds or Registered Bonds as your prefer. Interest on Registered Bonds is paid without deduction for Income Tax.

**THEREFORE BUY
5% EXCHEQUER BONDS
The Safest Investment in the World.**

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

ASSETS exceed £11,000,000.

FIRE (INCLUDING LOSS OF PROFITS), LIFE, ACCIDENT, ILLNESS, ANNUITIES, PENSIONS, LEASEHOLD, BURGLARY, CLASS BREAKAGE, TRANSIT OF SECURITIES, FIDELITY, PROPERTY OWNERS' LIABILITIES, HORSE DRIVING ACCIDENTS, MOTOR CAR RISKS, THIRD PARTY, EMPLOYERS' LIABILITY AND MARINE INSURANCES EFFECTED ON THE MOST FAVOURABLE TERMS.

Edinburgh: 35, St. Andrew Square.

London: 5, Walbrook, E.C. 4, and 5, Pall Mall, S.W. 1.

PHENIX ASSURANCE COMPANY LIMITED.

ESTABLISHED 1782.

Head Office: PHENIX HOUSE, KING WILLIAM STREET, LONDON, E.C. 4.

Total Assets Exceed **£17,000,000.**

Claims Paid Exceed **£98,000,000.**

Chairman—Rt. Hon. LORD GEORGE HAMILTON, P.C., G.C.S.I

FIRE. LIFE. ACCIDENT. MARINE.

Loss of Profits following Fire, Workmen's Compensation, Fidelity Guarantees, Burglary, Trustee and Executor, &c.

Prospectuses and Proposal Forms may be obtained on application to any of the Branch Offices or Agencies, or to the Head Offices.

General Manager SIR GERALD H. RYAN.

ROYAL EXCHANGE ASSURANCE.

Incorporated A.D. 1720.

Governor: Vivian Hugh Smith, Esq.

FIRE. LIFE. SEA. ACCIDENTS. MOTOR-CAR. PLATE GLASS. BURGLARY. ANNUITIES. FIDELITY GUARANTEES. EMPLOYERS' LIABILITY. LIVE STOCK. THIRD PARTY. LIFT, BOILER AND MACHINERY. TRUSTEE AND EXECUTOR BUSINESS.

Apply to The Secretary. } Head Office—ROYAL EXCHANGE, LONDON, E.C. 3

DON'T SELL YOUR VICTORY LOAN.

Write at once to The
Prudential Assurance Co.,
142, Holborn Bars, E.C. 1,
or to any of its Agents.

The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Nothing need be said about the Money market this week, because it is just where it was last week. The only distinct movements have been in the foreign exchanges, and naturally the fall in the Russian rouble has been the most prominent among them. It rose to 230 for the £10 sterling, and for a day or two looked as if it might go up still further. That is to say, as its value fell against gold the more roubles it took to buy the £1. Happily, the young Revolutionary Government in Petrograd, in accord with its loyal army commanders, seems to be gradually obtaining the whip hand of the disloyal, and as order is restored the rouble falls and grows more valuable against the gold. Yesterday it was down to 220, and we hope it will soon go much lower than that, for its rise in value would mean better order in Russia. European rates otherwise have been rather against us; that is to say, where we owe money the debt makes itself visible in the weak exchange; but nowhere is there a depreciation at all comparable to the rates quoted to the enemy. For Austrian money, indeed, there does not seem to be any valid quotation at

all. Both money and discount rates here have all the time remained unchanged as last week, and as in our table.

The Bank of England return showed a reduction of £64,000 in the stock of gold, and an increase of £219,000 in the active note circulation. Accordingly the reserve is £283,000 lower, and its proportion down ¼ per cent. to 18½ per cent. The changes otherwise are fully as insignificant. Government securities show the heaviest alteration, an increase of £2,640,000, and nearly all the money thus raised has gone on to the other deposits, but Government securities are £1,299,000 down and public deposits lower by £1,140,000, the one change balancing the other; that is to say, in appearance Government disbursements have been utilised to pay off loans at the Bank.

In reply to a question, the Financial Secretary to the Treasury handed out the following table setting forth the exchange value of what he called the "British sovereign," a coin not hitherto known in centres of exchange. He, of course, meant the pound sterling, but did not explain, probably did not know, that the pre-war "par of exchange" was not the same as it would be to-day under war conditions. The higher cost of freight and insurance would lower the par value; nevertheless the table, though very incomplete, is useful, and therefore we preserve it here:—

FOREIGN EXCHANGES ON LONDON.
(Sight Rates.)

In	Par.	July 15, 1914.	July 15, 1915.	July 15, 1916.	July 14, 1917.
New York	4.86½ to £1	4.8715	4.7645	4.7640	4.7565
Amsterdam	12.10½ guilden to £1	12.12½	11.92	11.48	11.54
Switzerland	25.22 fr to £1	25.18½	25.65	25.20	21.94½
Stockholm	18.16 kr to £1	18.24½	18.65	16.85	15.27½
Paris	25.22 fr to £1	25.18½	26.65	28.13	27.36½
Rome	25.22 lire to £1	25.27	29.22½	30.52½	34.38½

Italy is standing up financially to the strain put upon her by the war with remarkable vigour, and the Finance Minister, Signor Carcano, has been able to tell the Italian Parliament that the revenue for the year ended June 30 last had risen to £180,000,000, or to £52,200,000 more than the total for 1914-15. Unhappily, the war expenditure came to no less than £802,640,000, and the last 5 per cent. loan issued by the Government contributed only £280,000,000 towards this formidable outlay. Still, Italy has been able to finance the war, and, helped, as she has been, by credits lent to her by France and ourselves, helped, as she is being now, by the United States, her people may be confident that they can continue fighting until they reach the triumphant close. And the fine revenue raised in time of war is surely an excellent augury for Italy's ability to endure the strain when peace comes back. Peace will bring a great strain upon us all, but by standing loyally and unselfishly together we shall overcome.

Japan continues to redeem her external loans in a truly wonderful manner. Following closely on the cancellation of £500,000 of bonds which we mentioned last week, a further purchase of £282,860 of the bonds of the 4½ per cent. sterling loans of 1905 is announced by the London office of the Yokohama Specie Bank, as having been completed by them on behalf of the Imperial Japanese Government. Every bit paid off helps to finance the war.

Guatemala is doing remarkably well, and ought to get full credit for the courage, probity, and wisdom her present Government is displaying. The war has brought prosperity to the Republic, and the Government is not dissipating its money. Its revenue for the past year was about \$50,000,000 currency larger than for 1915, at a total of \$134,935,000 currency, the increase being due chiefly to larger Customs receipts. Of this handsome total there was a surplus of \$43,182,000 currency left, out of which the arrears on the civil and military lists were cleared off and £60,498 remitted to the Council of Foreign Bondholders to meet interest on the Guatemala loan. Moreover, all the paper money issued in 1898 has been withdrawn, and still the Government has money enough in hand to enable it to remit to the Council of Foreign Bondholders enough to pay the interest on the loan down to the middle of next year. That is a highly creditable record, and Guate-

mala has kept faith with her creditors ever since the settlement of 1913. It is, therefore, surely but reasonable to infer that, given continued prosperity, there would be no failure on the part of the Republic to meet all obligations with the scrupulous rectitude worthy of a people rising steadily in the scale of civilised nations.

SILVER.

A quiet week has been experienced in the Silver market, and there is nothing to talk about. A certain amount of buying came from the Continent and perhaps checked the fall in prices, but the market, on the whole, was calm enough.

The Indian currency return shows that a further increase has occurred in the silver holding:—

	July 22.	July 15.
	Lakhs of Rupees.	Lakhs of Rupees.
Notes in circulation	97.18	95.19
Reserve in silver coin and bullion	24.31	22.19
Do. gold coin and bullion (India) ..	6.98	7.11
Do. do. (England)	4.42	4.42
Do. securities (Government of India)	10.00	10.00
Do. (British Government)	51.47	51.47

Applications for the Rs. 1,20,00,000 India Council drafts offered on Wednesday amounted to Rs. 2,13,05,000. Of these, Rs. 1,11,72,000 were allotted in deferred transfers, and Rs. 8,28,000 in immediate transfers. Tenders for bills and deferred transfers at Rs. 4 5-32d. and for immediate transfers at Rs. 4½d. received about 56 per cent. The amount to be offered next Wednesday is again Rs. 1,20,00,000. Since April 1 the total sales have been Rs. 19,20,00,000, realising £12,934,455.

Messrs. Samuel Montagu and Co. state that gold to the value of \$4,111,000 has been engaged in New York for shipment, the bulk of which is reported for Spain, and that large amounts of gold are now passing to India from Japan. The total already exceeds £1,000,000, but the withdrawals from America for Japan during the last month or so have been much more than this. It will be remembered that in the spring considerable sales of gold were made in India on account of the Indian currency reserve. By the new enactment, the Indian Government has the power to acquire compulsorily imported gold on the basis of £3 17s. 10½d. per standard ounce (15 rupees to the sovereign), and will be in a position to resume sales should they be considered desirable, and to release the sovereigns acquired under the enactment above mentioned, or some portion thereof, to serve as a remittance for payment of crops in those districts where the circulation of sovereigns is preferred to that of rupees. This movement of gold from Japan may be taken as one of the factors which has enlarged the silver holding of the Indian Treasury.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, July 25, 1917.

ISSUE DEPARTMENT.

	£		£
Notes Issued	68,962,690	Government Debt	11,015,100
		Other Securities	7,434,900
		Gold Coin and Bullion	50,612,690
		Silver Bullion	—
	£68,962,690		£68,962,690

BANKING DEPARTMENT.

	£		£
Proprietors' Capital ..	14,553,000	Government Securities ..	48,127,661
Res	3,311,696	Other Securities	111,365,542
Public Deposits (including		Notes	29,226,320
Exchequer, Savings		Gold and Silver Coin ..	2,615,955
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	46,614,733		
Other Deposits	126,830,973		
Seven Day and other Bills	16,076		
	£191,335,478		£191,335,478

Dated July 26, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year.		July 18,	July 25,	Increase.	Decrease.
July 26.		1917.	1917.		
£	Liabilities.	£	£	£	£
3,370,613	Rest	3,241,724	3,311,696	69,972	—
52,989,880	Pub. Deposits ..	47,755,170	46,614,733	—	1,140,437
85,241,272	Other do. ..	124,711,196	126,830,973	2,118,777	—
33,407	7 Day Bills ..	16,591	16,076	—	515
	Assets.			Decrease.	Increase.
42,188,131	Gov. Securities ..	45,487,661	48,127,661	—	2,640,000
75,219,090	Other do. ..	112,664,895	111,365,542	1,299,353	—
38,780,981	Total Reserve ..	32,125,125	31,842,275	282,850	—
				3,780,952	3,780,952
				Increase.	Decrease.
£		£	£	£	£
36,045,030	Note Circulation	39,517,425	39,736,370	218,945	—
56,370,011	Coin and Bullion	53,192,550	53,128,045	—	63,905
28.0 p.c.	Proportion ..	18.6 p.c.	18.4 p.c.	—	.2 p.c.
6 "	Bank Rate ..	5 "	5 "	—	—

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,445,416,000	333,290,000	—
June	1,486,612,000	1,147,630,000	339,182,000	—
July	387,191,000	340,561,000	46,630,000	—
" 11	373,674,000	319,832,000	53,842,000	—
" 18	352,096,000	299,135,000	61,961,000	—
" 25	341,995,000	288,665,000	53,330,000	—
Total ..	10,961,660,000	8,576,748,000	2,973,577,000	—

CURRENCY NOTES.

Return of Currency Notes for the week ended July 25, 1917.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes	3,524,745	2,777,880	118,914,399
10s. notes	1,222,032	1,178,801	31,372,400
Note certificates	—	950,000	15,820,000
Previous total	6,682,377	4,917,597	—
	662,770,554	496,665,755	166,104,799

Ratio of gold held against notes, this week, 18.9 p.c.; last week, 19.06 p.c.

PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended July 21.)

REVENUE.	EXPENDITURE.
£	£
Customs	National Debt Service ..
Excise	Interest, etc., on War Debt
Estate, &c., Duties ..	Development & Road Improv
Stamps	Payments to Local Taxation
Land Tax and House Duty	Other Consolidated Fund
Property and Income Tax	Charges
Excess Profits Tax ..	Supply Services
Land Values	Bullion Advances
Post Office	For Advance for Interest
Crown Lands	on Exchequer Bonds under
Sundry Loans	Capital Expenditure
Miscellaneous	(Money) Act, 1904
Bullion advances repaid ..	For Treasury Bills
For Treasury Bills for Supply	For Exchequer Bonds issued
5% Exchequer Bonds, 1919 ..	under the War Loan Re-
5% Exchequer Bonds, 1922 ..	demption Act, 1916
6% Exchequer Bonds, 1920 ..	Expenditure
War Expenditure Certificates	under War Loan Act, 1916
War Savings Certificates ..	Other Debt under War Loan
4% War Loan, 1929-1942 ..	Acts, 1914-16
5% War Loan, 1929-1947 ..	For Exchequer Bonds under
Other Debts created under	Section 61 of Finance Act,
War Loan Act, 1915, and	1916
Finance Act, 1916	Under Telegraph (Money)
Telegraph Money Act, 1913	Act, 1913
Under Post Office Rly. Act,	Under Post Office (Lon-
1913	don) Railway Act, 1913 ..
Under Military Works Acts,	Under Military Works Acts
1897-1903	Under Housing Act, 1914 ..
Under Public Buildings ..	Public Buildings Expendi-
Under Housing Act	ture Act, 1903
Repayment of Advance for	Old Sinking Fund, 1907-8 ..
Interest on Exchequer	Old Sinking Fund, 1910-11 ..
Bonds, 1904	China Indemnity
China Indemnity	East African Protectorate
East African Protectorate	Loan repayment
Loan repayment	Suez Canal Drawn Shares ..
Suez Canal Drawn Shares ..	Temporary Advances repaid
Ways and Means Advances	Increase in Exchequer
Decrease in Exchequer	balances
balances	
£77,567,642	£77,567,642

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	July 21, 1917	July 14, 1917	July 7, 1917	July 22, 1916
	£	£	£	£
Loans	761,452,000	773,678,000	770,604,000	635,600,000
Reserve held in own Vaults ..	27,158,000	—	50,018,000	81,740,000
Reserve held in Fed. Res. Bk.	70,620,000	82,168,000	83,950,000	32,650,000
Cash in own Vaults	19,490,000	—	—	—
Reserve held in Other Depos.	13,146,000	12,682,000	11,322,000	10,560,000
Net Demand Deposits	701,550,000	724,892,000	696,930,000	622,820,000
Net Time Deposits	39,050,000	38,336,000	38,336,000	36,808,000
Circulation	5,972,000	5,944,000	5,934,000	6,298,000
Excess Lawful Reserve	17,030,000	21,258,000	48,262,000	20,772,000
Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.				

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	July 21, 1917.	July 14, 1917.	July 7, 1917.	July 22, 1916
	£	£	£	£
Loans	168,262,000	168,514,000	172,968,000	144,722,000
Specie	12,288,000	12,264,000	12,408,000	12,080,000
Deposits	169,934,000	169,264,000	172,558,000	151,466,000
Legal Tenders	1,978,000	2,032,000	2,136,000	1,830,000

BANK OF FRANCE (25 francs to the £).

	July 26, 1917.	July 19, 1917.	July 12, 1917.	July 27, 1916.
	£	£	£	£
Gold in hand	130,541,600	130,412,320	130,345,240	191,460,520
Silver in hand	10,448,700	10,490,400	10,490,400	13,581,800
Bills discounted	22,607,000	22,539,360	20,901,520	17,971,360
Advances	45,177,560	45,254,240	45,227,440	47,668,400
Note circulation	808,069,680	808,138,160	807,859,360	643,935,720
Public deposits	1,786,560	5,086,680	2,801,720	3,017,200
Private deposits	103,529,520	101,473,440	98,460,600	90,930,680
Foreign Bills	67,480	79,700	108,560	70,360

Proportion between bullion and circulation 27.52 per cent., against 27.50 per cent. last week. Advances to the State £48,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £21,100,800, decrease £20,320, and at the branches £26,257,920, decrease £35,320.

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	June 29, 1917.	June 22, 1917.	June 15, 1917.
	£	£	£
Gold coin and certificates ..	96,852,800	98,548,400	73,004,000
Gold Settlement Fund ..	69,169,000	53,582,000	44,394,000
Gold with foreign agencies ..	10,472,400	10,520,000	—
Total gold held by banks ..	176,494,200	162,650,400	117,398,000
Gold with Federal Res. Agent ..	80,538,600	78,153,000	91,988,400
Gold Redemption Fund ..	1,880,400	1,600,200	791,600
Total gold reserves ..	258,913,200	242,403,600	210,178,000
Legal tender notes, silver, &c. ..	7,968,000	7,136,000	4,903,600
Total reserves ..	266,881,200	249,539,600	215,081,600
Bills discounted—Members' ..	39,448,400	38,196,800	40,564,800
Bills bought in open market ..	40,454,000	48,860,600	32,905,000
Total bills on hand ..	79,902,400	87,057,400	73,469,800
U.S. Government long-term securities ..	7,285,200	7,285,400	7,280,000
U.S. Government short term securities ..	6,860,400	15,698,200	15,545,600
Municipal warrants ..	489,200	488,800	494,000
Loans on gold coin and bullion ..	4,370,000	—	—
Total earning assets ..	98,907,200	110,529,800	96,789,400
Due from other Federal Res. bank—nett. ..	289,600	512,200	1,128,400
Uncollected items ..	44,341,000	39,165,200	58,993,600
Total deductions from gross deposits ..	44,630,600	39,677,400	60,122,000
5% Red. Fund against Federal Res. bank notes ..	100,000	100,000	80,000
All other resources ..	159,800	81,600	127,000
Total resources ..	410,678,800	390,028,400	372,200,000
Capital paid in ..	11,435,200	11,434,200	11,434,200
Government deposits ..	60,193,200	99,161,400	52,516,200
Due to members—Reserve account ..	205,692,080	161,241,800	174,146,800
Members' bank deposits—nett. ..	20,905,400	27,516,200	35,284,800
Collection items ..	296,790,000	287,919,400	261,947,800
Total gross deposits ..	101,761,400	99,944,200	98,323,000
F.R. notes in actual circulation ..	186,800	155,200	72,400
F.R. bank notes in circulation—nett liability ..	594,800	475,400	422,600
All other liabilities, including foreign Government credits ..	410,678,800	390,028,400	372,200,000
Total liabilities ..	69.9%	65.5%	58.2%
Gold reserve against nett deposit liabilities ..	73.1%	68.4%	60.6%
Gold and lawful money reserve against nett deposit liabilities ..	81.0%	79.8%	94.4%
Gold reserve against F.R. notes in actual circulation ..	—	—	—

IMPERIAL BANK OF GERMANY (20 marks to the £).

	July 14, 1917.	July 7, 1917.	June 30, 1917.	July 15, 1916.
	£	£	£	£
Total Coin & Bullion ..	126,218,500	126,356,700	126,054,700	124,839,600
Treasury Notes ..	22,263,150	22,192,900	22,513,350	20,973,400
Bills discounted ..	521,681,200	524,866,550	548,123,650	320,836,250
Advances ..	466,550	506,850	438,400	647,750
Note circulation ..	432,031,100	435,854,900	434,937,000	346,981,650
Deposits ..	266,749,350	266,854,150	284,632,500	119,260,550

IMPERIAL BANK OF RUSSIA (10 roubles to the £).

	July 21, 1917.	July 14, 1917.	July 7, 1917.	July 21, 1916.
	£	£	£	£
Notes in reserve ..	14,980,000	15,960,000	15,380,000	11,180,000
Gold ..	147,870,000	148,140,000	148,050,000	154,740,000
Gold in reserve abroad ..	211,900,000	211,900,000	211,930,000	186,800,000
Loans and Discounts, including Treasury Bonds ..	1,258,090,000	1,118,220,000	1,210,700,000	376,220,000
Circulation note issue ..	1,332,820,000	1,305,530,000	1,272,120,000	675,310,000
Deposits, including Treasury deposits ..	315,900,000	307,280,000	298,690,000	21,000,000

SWISS NATIONAL BANK (25 francs to the £).

	July 15, 1917.	July 7, 1917.	June 30, 1917.	July 15, 1916.
	£	£	£	£
Gold and silver ..	15,697,568	15,675,254	15,702,608	13,306,268
Bills ..	8,038,100	7,739,048	8,043,720	6,940,956
Note circulation ..	20,622,040	21,161,652	21,606,336	16,575,284
Current and deposit accounts ..	5,091,676	4,468,676	4,115,868	6,051,740

BANK OF ITALY (25 lire to the £).

	June 20, 1917.	June 10, 1917.	May 31, 1917.	June 20, 1916.
	£	£	£	£
Total cash ..	39,517,960	39,482,080	40,866,280	45,121,040
Inland Bills ..	20,765,960	19,844,800	20,155,320	17,310,880
Foreign Bills ..	832,760	832,560	832,560	841,360
Advances ..	14,031,400	13,494,560	14,261,720	8,289,720
Government securities ..	8,809,040	8,796,680	8,793,400	8,559,160
Circulation ..	169,139,080	166,180,080	164,580,480	130,097,160
Deposits at notice ..	22,185,600	19,009,360	19,877,720	14,207,720
Current accounts ..	12,707,480	12,395,480	12,227,000	10,096,480

BANK OF SWEDEN.

	July 7, 1917.	June 30, 1917.	June 23, 1917.	July 8, 1916.
	£	£	£	£
Gold ..	11,259,000	11,261,000	11,262,000	9,227,000
Balance abroad and Foreign Bills ..	7,409,000	7,613,000	7,346,000	8,997,000
Swedish and Foreign Govt. Securities ..	5,025,000	5,064,000	5,057,000	4,458,000
Discounts and Loans ..	8,259,000	7,412,000	6,579,000	2,519,000
Notes in circulation ..	24,695,000	25,890,000	24,085,000	18,184,000
Deposits at notice ..	7,425,000	6,324,000	5,932,000	4,875,000

BANK OF SPAIN (25 pesetas to the £).

	July 14, 1917.	July 7, 1917.	June 30, 1917.	July 15, 1916.
	£	£	£	£
Gold ..	64,418,000	63,250,580	62,971,307	42,654,287
Silver ..	29,878,830	29,929,202	30,225,585	30,430,581
Foreign Bills ..	37,999,608	3,744,972	3,674,407	3,835,376
Discounts and Short Bills ..	30,940,611	31,417,051	30,098,044	23,630,059
Treasury Account, &c. ..	25,721,953	25,043,733	25,850,135	32,659,002
Notes in Circulation ..	101,960,412	101,061,966	99,097,889	88,057,131
Current Accounts, Deposits ..	32,312,151	31,934,371	31,515,598	31,915,696
Dividends, Interests, &c. ..	2,040,044	2,039,491	2,186,074	2,151,888
Government Securities ..	7,574,646	7,981,683	9,053,989	1,148,029

BANK OF NORWAY.

	July 7, 1917.	June 30, 1917.	June 22, 1917.	July 7, 1916.
	£	£	£	£
Gold ..	7,155,000	7,158,000	7,159,000	6,614,000
Balance abroad and Foreign Bills ..	4,834,000	4,284,000	4,168,000	5,429,000
Gov't Securities ..	705,000	706,000	706,000	761,000
Discounts & Loans ..	14,966,000	15,005,000	13,746,000	5,028,000
Notes in Circulation ..	16,618,000	16,281,000	15,536,000	12,323,000
Deposits at notice ..	7,332,000	7,853,000	7,492,000	3,207,000

NETHERLANDS BANK (12 Florins to the £).

	July 27, 1917.	July 14, 1917.	July 7, 1917.	July 22, 1916.
	£	£	£	£
Gold and Silver ..	52,377,581	52,620,250	52,746,583	49,303,100
Bills and Advances ..	11,988,583	11,586,250	11,332,166	10,384,583
Note circulation ..	63,592,416	64,162,833	64,447,006	54,298,416
Deposits ..	4,391,916	4,173,416	3,857,916	8,626,166

LONDON COURSE OF EXCHANGE.

Place.	Usance.	July 24, 1917.		July 26, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	11.50	11.54	11.50	11.53
	Three months' bills ..	11.65	11.70	11.65	11.70
Paris ..	Cable transfers ..	27.38	27.43	27.35	27.40
	Three months' bills ..	27.75	27.80	27.75	27.80
Marseilles ..	Three months' bills ..	27.75	27.80	27.75	27.80
Switzerland ..	Cable transfers ..	21.90	22.	21.68	21.78
	Three months' bills ..	22.25	22.35	22.	22.10
Petrograd ..	Cable transfers ..	224	229	218	221
Genoa, &c. ..	Cable transfers ..	34.27	34.37	34.33	34.43
Spain ..	Cable transfers ..	20.70	20.80	20.70	20.80
	Three months' bills ..	55 1/2	56 1/2	55 1/2	56 1/2
Lisbon and Oporto ..	Cable transfers ..	31 1/2	32 1/2	31 1/2	32 1/2
Copenhagen ..	Cable transfers ..	16.27	16.47	16.12	16.22
Christiania ..	Cable transfers ..	15.03	14.03	15.75	15.85
Stockholm ..	Cable transfers ..	15.55	14.95	14.75	14.85

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22 1/2	27.38	27.40
Amsterdam, cheques ..	Florins to £1 ..	12.107	11.52	11.52 1/2
Italy, sight ..	Lire to £1 ..	25.22 1/2	34.32 1/2	34.11 1/2
Madrid, sight ..	Pesetas to £1 ..	25.22 1/2	20.85	21.70 1/2
Lisbon, sight ..	Pence to milreis ..	533d.	313d.	313d.
Switzerland, sight ..	Francs to £1 ..	25.22 1/2	22.20	21.75
Christiania, sight ..	Kroner to £1 ..	18.159	15.94 1/2	15.67 1/2
Stockholm, sight ..	Kroner to £1 ..	18.159	15.09 1/2	14.70
Copenhagen, sight ..	Kroner to £1 ..	18.159	16.27 1/2	16.22 1/2
Petrograd, sight ..	Roubles to £10 ..	94.57	217	223
Alexandria, sight ..	Piastres to £1 ..	97 1/2	97 1/2	97 1/2
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4 3/4	1/4 3/4
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4 3/4	1/4 3/4
Hong Kong, T.T. ..	Sterling to dollar ..	—	2/7 1/2	2/7 1/2
Shanghai, T.T. ..	Sterling to tael ..	—	3/10 1/2	3/10 1/2
Singapore, T.T. ..	Sterling to dollar ..	—	2/4 3/4	2/4 3/4
Yokohama, T.T. ..	Sterling to yen ..	24.58d.	2/11 1/2	2/11 1/2
New York, cable ..	Dollars to £1 ..	4.86 1/2	4.76 1/2	4.76 1/2
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	50 1/2	49 1/2
Valparaiso, 90 days ..	Pence to peso ..	—	128d.	128 1/2
Montevideo, T.T. ..	Pence to dollar ..	51d.	54 1/2	54 1/2
Rio de Janeiro, 90 days ..	Pence to milreis ..	—	134d.	134 1/2

OPEN MARKET DISCOUNT. Last week. This week

	Per cent.	Per cent.
Thirty and sixty day remitted ..	4 1/2	4 1/2
Three months ..	4 1/2	4 1/2
Four months ..	4 1/2	4 1/2
Six months ..	4 1/2	4 1/2
Three months fine inland bills ..	5 1/2	5 1/2
Four months ..	5 1/2	5 1/2
Six months ..	5 1/2	5 1/2

BANK AND DEPOSIT RATES. Last week. This week

	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
" " short loan rates ..	—	—
Bankers' rate on deposits ..	4	4
Bill brokers' deposit rate (call) ..	4 1/2	4 1/2
" 7 and 14 days' notice ..	4 1/2	4 1/2
Current rates for 7 day loans ..	3 1/4	3 1/4
" for call loans ..	3 1/4	3 1/4

The Standard Bank of South Africa, Ltd., announce that their agencies at Newtown, Johannesburg, and Brakpan, Benoni, have been converted into full branches as from the 1st inst.

The directors of Dalgety and Co., Ltd., announce that Mr. A. P. Blake has resigned his seat on the board in consequence of ill-health, and the Hon. Sir Arthur Lawley, K.C.M.G., has been elected to the position.

The Week's Stock Markets.

Market nerves have been rather on edge this week, mainly owing to the sad exhibition made by a portion of the Russian army in Galicia. The situation is un-

	Last Week	This Week		Last Week	This Week
Consols.....	56	55½	N.S.W. 4½% 5 yr. bds.....	98	98½
War Loan 3½%.....	87½	87½	" 4½% 1922-7.....	91	91
" 4½%.....	94½	94½	" 5% 1921-3.....	96	96
" 5% 1920-47.....	94½	94½	" 5½% 1920-2.....	98½	98½
" 4% 1920-47.....	101	102½	New Zealand 4% 1920.....	86	86
India 3%.....	57½	57	Queensland 4%.....	80	80
" 3½%.....	67½	67	" 4½% 1920-5.....	93	93
Australian 5½% 1920-22.....	99½	99½	Union of S. Africa 4½%.....	92	92
Canada 4% 1940-60.....	81	81½	1920-5.....	92	92
" 4½% 1920-5.....	93½	93½	Victoria 4½% 1920-3.....	93	93
N.S.W. 4% 1933.....	82½	82½	Westn. Aus. 4%.....	80½	80½
Argentine 4% 1900.....	65	65	French War Loan, 5%.....	81½	80½
Belgian 3%.....	63	62	Japan 4½% (1st), 1905.....	96½	96½
Brazil, 1913.....	72	70½	" 5% 1907.....	93½	93½
" 5% 1914.....	84	80½	Mexican 5% 1899.....	58	58
Chinese 1896.....	93	93	Russia 4%.....	58½	56
" 1912.....	77½	77½	" 4½%.....	65	63
Egypt Unified 4%.....	84	84	" 5% 1906.....	77	73½
Caledonian defd.....	8½	8½	London and N.-W.....	96½	95
Gt. Central pta.....	14½	13½	London and S.-W. dfd.....	23½	22½
" dfd.....	7½	6½	Do red. pt. 1914.....	95½	95½
Gt. Eastern.....	36½	36½	Metropolitan.....	23½	23½
Gt. Northern dfd.....	37½	36½	Do. 5% pf.....	90	90
Gt. Western.....	89½	88½	Met. District.....	16	15½
Lancs. and Yorks.....	66½	66	Midland dfd.....	59½	58½
London Brighton dfd.....	58½	58½	Nth. British dfd.....	14	13½
London Chatham ord.....	8½	8½	Nth.-Eastern.....	101	100½
			Sth.-Eastern dfd.....	27½	27
Canadian Pacific.....	179	179½	Erie.....	29	28½
E. Indian Guar. 4½% debts.....	86	86	Milwaukee.....	86½	86½
Grand Trunk ord.....	10	9½	N. Y. Central.....	100½	100½
Do. 1st pf.....	65½	65	Southern.....	29½	28½
Do. 3rd pf.....	24½	24½	Southern Pacific.....	97½	97½
Atchison.....	107½	107½	Union Pacific.....	142½	142½
Baltimore.....	79½	79½	U. S. Steel.....	116½	116½
Chesapeake.....	64	63			
Antofagasta dfd.....	127½	127	Cent. Argentine ord.....	65	64
Brazil Common.....	5½	5½	Leopoldina.....	39½	37½
B. A. & Pacific.....	42	41	Mexican ord.....	18	17
B. A. Gt. Southern.....	80	78	San Paulo (Brazilian).....	191	189
B. A. Western.....	77½	77	United of Havana.....	82	81
Anglo-South American.....	68	68	London & S.W.....	12½	12½
Bank of Australasia.....	116	118	London City & Midland.....	78½	78
Bank of N.S. Wales.....	34½	34½	London County & West.....	142½	142½
Barclay & Co. "A".....	72	78	London Joint Stock.....	22½	22½
Do. "B".....	11½	11½	Nat. Prov. of Eng. (£10 pd).....	27½	27
Capital & Counties.....	23½	23	Do. (£12 pd).....	31½	31
Chartered of India.....	62½	62½	Parr's.....	30	30
Hongkong & Shanghai.....	81½	82	Standard of S.A.....	10½	10½
Lloyds.....	24	24½	Union Discount.....	102½	102
London & Provincial.....	15½	15	Union & Smiths.....	23½	23½
London & Brazilian.....	22½	23½			
Armstrong, Whitworth.....	40½	40½	Kynochs.....	33½	32½
Birmingham Small Arms.....	48½	48½	Mond Nickel ord.....	3½	3½
Cammell-Laird.....	68	68	South Durham Steel.....	34½	34½
Cargo Fleet.....	22½	22½	Thornycroft.....	36½	36½
Dorman, Long.....	38½	37½	Vickers.....	39½	39½
Associated Cement.....	3½	3½	Fine Cotton Spinners.....	30½	29½
Borax dfd.....	36½	37	Forestral Land.....	45½	45½
Bovril.....	19½	19	Furness, Withy.....	49½	49½
Brazil Traction.....	51½	49	Harrods Stores.....	21½	21½
British Amer. Tobacco.....	18½	18½	Hudson's Bay.....	7½	7½
British Aluminium.....	29½	30	Imperial Tobacco 'C' pf.....	34½	34½
British Oil & Cake.....	29½	30	Lever Bros. 'C' pf.....	19½	19½
Brunner, Mond.....	42½	42½	Lyons, J.....	34½	34½
Castner-Kellner.....	3½	3½	Marconi.....	37½	37½
Coats.....	68	68	Maypole Dairy dfd.....	22½	23½
Courtaulds.....	78	77½	National Steam Car.....	19½	19½
Cunard.....	4	4½	Pears, A. & F.....	18½	18½
Dennis Bros.....	33½	34½	P. & O. dfd.....	330½	332½
Eastern Telegraph.....	141½	141½	Royal Mail.....	117½	115½
Eastmans.....	6½	7	Underground Inc. Bds.....	84	80
English Sewing Cotton.....	50½	51			
Anglo-Egyptian "B".....	14½	14½	North Caucasian.....	25½	25½
Baku (10s).....	2½	2½	Roumanian Cons.....	11½	11½
Burmah.....	58½	6	Royal Dutch (100 gulden).....	46	46
Lobitos.....	22	22½	Shell.....	58½	58½
Maikop Pipeline.....	3½	3½	Spies (10/-).....	12½	12½
Mexican Eagle pf.....	60½	60½	Ural Caspian.....	12	12½
Anglo-Java Rub. (2/-).....	7½	7½	Merlimau 2/-.....	6½	6½
Anglo-Malay 2/-.....	14½	14½	Pataling 2/-.....	41½	42½
Ayer Kuning £1.....	50½	52	Port Dickson 2/-.....	4½	4½
Bukit Mertajam 2/-.....	41½	41½	Rubber Trust £1.....	28½	28½
Bukit Sembawang 2/-.....	34½	34½	Sapumakande £1.....	26½	26½
Carey United £1.....	47½	48½	Selangor.....	33½	34½
Chersonese.....	3½	3½	Sialang £1.....	78½	78½
Gula Kalumpung £1.....	37½	37½	Singapore Para 2/-.....	4½	4½
Highlands £1.....	58½	58½	Singapore United 2/-.....	3½	3½
Java Para £1.....	35½	35½	Taipung 2/-.....	4½	4½
Johore Rubber Lands £1.....	37½	37½	Tanjong £1.....	90½	90½
Langen Java £1.....	48½	48½	Tanjong Malim £1.....	34½	34½
Linggi 2/-.....	28½	28½	Tebrau £1.....	71½	71½
London Asiatic 2/-.....	37½	37½	United Serdang 2/-.....	11½	11½
Malacca £1.....	52	52	Vallambrosa 2/-.....	24½	25½
Malayalam £1.....	37½	38½			
Abbottakoon (10/-).....	4½	4½	Gt. Boulder (2/-).....	11½	11½
Beechuanaland Exp.....	5½	5½	Kyshtim.....	2½	2½
Brakpan.....	5½	5½	Mashonaland Agency.....	4½	4½
Broken Hill Prop. (8/-).....	47½	48½	Meyer & Charlton.....	5½	5½
Cam & Motor.....	8½	8½	Modder "B".....	7½	7½
Central Mining (£12).....	6½	6½	Do. Deep.....	7½	7½
Chartered.....	13½	13½	Mysore.....	3½	3½
City Deep.....	48	48	Rand Mines (5/-).....	38	38
Cons. Gold Fields.....	18½	18½	Rio Tinto (£5).....	6½	6½
Cons. Langlaagte.....	23½	24	Russo-Asiatic.....	4½	4½
Crown Mines (10/-).....	28	28	Spring Mines.....	3½	3½
De Beers dfd. (£2 10s).....	13½	13½	Tanganyika.....	3½	3½
East Rand.....	6½	7	Tanallyk.....	11½	11½
Geduld.....	40½	40½	Van Kyn Deep.....	38½	38½
Gov. Areas Mod.....	62½	61½			

* Treasury prices.

shortly bring about an improvement. Another disturbing factor was the large vote of credit which had to be obtained in the House of Commons, pointing to another loan as soon as the last one has been a bit better digested. This helped the 4½ per cent. Loan, which has still valuable conversion rights, and talk of the income-tax having to be put up 2s. or 3s. gave an impetus to purchasers of the 4 per cent. tax compounded Loan, but otherwise gilt-edged securities were inclined to sag. The persistent decline in the Brazilian exchange on the eve of the resumption of interest payments created a rather unfavourable impression, but it is permissible to hope that the weakness is merely temporary. Home Railways were not affected appreciably by the dividend announcements, which, so far, merely repeat last year's distributions. No changes, however, were anticipated, and prices are not likely to alter much until the dividends are deducted. Business generally has been of a languorous character suggestive of the dog days, and there is little hope of any material improvement in the near future in the absence of any strikingly favourable developments.

All the week business has been at such a low ebb that we might already be in the midst of the regular holiday season. Of course, dealings have been restricted by the uncertain military outlook, caused by the defection of Russian troops, and the way our own war debt is piling up has also been a restraining influence. Consols have been inclined to give way, but the 4½ per cent. War Loan was bought in connection with prospective conversion rights, and timid people have been picking up the tax-free 4 per cent. Loan in case there has to be a further increase in the income-tax. Colonial issues met with a fair amount of support, and many of them have gained a good fraction. In the foreign section Russians gave way rather sharply on the terribly awkward problems the new Government have to face, and a rally in the value of the rouble did not afford any appreciable comfort. Brazilians were depressed by the fall in the exchange, which it was hoped would not be maintained in view of the resumption of specie payments, but the losses were not serious. Cuban Ports rallied sharply on hopes of a settlement of the dispute with the Government. Japanese securities were firm on the further purchase by the Government for redemption purposes, and Chinese were steady, but the list generally was not very bright.

Home Railways have been perfectly indifferent to the dividend announcements, which merely duplicated last year's results. Nothing better was expected, and the market was perfectly satisfied, but there was an entire lack of public interest, and towards the close prices tended to ease off a fraction. American Rails moved within very narrow limits, but the tone generally was dull. Canadian Pacifics and Grand Trunks were fairly steady, while Mexicans gave way a little. Argentines opened weak, but showed up to more advantage towards the end. Brazilians were dull, and the rest of the list was almost neglected.

Bank shares were steady, and Breweries received a fair amount of support, Watney Combes being particularly prominent. Iron and Steel things were firm as a rule, but there was very little doing, and any offer of shares led to the price being marked down, but the gains exceeded the declines. Land shares were firm without much change, and the same may be said of the Textile group, while the Miscellaneous Industrial section showed up to fair advantage. Buyers were in the ascendant, and sellers could generally get an extra fraction if they stood out.

Oil shares were rather dull at one time, but afterwards hardened up a little. Royal Dutch improved on the report, and Shells and Mexican Eagles also improved, but Burmahs and a few others were heavy. A fairish amount of business came to the Rubber market, and prices generally were good, but they weakened slightly on the reaction in the commodity.

LONDON PRODUCE MARKETS.

SUGAR.—Offers during the week were readily absorbed at prices fixed by the Government. Total production in Cuba to the 6th inst. amounts to 2,749,200 tons, against 2,859,700 last season.

COFFEE.—There was more tone about this market, and moderate supplies catalogued in auction were mostly disposed at full rates. East India imports, however, experienced a dull sale. The market for future delivery remained in the dull and inactive state.

COCOA.—Of 5,160 bags brought to auction, no less than 4,600 bags consisted of Colonial descriptions. Cameroon and St. Thomé engaged fair support at full rates, but otherwise a quiet tone governed proceedings. Cameroon, good to fine, sold, 77s. to 78s.

TEA.—During the week 11,356 packages Indian offered met a good demand at full prices for all broken kinds, but common leaf grades sold rather quietly at not up to maximum rates in several cases. 14,000 packages Ceylon ruled strong for the better descriptions, though A and B grades disclosed some irregularity.

SPICE.—Pepper market ruled quietly steady. Singapore black, June-August, sold, 10½d.; and Muntok, ditto, 1s. 0½d., c.f. and i.

doubtfully disturbing, but the darkest hour often precedes the dawn, and we may hope that the vigorous measures taken by M. Kerensky's Government will

Cloves quiet. Fair Zanzibar, on spot, sold, 1s. 2½d. per lb. Tapioca nominal in absence of business. Fair flake, on spot, sellers, 6d. per lb.

RICE.—There was a steady trade in force at previous rates. A moderate inquiry existed for Rangoon beans. Peas unchanged.

HEMP.—New Zealand market firmer, and sales resulted in fair, July-September, at £92 10s., closing £89 value; common, shipment as soon as possible, £86 10s., sellers.

SHELLAC dealer, with a better demand. T.N., August, sold, 217s. to 222s.; October, 222s. to 225s.

QUININE.—Usual Continental brands quoted 2s. 10d. per oz.

RUBBER.—After ruling firm and dealer, became irregular and weaker. Plantation, spot, crepe, sold, 2s. 7d. to 2s. 7½d. and

CURRENT PRICES OF CHIEF ARTICLES. WEEK ENDING JULY 27, 1917.

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt., duty 14½, 98% polarisation	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'sabr'd	nom.	nom.
Lytle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granulated, first mark	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	New Zealand	nom.	nom.
German Cubes, o.b.	nom.	nom.	(scoured) Merino	nom.	nom.
French Cubes	nom.	nom.	Greasy Crossbred	nom.	nom.
prompt	nom.	nom.	Cape snow white	nom.	nom.
Crystallised, West	nom.	nom.	Indiarubber p. 11		
India ..	nom.	nom.	Plantation, Spot		
Beet, 88% f.o.b.	nom.	nom.	Crepe ..	0 2 7½	0 2 6½
Tea —p. 1 lb., duty 1½ lb.	s. d. s. d.	s. d. s. d.	Coal —per ton		
Indian Pekoe ..	1 0-1 6	1 0-1 6	Durham, best ..	nom.	nom.
Broken ..	1 0-1 6	1 0-1 6	Seconds ..	nom.	nom.
Orange ..	1 0-1 11	1 0-1 11	East Hartlepool ..	nom.	nom.
Broken ..	1 3-2 6½	1 3-2 0½	Seconds ..	nom.	nom.
Pekoe Souchong ..	1 0-1 3	1 0-1 3	Steamers, best ..	30 0	30 0
Ceylon Pekoe ..	1½ 1 5½	1 0-1 3	Seconds ..	27 0	27 0
Broken ..	1 0-1 7½	1 0-1 10	Lead —per ton.	£ s. d.	£ s. d.
Orange ..	1½ 1 3	0 11-1 3	English Pig ..	nom.	nom.
Broken ..	1 3-1 10½	1 3-1 10½	Foreign soft ..	£30½-£29½	£30½-29½
Pekoe Souchong ..	11-1 0	11½ 1 0	Quicksilver —per bottle firsthand	nom.	nom.
Cocoa —per cwt., duty 6d. per lb.	s. s.	s. s.	Tin —per ton		
Trinidad—per cwt.	82 0-87	82 0-87 0	English Ingots ..	£244-245	£245-248
Grenada ..	56 0-81	66 0-81 6	Do. bars ..	£245-246	£247-249
West Africa ..	55 0-65	55 0-65 0	Standard cash ..	£240-240½	£243½-243½
Ceylon Plantation	70 0-90	70 0-85 0	Tin Plates, per box	nom.	nom.
Guayaquil Arriba ..	92 0-98	92 0-98 0	Copper —per ton.		
Coffee —per cwt., duty 42½ per cwt.			English, Tough	nom.	nom.
East India ..	75 103 0	75 0-113 0	per ton ..	nom.	nom.
Jamaica ..	66-120 0	66 0-120 0	Best Selected ..	£140-£136	£135-131
Costa Rica ..	75-100 0	75 0-100 0	Sheets ..	£165	£160
Provisions —			Standard ..	£130-130½	£125-125½
Butter, per cwt.			Jute —per ton.		
Australian finest	194/-198/-	194/-198/-	Native firsts for shipment	nom.	nom.
Irish Creameries	198/-201/-	198/-201/-	Oils —		
Dutch ditto ..	180/-194/-	196/-204/-	Linseed, per ton ..	£58-£63	£58-£63
Russian finest	nom.	nom.	Rape, refined ..	£71	£71
Normandy basket	nom.	nom.	" crude ..	£66	£66
Danish finest	218/-220/-	220/-222/-	Cott'n Seed, crude	£60	£60
Brittany rolls ..	20/6-22/-	21/6-23/-	Ditto, refined ..	£67-£95	£67-£95
Saicon —per cwt.			Petroleum Oil, per 8 lbs.	1/3½	1/3½
Irish ..	145/-147/-	145/-147/-	Water White ..	1/4½	1/4½
Continental ..	140/-147/-	140/-147/-	Oil Seeds, Linseed	—	—
Canadian ..	143/-145/-	143/-145/-	Calcutta—per ton		
American ..	138/-145/-	138/-145/-	Rape ..	30 0 0	30 0 0
Hams —per cwt.			Iron —per ton		
Irish ..	154/-	148/-154/-	Cleveland Cash ..	nom.	nom.
Canadian ..	130/-	143/-145/-	Tobacco —duty, unmanufactured		
American ..	110/-130/-	110/-135/-	7/4 to 8/0 per lb.		
Cheese —per cwt.			Maryland & Ohio ..	nom.	nom.
Dutch ..	104/-120/-	106/-120/-	per lb. bond ..	nom.	nom.
Canadian ..	nom.	nom.	Virginaleat ..	0 8-2 1	0 8-2 1
English Cheddar	132/-	132/-	Kentucky leaf ..	0 7-0 11	0 7-0 11
Wilt's loaf ..	nom.	nom.	Latakia ..	2 0-5 0	2 0-5 0
New Zealand ..	nom.	nom.	Havana ..	1 6-6 6	1 6-6 6
Rice —per cwt.	s. d. s. d.	s. d. s. d.	Manila ..	nom.	nom.
Japan ..	29 6	29 6	Cigars, duty 10/6	2/ upds.	2/ upds.
Rangoon 2 stars ..	26 3	26 3	per lb. ..		
Eggs —per 120.			Timber —Wood.		
English ..	25 6-26 6	25 6-26 6	Pitch Pine ..	300/-400/-	300/-400/-
Irish ..	25 0-26 6	24 6-26 0	Indian Teak ..	380/-700/-	380/-700/-
Danish ..	24 0-26 0	23 0-25 6	Turpentine —		
Spelter —			American Spot ..	2 15 6	2 16 0
G.O.B. as to position ..	£54-£50	£54-£50	Copra —per ton	46 0 0	46 0 0
Flour —per sack.					
G. R. ..	—	—			
American	nom.	nom.			

2s. 7d.; October-December, 2s. 8d. to 2s. 9½d. and 2s. 8d. Smoked ribbed sheet, spot, sold, 2s. 6½d. to 2s. 7½d. and 2s. 6½d. Fine hard Para, spot, 3s. 2½d. to 3s. 3½d. paid.

COPRA fully steady in value at recent level, but trade quiet. F.M.S., Singapore, July-August, buyers, £45 15s.; and F.M., Straits, £45 5s.

TALLOW sales passed off with a good demand; the lower grades being 1s. to 2s. dearer, but fine sorts were less in request, and realised late rates.

CORN (Mark Lane).—The tendency of this market has continued quiet, but with a steady tone, price changes being slight. Home-grown wheat remains at 74s. to 78s. per qr., 480 lbs. Of imported descriptions, No. 3 Northern Manitoba, 84s. 3d.; No. 4, 81s. 3d.; and No. 5, 77s. 3d., ex ship. Canadian feed, 71s., 400 lbs. Flour:

Imported sorts remain purely nominal at present. Country straight runs, 59s. to 61s. per sack, ex mill, according to quality. Barley: Californian brewing, 83s. 6d., ex ship. Maize: Flat white South African, 83s. 6d.; and yellow round corn, 79s. to 80s., both quay terms. Oats: American white chipped, No. 2, 63s.; Canadian Western No. 2, 64s. 6d., landed.

Answers to Correspondents.

* * A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.

Deposits against future queries may be lodged with the Publisher.

K. D.—If you are prepared to wait, there should be a reasonable prospect of improvement in capital value—not to the old pre-war levels, but certainly well above present prices. Traffics are at present poor for various causes—some climatic, some through the war. (1) is the strongest of those you have; the preference is safe for its interest, and the ordinary might be added to. (2) is also fairly strong, but has suffered more from crop failures. (3) has still a long way to travel before fair dividends can be comfortably paid. (4) Working costs increased by war chief source of trouble, but the debenture interest should be safe. They look cheap at present prices.

C. D. W.—We do not think there is any cause for alarm, though there is not much hope of recovery in dividend or price until the war ends. Working costs must remain heavy while the struggle lasts.

Dart.—It is the first dividend paid out of earnings. The shares are speculative, but the company certainly seems to have turned the corner.

R. E. T.—Leave them all alone. Never follow tips advertised.

J. J. L. P.—Receipts have improved, but working costs are heavy; abnormally so. If you can afford to hold on, we think you should do so. The question of arrears will have to be dealt with some day; probably some compromise will be offered. See note in this issue.

Candid.—(1) On the dividend the price is very high, but the company has a big accumulation of profits, and a bonus is possible. You might wait. (2) Is doing wonderfully well, and prices may go higher. You might consider selling if reach 40s.

L. G. B.—The rate of exchange is the principal cause. We think you should sell.

New Zealand.

A Wealthy Country, Splendid Climate, Fertile Soil, Plenty of Water.

An Ideal Country for the farmer, the percentage of grain and lambs being phenomenally high.

New Zealand, a country as large as the United Kingdom, with but a million population, has an annual export of raw products exceeding Twenty Million Pounds sterling.

New Zealand is rich in COAL, IRON, TIMBER, GUM, GOLD AND SILVER. Total yield of Minerals, over One Hundred and Twenty Million Pounds.

Over Eighteen Million Pounds have been advanced by Government to Farmers and Workers for Improvements and Buildings at a low rate of interest.

The Railways, 3,000 miles, Telegraphs and Telephones, 124,000 miles, are owned and operated by the State.

New Zealand has the highest wealth-rate and the lowest death-rate in the World.

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Excellent Steamship Services are run direct to New Zealand by the Shaw Savill and Albion Company, Limited, New Zealand Shipping Company, Limited, and the Federal and Shire Lines.

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THE HIGH COMMISSIONER FOR NEW ZEALAND,

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Letters to the Editor.

MR. WINSTON CHURCHILL ON DEMOCRACY.

DEAR SIR,—Mr. Winston Churchill, in his speech in Dundee last night, is reported to have shown how Democracy is now fighting Autocracy, and to have made the statement:—"All the countries whose Governments owned the people as if they were a kind of cattle were on one side, and all the countries where the people owned the Governments which were controlled by free citizens acting through Parliamentary institutions and based on popular election were on the other. That was a tremendous fact."

It is "a tremendous fact" that your merchant readers are not "free citizens," and are dis-owned by the Government as if they were a kind of cattle."

Yours faithfully,

BRITISH MERCHANT.

London, E.C. 3, July 24, 1917.

Insurance News.

The Licenses Insurance Corporation has drawn up a capital reorganisation scheme, the effect of which is to convert the founders' shares into preference shares. At present the capital consists of 41,042 ordinary shares of £10 each, on which £5 is paid up, and 364 founders' fully-paid shares of £10 each. The former are entitled to receive a cumulative dividend of 8 per cent. per annum, after payment of which the balance of profits remaining is divisible equally between ordinary and founders' shares. No dividend has ever been paid on the founders' shares, and at present £44,799 in respect of past years, and £5,616 in respect of the current year, has to be paid on the ordinary shares before the founders' shares can receive any payment. It is proposed to make a cash payment of £10 in respect of the 364 issued £10 founders' shares, or £3,640, and to leave the capital intact. The founders' shares will be called preference shares, entitled to a cumulative dividend of 8 per cent., which, as 140 founders' shares hitherto held in reserve will be issued, will require a payment of £400 a year. Holders of the founders' shares will be placed in a much improved position under the scheme, for they will receive their capital back and get a fixed dividend every year, instead of the remote chance, as at present, of receiving something in the distant future. The only inducement to the ordinary shareholders to consent to the scheme is that they will become entitled to all profits over £400 a year in future by getting rid of the founders' shares and their right to take half the profits over the amount required to pay a cumulative 8 per cent. on the ordinary.

The agreement for the purchase of the Sceptre Life Association by the Eagle and British Dominions Insurance Co. has now received the sanction of the Court. The intention of the purchasing company is to continue the business of insurance of total abstainers under a special section to be known as the "Sceptre Abstainers' Section," and in this they will have the assistance of the board of the Sceptre Life Association and of its officials and organisers.

During 1916 the nett amount of life insurance policies in force in Canada was increased by \$134,934,300 to \$1,424,000,000. Of this increase the Canadian companies account for over \$68,000,000 and the United States concerns for nearly \$44,000,000. The number of policies issued decreased by 24,909 to 457,687, and the fact that the sum assured was larger reflects the world-wide increase in prices. In the number of new policies the United States companies led in 1916, as it has done for some years, the number being 330,008. United States companies at the end of the year had 1,474,455 policies in force, assuring \$467,499,266, and Canadian companies had 676,998 policies, assuring \$898,151,418. The aggregate claims during the year were \$18,696,800, of which Canadian companies met \$10,514,300 and American companies \$6,488,900.

In the year ended May 31 the Clergy Mutual Assurance Society received 335 proposals for life assurances, amounting to £192,340, as compared with 425 proposals for £226,407 in the preceding year. Of these, 298, assuring £169,070, were completed, as against 383, assuring £209,157. The nett amount retained by the society was £164,070 at annual premiums of £6,639, with single premiums of £268. Annuities to the number of 22 were granted for £917 per annum, the consideration being £2,715 of purchase money and annual premiums of £370. The number of deaths was 227, and the claims amounted to £284,045 against 205 and £286,745 respectively. These claims included £30,880 in respect of 44 members who died from causes directly attributable to the war. Notwithstanding the war, the death claims were about £72,000 less than the amount expected. The number of life policies existing at the end of the year was 13,337, assuring £9,290,383. At the close of the year the funds amounted to £4,311,858. The average rate of interest on the invested funds rose from £4 12s. 7d. per cent. to £4 14s. 6d., subject to tax. Income-tax paid during the year amounted to £45,413, an increase of £11,127. Expenses of management, which included the cost of the quinquennial valuation of 1916, were at the rate of £7 6s. 2d. per cent. on the premium income, which compares with £8 6s. in the first year of the previous quinquennium, a noteworthy decrease in view of war conditions. The directors have prepared and are about to issue a new form of policy designed to provide against ecclesiastical dilapidations and at the same time to secure the benefits of life assurance.

Tea, Oil and Rubber.

Nothing of much importance has occurred in the Rubber market, but a fair amount of business was done in the shares, especially of the leading companies where the question of excess duty is not so serious as in the case of plantations which are just reaching the dividend stage. But it must be kept in mind that prices have had a very big advance since the early days of the war, and the position of the companies ought to be very carefully scrutinised before purchases are made at the present level. The commodity advanced beyond 2s. 7d. at one time, but it has come back a fraction, and the statistical position does not afford much encouragement to the bulls. All the same the share market is very bare of supplies, and while that condition of affairs exists we must look for firm prices, as the investing public undoubtedly have great faith in the future of the industry.

We must leave a complete analysis of the Royal Dutch Petroleum Co.'s report till another occasion, and meantime it is sufficient to state that the production last year amounted to 5,858,000 tons, an increase of 970,000 tons, or 17 per cent., while the total revenue was 32,823,000 florins, of which 30,250,000 florins was derived from dividends in subsidiary and allied companies. The total shows an increase of 2,400,000 florins over the previous year, which is not nearly so much as might have been expected from the increased output and the big advance in prices. The ordinary dividend is reduced from 49 per cent. to 38 per cent.,

AUSTRALIAN MUTUAL PROVIDENT

Estd. SOCIETY. 1849.

The Largest Mutual Life Office in the Empire.

Funds, £36,000,000.

Annual Income £4,500,000.

MODERATE PREMIUMS.

LIBERAL CONDITIONS.

WORLD-WIDE POLICIES.

Every Year a Bonus Year. Whole-life Policies, 20 years in force, show average increase of the sum assured by Bonus exceeding 50 per cent.

ENDOWMENT ASSURANCE RESULTS ALSO UNSURPASSED.

37, Threadneedle St., London, E.C. 2.

but owing to the increased amount on which it has to be paid it requires 1,932,000 florins more than last year. It is, of course, a huge combination, and is all-powerful in its own particular territories, so that the rather indifferent looking results are probably due to the piling up of hidden reserves.

Rubber Securities, Ltd., shares are now fully paid (against 17s. 6d. paid a year ago), and the issued capital thereof shows an increase of £10,000 at £79,797. Market value of investments on June 30 was £71,300 against a book value of £49,500. Little change has taken place in the securities held, but the total market value of the investments is £5,500 better than it was last year. Nett profits were £1,000 higher at £4,650, and with £2,000 more brought in it is possible to raise the dividend from 2½ per cent. to 5 per cent. and increase the carry forward by £1,600 to £6,140. Income from investments has been greatly curtailed owing to the incidence of the excess profits duty. Dividends were received on 80 per cent. of the total investments, and most of the companies possess considerable areas planted with rubber which have not yet reached the producing stage, so that the outlook is promising.

The Week in Mines.

Business has been very quiet in the Mining markets this week, and the tendency generally dull owing to absence of support. Rio Tintos have been a firm feature among Copper shares, and in the Broken Hill group Norths have been in good request, and are ½ higher at 2 25-32. Russian descriptions have, of course, been weak. One of the reasons for the dullness of East Rands in the South African market was the realisation that the June profit was equal to only about one-half of the amount required for the service of the debenture debt and for taxes.

SOUTH AND WEST AFRICANS.

In the South African market the tendency has been generally downward. Central Minings have declined ½ to 6½, and Robinson Deep "A" shares ⅞ to 1½. New Modders have been on offer, and are no better than 20½. Henderson's improved to 5s. 7½d. on a report that the company has purchased the Rand Selection Corporation's colliery interests, and that it is proposed to form a new company, to be known as Tweefontein United Collieries, with an initial capital of £130,000, which will be subsequently raised to £650,000 when additional properties are acquired. Diamond shares have weakened. De Beers deferreds fell ½ to 13½. In the Rhodesian section, Eldorados were easier on the report, in which the consulting engineer made a point of the disappointing results of development at depth. Rezendes, for some unexplained reason, have been in good request, and are ⅞ higher at 1½. West Africans have been dull, with losses in Abossos at 8s. 6d., and Amalgamateds at 15s.

COPPER AND MISCELLANEOUS.

Copper shares have been quietly firm. Rio Tintos have risen ¾ to 61½, and Arizonas, on the increased dividend, are 9d. higher at 50s. 3d. Tin shares have been quiet and rather dull. Canadian Silver shares were at first active and firm on the high price of the metal, but relapsed later on profit-taking. Caseys are 6d. lower at 10s. 6d., and Mining Corporation of Canada 6d. lower at 16s. 6d. Broken Hill shares have been moderately active and firm. Norths have been in particular request, and are ½ higher at 2 25-32.

Russian shares have been on offer on the unsatisfactory news from the Eastern front. Russo-Asiatics have declined ⅞ to 4½, and Kyshtims ½ to 2. Burma Corporations were bought on the increase in ore reserves of the Bawdwin Mine recorded in the report, and improved to 4½. Waihi Grand Junctions have been inquired for, and are 1s. higher at 15s. 6d.

MINING NEWS.

RHODESIAN MINERAL OUTPUT.—The production of gold in June was £302,195, the highest figure recorded this year. The following table shows the production since January, 1913:—

MONTH.	1913.	1914.	1915.	1916.	1917.
January	£ 220,776	£ 249,032	£ 293,133	£ 318,586	£ 296,113
February	208,744	259,888	286,789	313,760	289,734
March	257,707	273,236	299,686	335,368	300,183
April	241,098	295,927	315,541	339,386	297,977
May	242,452	290,062	318,898	323,783	299,271
June	241,303	306,421	322,473	333,070	302,195
July	249,301	320,670	336,585	322,365	—
August	250,576	316,972	344,483	322,035	—
September	250,429	309,398	321,085	322,035	—
October	247,668	337,241	339,967	325,608	—
November	239,036	314,711	313,160	317,135	—
December	254,687	309,669	331,376	306,205	—
Totals..	2,903,267	3,580,207	3,823,166	3,895,311	1,784,473

The number of producers was 225, or 38 more than in

May; and the output of other metals was 19,986 ounces of silver, 41,837 tons of coal, 347 tons of copper, 3,805 tons of chrome ore, 859 tons of asbestos, and 66 carats of diamonds.

WEST AFRICAN GOLD OUTPUT.—Production this year has been very erratic. For June the total was £114,489 a decrease of £12,618, which brings the total decrease up to £69,662. The gold output of all the principal fields is likely to be smaller this year than last. The following table shows the monthly production since January, 1913:—

MONTH.	1917.	1916.	1915.	1914.	1913.
Jan. ..	£ 131,665	£ 140,579	£ 143,649	£ 125,862	£ 144,262
Feb. ..	104,892	137,739	144,034	123,169	137,038
Mar. ..	158,727	150,987	153,770	131,392	150,060
April ..	123,825	135,976	149,978	131,697	146,220
May ..	121,104	132,976	142,123	145,227	142,617
June ..	114,489	127,107	135,289	147,289	125,764
July ..	—	128,574	140,290	151,923	132,936
Aug. ..	—	125,143	139,364	150,386	126,090
Sept. ..	—	127,138	135,744	154,316	132,394
Oct. ..	—	132,577	141,771	159,410	137,153
Nov. ..	—	130,101	122,138	154,674	132,694
Dec. ..	—	146,409	128,323	147,699	127,472
Totals	754,702	1,615,306	1,706,473	1,727,044	1,634,700

GREAT FINGAIL.—Operations in the year ended December 31 resulted in a loss of £3,395, which compares with a loss of £9,136 for 1915. In April, 1916, milling operations were resumed, and down to the end of the year there were treated 34,049 tons for a yield of 40s. 9d. per ton. The special development programme, comprising the further sinking of the internal shaft to the 19th level, and the opening up of that level, has been completed, but as shareholders have already been informed, the results were not sufficiently encouraging to warrant the opening up of the No. 20 level.

BECHUANALAND EXPLORATION.—The nett profits of this company for the year ended March 31, after providing £9,491 for development and depreciation, amounted to £10,610, as compared with £9,011. A dividend of 4d. per share, tax free, is proposed, against 3d. per share. Shares held in other companies, on March 31, have been taken in the balance-sheet at or under cost prices, the total being £193,538. A sum of £21,456 was received during the year in dividends, interest, rents, fees, &c.

EAST INDIAN COAL.—The report for the half-year to April 30 shows that after providing for depreciation, and writing £5,000 off development account, the profit was £8,121, as compared with £9,464. A final dividend of 8 per cent. is declared, making 16 per cent. for the year, less tax, or 1 per cent. more than for 1915-16, and £1,138 is carried forward against £2,617 brought in. The output was 305,634 tons, as compared with 329,055 tons.

NEWPORT ABERCARN STEAM COAL.—Owing to the high prices realised the nett profits of this company rose from £26,000 to £60,300 in the year to March 31, a figure which is arrived at after deducting excess profits duty. The dividend is raised from 12½ to 20 per cent., a record figure, and the carry forward is £34,500 larger at £49,600.

ELDORADO BANKET.—This Rhodesian company did rather better in some respects in the year ended March 31 last. Its nett profits amounted to £63,358, against £61,999 in 1915-16, and £62,597 in 1914-15. The dividend is maintained at 15 per cent., which, however, is only one-half of that paid a few years ago, and the amount carried forward is raised from £45,298 to £61,608. The total production was £123,964, against £127,817, and the mine profit £67,244, against £69,809. Results of development work at depth have been disappointing, and the ore body at and below the 20th level appears to be unprofitable. This is unfortunately a common feature of Rhodesian mines. Commencing this month, the monthly tonnage treated will be reduced to 3,000 tons. Reserves of ore stand at 52,294 tons, valued at 10.6 dwts., against 52,978 tons, valued at 12.1 dwts. The mine, therefore, now seems to have a very short life before it.

LAKE VIEW AND STAR.—This company suffered a severe drop in its fortunes in the year ended February 28. Instead of being able to pay dividends amounting to 15 per cent., its operations resulted in a deficiency of £5,756. To meet this £5,000 is taken from reserve, and the balance brought in is reduced from £1,041 to £285.

OILFIELDS ITEMS.

Anglo-Egyptian.—Production for the past week: Gemsah, 365 tons, against 626 tons previous week; Hurghada, 1,035 tons, against 1,045 tons previous week.

Ural Caspian.—Production week ended June 14, 2,508 tons; week ended June 21, 2,447 tons; week ended June 28, 2,291 tons; and week ended July 5, 1,882 tons.

The results of the New South Wales Government Railways and Tramways for the quarter ended March 31 are as follows:—Railways.—Revenue, £2,291,447, or £180,836 increase; expenditure, £1,395,686, or £30,888 increase. Tramways.—Revenue, £516,604, or £1,943 increase; expenditure, £392,001, or £13,441 increase.

What Balance Sheets Tell.

PACIFIC PHOSPHATE CO., LTD.

This concern is severely handicapped in these days, and it is really fortunate in being able to do as well as it does. Some of the most important outlets for its products are closed during the war, and its properties, situated at great distances from its markets, render it peculiarly susceptible to the dearth of shipping tonnage and high rates of freight. Trading profit for 1916 fell £29,890 to £110,485, and profit, after providing for depreciation, comes out at £60,365. The amount brought in from the previous year was £5,375 larger, and as nothing is set aside this time to war contingency reserve, which last year received £25,000, the company is able to repeat the dividend of 7½ per cent. on the ordinary shares, and carry £925 more forward at £15,580. Nett additions amounting to £27,255 have been made to buildings and plant, and £32,685 written off in respect of depreciation, leaving the item £5,427 lower at £212,475. Stocks exhibit only a slight change, but sundry debtors and cash at £240,085 are £41,600 more, and sundry creditors are £31,880 larger at £186,700. Trading assets are well in excess of current liabilities, and there is a contingency reserve of £50,000. The immediate outlook, we are told in the report, is very uncertain, and business after the war, it is stated, must necessarily be on a more or less revised basis, with probably some competition.

SOUTHERN BRAZILIAN RAILWAYS CO., LTD.

The previous accounts covered a period of 18 months, and it is necessary, therefore, to make several adjustments before comparison is possible. Reducing the figures of the financial period ended September, 1915, to a twelvemonthly basis, the nett profit on the light and power undertaking came out at £13,220, the loss on the tramway undertaking to £4,365, and total nett earnings to £8,855. For the 12 months ended September last the light and power undertaking yielded a profit of £12,470, but as the loss on the tramway undertaking only amounted to £2,855, the total nett earnings at £9,615 exhibit a proportionate increase of £760. The year was one of exceptional difficulty, and all things considered, this was not an unsatisfactory accomplishment. Payments to unsecured creditors absorb £5,220, amount set aside to meet accident liabilities £770, and the interest on second series debentures at 2s. 11d. per debenture, free of tax, £3,624. This distribution represents an increase of 20 per cent. We note, however, that the auditors call attention to the fact that the payment is made before deducting the whole of the payments made during the year to the unsecured creditors and that it does not therefore comply entirely with the scheme of arrangement.

COSTA RICA RAILWAY CO., LTD.

The report for the year ended June last shows a further contraction in the profit available. The railway, as will be recollected, is leased to the Northern Railway of Costa Rica for an annual rental of £149,100. The company's only other source of income is interest on investments, which last year amounted to £9,050. Out of its total revenue of £158,150 the company has to make provision for the service of its three classes of debentures, and unfortunately two of these, the first and second issues, fell due for repayment at a time when, owing to the abnormal conditions resultant from the war, it was found impracticable to make a new issue of stocks. Instead of being able, as the company had hoped, to replace these debentures by securities bearing a lower rate of interest, it had to renew them at 6½ per cent., or ½ per cent. more than the rate previously paid, and agree to the provision of a sinking fund. The debenture service, therefore, takes £8,085 more at £106,270, and the profit is correspondingly reduced. After providing for the dividend of 2 per cent., as before, there is a balance of £5,920, which is placed to reserve. As the company has agreed that unless and until the sinking fund is equal to one-half the aggregate nominal amount of the first and second debentures outstanding, it will not pay a dividend or bonus on the ordinary stock in excess of 2 per cent. per annum, the stockholders' prospects do not appear to be particularly promising, unless some alteration is made in the leasing arrangement.

EGYPTIAN MARKETS, LTD.

Conditions in Egypt have been favourable, and this company reports a further improvement in profits for 1916. Gratifying as this is, however, one cannot shut one's eyes to the fact that the company has been pulling on its stock of nitrates and chemical manures, and that the procuring of adequate supplies in the future may present no little difficulty. At the same time, the greater proportion of the company's revenue is derived from the receipts from the cattle and general markets, and providing no unfavourable developments take place, such as a further outbreak of foot and mouth disease, these are likely to yield improved results. Receipts from the cattle market amounted to £38,010, an improvement of £4,350, the general markets brought in £480 more at £18,260, and the nett profit on sale of nitrate and chemical manures jumped £9,700 to £16,980. Altogether gross revenue amounted to £75,540, an improvement of £14,240. Expenditure in Egypt was slightly less, but expenses in England and directors' fees took £2,450 more, and after providing for debenture interest and sinking funds and reserve for Government share of profits and excess profits duty, £6,800 more, the available profit comes out at £28,160, an increase of £6,260. The distribution on the ordinary shares is raised from 10 per cent. to 12 per cent., and the deferred shares receive £13 3s. per share against £6 13s. 7d. per share, leaving £5,920

to go forward. Stock of nitrates, chemical manures, &c., have fallen £47,550 to £5,050, and the various liquid asset items show considerable increases.

DAVID AND WILLIAM HENDERSON AND CO., LTD.

This firm of shipbuilders and engineers have had to retire their maturing bonds this year, and work in progress being much larger, there has been a great drain upon cash resources. This is apparently why no dividend on the ordinary shares is recommended this time. The profit for the year ended April, after meeting debenture interest, and making provision for possible payments under the Finance and Munitions Acts, amounts to £59,800, an increase of £3,300. Depreciation and directors' commission takes a little more at £13,370, and nett profit comes out at £46,420, an improvement of £3,060. The preference dividend absorbs £15,000, and £5,000 against £15,000 is set aside to preference dividend reserve. Last year the dividend of 5 per cent. took £11,250, and left a carry forward of £5,300. This time, with no dividend to pay, the carry forward has risen to £31,700. In the balance-sheet outstanding accounts total £242,500, an increase of £30,500, work in progress is £105,900 more at £163,750, ship and other investments have gone up £8,020 to £16,040, and the debenture bonds outstanding have been reduced from £100,000 to £6,500. On the other hand, creditors are up £212,140 to £308,750, and whereas last year liquid assets exceeded current liabilities by about £90,000, this time current liabilities exceed liquid assets by about £80,000. Still the company is doing very well, and we see no reason why it should not get along all right. The acquisition of an interest in A. J. Inglis, Ltd., should, as the directors state in the report, be of great advantage to the company, permitting, as it will, the full development of the natural advantages of the River Kelvin.

S. HOFFNUNG AND CO., LTD.

There must have been many difficulties to contend with in the financial year ended March, and the increase in the nett profit from £60,000 to £67,700 strikes us as a distinctly satisfactory achievement. No increase is made in the rate of distribution, but this gives no cause for surprise. The company has always had the reputation of dealing with profits conservatively, and in the present abnormal times the board doubtless deem the retention of a substantial proportion of the profits in the business more essential than ever. The shareholders have, we feel sure, however, no reason to feel dissatisfied. They have regularly received the substantial distribution of 15 per cent. for the last eight years, which is good enough. After providing for the dividend, which requires £22,500, the sum of £10,000, as before, is carried to the reserve fund, and the carry forward increased by £8,970 to £15,730. In the balance-sheet stock has gone up £17,450 to £402,000, sundry debtors are £6,800 more at £268,700. Cash has risen £7,000 to £25,700, and sundry creditors have fallen from £246,000 to £213,300. On the other hand, bills receivable are down £7,570 to £25,300, and deposits are £35,990 more, all changes of no great significance.

WARNER AND CO., LTD.

The 12 months ended June last witnessed a further substantial recovery in the profit of this Middlesbrough firm of iron foundries and engineers. No mention is made in the report as to whether the company has paid away anything in excess profits duty, or whether it is likely to be called upon to do so. It should be borne in mind in this regard, however, that the company was doing very well prior to the war, and that for the year 1912-13 it paid a dividend of 37½ per cent. The nett profit after providing for depreciation has gone up £7,400 to £17,150, and the distribution on the ordinary shares is raised from 22½ per cent. to 40 per cent. £2,500 is set aside to special reserve fund, and the carry forward is increased £600 to £1,370. The balance-sheet position is very satisfactory. Liquid assets total £75,950, and current liabilities only aggregate £23,450. Last year they were £63,640 and £17,680 respectively. The reserve fund now amounts to £27,500 against an issued capital of £85,000. It should be noted, however, that stocks are £2,560 lower than last year at £7,800.

DIVIDENDS ANNOUNCED.

Anglo-American Telegraph Company.—Interim for quarter ended June 30 last of 15s. per cent. on the ordinary stock and £1 10s. per cent. on the preferred stock, less tax.

African Association.—Final of 5½ per cent. on ordinary shares, making 12 per cent. (less tax) for year, together with a bonus of 8 per cent. (less tax). £2 16s. on Founders shares, with £72,442 placed to this dividend fund.

Bank of Montreal.—2½ per cent. for the quarter ended July 31, same as a year ago.

British Oil and Cake Mills.—Interim of 5 per cent. (less tax at 5s. in the £) on ordinary shares, the same as a year ago.

Bogawantalawa District Tea Company.—Final of 10 per cent. (less tax) making 12 per cent. for year ended March 31, the same as 1915-16.

Charcoal Iron Co. of America.—Dividend, No. 2, of 1½ per cent. on common stock for quarter ended June 30.

Commercial Banking Co. of Sydney.—10 per cent. per annum, and £59,094 carried forward.

Conssett Iron Co.—Final on ordinary shares, 5s. 6d. per share, and on preference shares of 8 per cent. per annum.

Conssett Spanish Ore Co.—Final of 2s. 6d. per share.

Courtaulds.—Interim 12½ per cent. on account of 1917, payable Aug. 9. The interim last year was the same.

Darjeeling Co.—Final of 2½ per cent., less tax, making a total of 5 per cent., less tax, for year 1916, against 4 per cent. for 1915.

Dutton's Blackburn Brewery.—Dividend 4 per cent. on preference shares, leaving one year of arrears.

Edward Wood and Co.—Final on ordinary of 10 per cent., making 15 per cent. for year, against 10 per cent. last year.

English Velvet and Cord Dyers' Association.—Interim 4 per cent. actual, but less tax, upon ordinary shares; last interim was 3 per cent., but the final rate brought up year's distribution to 10 per cent. in dividend and bonus.

Employers' Liability Assurance Corporation.—Interim of 5s. per share, free tax, same as a year ago, will be paid Aug. 29.

Fore Street Warehouse Company.—Interim at rate of 5 per cent. per annum for period ended June 30, as last year.

William France, Fenwick, and Co.—Interim on ordinary shares at rate of 5 per cent., together with a bonus of 5 per cent., payment to be made Sept. 1, same as a year ago.

Gas Light and Coke Co.—Dividend on ordinary stock for past half-year at the statutory rate of £3 14s. 8d. per cent. per annum, as compared with £4 4s. per cent. per annum a year ago.

General Hydraulic Power Co.—Interim on ordinary stock at the rate of 4 per cent. per annum, less tax, on account of profits of year 1917.

John Howell and Co.—Interim at rate of 5 per cent. (2s. per share), less tax, same as last year.

Investment Corporation of Canada.—Dividend for the year to April 30 last of 3 per cent. on the ordinary stock, leaving £3,131 to be carried forward, against £1,873 brought in.

Jeremiah Rotherham and Co.—Interim for six months ended July 15 on ordinary shares at rate of 10 per cent. per annum, against 7 per cent. per annum a year ago. Warrants will be posted Sept. 1.

Mashonaland Agency.—Interim of 6 per cent., less tax.

Pawsons and Leafs.—Interim of 3s. per share for half-year ended June 30, payable Aug. 6, the same as a year ago.

Perry and Co.—Interim for first six months of this year on ordinary shares at the rate of 10 per cent. per annum, free tax, same as a year ago. Warrants will be posted Aug. 31.

Provident Accident and Guarantee Co.—Interim for half-year to June 30 at rate of 15 per cent. per annum, subject to tax, as compared with 12½ per cent. a year ago.

Read Brothers.—Interim 4, per cent. actual; interim last year, 2½ per cent. actual.

South Bokeru (Nigeria) Tin.—Interim, 1s., less tax.

South American Copper Syndicate.—Second interim of 1s. 6d. per share, less tax, in respect of year ended June 30, payable July 30, as against 1s. per share a year ago.

Sulphide Corporation.—Interim of 1s. 6d. per ordinary share, less tax.

Swan and Edgar.—Interim at the rate of 8 per cent. per annum on the ordinary shares for half-year ending July 31. The dividend for corresponding period of 1916 was at the rate of 5 per cent. per annum.

Threlfall's Brewery.—Dividend 15 per cent. on ordinary shares, against 9 per cent. last year.

Tottenham District Light, Heat, and Power Co.—Full statutory dividends of 5½ per cent. per annum on the "A" consolidated stock and 4 per cent. per annum on the "B" consolidated stock (less tax). A year ago dividends were "A" stock at rate of 7½ per cent. per annum, "B" stock at rate of 5½ per cent. per annum.

Thomas Wallis and Co.—Interim on ordinary shares for six months ending July 31 at the rate of 6 per cent. per annum, less tax. Warrants will be posted on Aug. 1. A year ago the dividend was at the rate of 4 per cent. per annum.

Waihi Gold Mining.—Interim of 1s. per share, free of tax.

Walter Scott.—10 per cent. on ordinary shares, making 15 per cent. for year to June 30, the same as for the year 1915-16.

RAILWAYS.

Cleator and Workington Junction Railway.—Interim at rate of 4 per cent. per annum on ordinary stock, the same as last year.

Great Central Railway.—Interest for half-year ended June 30 on all preference stocks down to and including the 4 per cent. preference stock, 1889, the same as a year ago. The payment of such interest will be made: South Yorkshire rent-charge stocks on Aug. 15, other stocks on Aug. 23.

Great Eastern Railway.—Interim on ordinary stock of 5s. per cent. for the first half of the year 1917, the same as for the first half of 1916. Warrants will be posted on the 14th prox.

Tronoh South.—6d. per share, less tax, payable on Aug. 1.

Great Northern Railway Co. (Ireland).—Interim for half-year ended June 30 on ordinary stock at £5 per cent. per annum, payable, less tax, on Sept. 1, the same as a year ago.

Lancashire and Yorkshire Railway Co.—Interim on consolidated ordinary stock of 1½ per cent. Warrants will be posted on Aug. 8, same as a year ago.

Liverpool Overhead Railway.—Interim on the ordinary shares of 1½ per cent. actual, less tax.

London, Brighton, and South Coast Railway.—Dividends for half-year ended June 30 of £1 2s. 6d. per cent. on the undivided ordinary stock and £2 5s. per cent. on the preferred ordinary stock, the same as a year ago. The dividends will be payable on and after the 16th prox.

London, Chatham, and Dover Railway Co.—The South-Eastern and Chatham Railway Companies' Managing Committee, after making provision for prior charges, announce an interim for the first half of 1917 of £2 per cent. on the arbitration preference stock, the same as a year ago, payable on Aug. 14.

London and South-Western Railway.—Interim of 4 per cent. per annum.

Maryport and Carlisle Railway.—Interim at rate of 5 per cent. per annum for the half-year ended June 30, the same as the first half 1916.

Metropolitan Railway.—Interim at rate of 1 per cent. per annum on ordinary stock, same as a year ago. Interim on surplus lands stock at rate of 2½ per cent. per annum.

Midland Railway.—Interim at rate of 3 per cent. per annum on deferred for first half of the year, the same as for the first half of 1916.

North London Railway.—Interim of 2 per cent. for past half-year, same as last year.

North Staffordshire Railway.—Interim at rate of 3½ per cent. per annum for half-year ending June 30 last on the ordinary stock.

South-Eastern Railway.—Interim for first half of year 1917 of 10s. per cent. (at the rate of £1 per cent. per annum) on the undivided ordinary stock, the same as a year ago. This distribution permits of an interim of £1 per cent. on the preferred ordinary stock, both payable on Aug. 10.

Taff Vale Railway.—Interim for past half-year at rate of 3½ per cent. per annum. The dividend for corresponding period last year was the same.

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and July 21, 1917:—

	Estimate for the Year 1917-1918.	Total Receipts into the Exchequer from April 1, 1917, to July 21, 1917.	Total Receipts into the Exchequer from April 1, 1916, to July 22, 1916.
Balances in Exchequer on April 1—	£	£	£
Bank of England	—	25,209,947	25,111,065
Bank of Ireland	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs	—	21,404,000	19,816,000
Excise	—	11,391,000	15,505,000
Estate, &c., Duties	—	10,245,000	9,633,000
Stamps	—	1,911,000	2,190,000
Land Tax	—	320,000	310,000
House Duty	—	—	—
Property and Income Tax and Super Tax	—	34,414,000	24,589,000
Excess Profits Duty (including Munitions Levy)	—	50,846,000	9,045,000
Land Value Duties	—	196,000	80,000
Post Office	—	9,900,000	9,900,000
Crown Lands	—	110,000	110,000
Receipts from Sundry Loans, &c.	—	648,581	495,894
Miscellaneous	—	10,302,250	2,128,031
Revenue	—	151,687,831	93,801,925
Total, including Balance		178,123,690	119,376,931
OTHER RECEIPTS.			
Repayment of Advances for Bullion	710,000	1,450,000	—
For Treasury Bills (for supply)	598,232,000	473,792,000	—
For 4½ per Cent. War Loan, 1925-1945	—	424	—
For 5 per Cent. Exchequer Bonds, 1919	—	25,212,000	—
For 5½ Exchequer Bonds, 1920	—	78,364,500	—
For 5 per Cent. Exchequer Bonds, 1921	—	41,792,000	—
For 5 per Cent. Exchequer Bonds, 1922	56,231,000	—	—
For War Expenditure Certificates	—	15,647,100	—
For War Savings Certificates	12,100,000	9,450,000	—
For other Debt created under the War Loan Acts, 1914-1916	192,346,394	10,000,000	—
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947	165,500,000	—	—
Temporary Advances—			
Ways and Means (including Treasury Bills £304,937,000 in 1916-1917)	320,691,500	355,937,000	—
Total	1,532,874,494	1,131,021,955	

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18.	Total Issues out of the Exchequer to meet payments from April 1, 1917, to July 21, 1917.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to July 22, 1916.
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	—	7,339,439	10,523,650
Interest, &c., on War Debt ..	—	56,566,785	38,279,400
Payments to Local Taxation	—	—	—
Accounts, &c.	—	1,040,126	1,378,121
Other Consolidated Fund	—	—	—
Services	—	666,080	660,534
Supply Services	—	766,832,286	501,601,631
Expenditure	—	832,444,716	552,443,336
OTHER ISSUES.			
For Advances for Bullion	850,000	1,590,000	—
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	81,909	60,914	—
Under Telegraph (Money) Act, 1913	36,000	150,000	—
Under Post Office (London) Railway Act, 1913	50,000	90,000	—
Under Housing Act, 1914	175,400	18,900	—
For Treasury Bills for Supply	342,701,000	454,479,000	—
For Exchequer Bonds under Section 61 of the Finance Act, 1916	176,620	—	—
For other Debt under the War Loan Acts, 1914 to 1916	14,467,156	—	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908	—	10,000	—
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (t) (b) ..	—	20,000	—
Temporary Advances repaid—			
Ways and Means (including Treasury Bills £59,000,000 in 1916-17)	319,526,500	87,896,500	—
Total	1,510,506,301	1,096,758,650	
Balances in Exchequer—	1917. July 21. £	1916. July 22. £	
Bank of England	20,641,961	33,004,860	
Bank of Ireland	1,726,232	1,258,445	
Total	22,368,193	34,263,305	
Total	1,532,874,494	1,131,021,955	

MEMO.—Treasury Bills outstanding on July 21, 1917.... *£719,383,000.
* Includes £155,000, the proceeds of which were not carried to the Exchequer within the period of the account.

COMPANY MEETINGS.

BANK OF LIVERPOOL, LIMITED.

ANNUAL MEETING, 1917.

The eighty-sixth annual meeting of the proprietors of The Bank of Liverpool, Ltd., was held, on Tuesday, at the Law Association Rooms, Liverpool, Mr. Charles Booth (chairman) presiding over a large attendance.

In moving the adoption of the report of the directors and the accounts for the past year, the Chairman said: Ladies and Gentlemen,—I beg to move that the report of the directors now submitted, and already printed and distributed among the proprietors, be adopted. I presume you will allow me to take the report as read.

At our last annual meeting the chairman referred to the absence abroad of our general manager on an important Government mission. That mission was duly and successfully carried out, and all connected with the bank were gratified when at the New Year the honour of Knighthood was conferred on Sir James Hope Simpson by the King—an honour well earned by the valued war-time services which he has rendered to the State, but not unconnected, I venture to think, with his reputation as a banker, and with the high position which the Bank of Liverpool now holds among the joint-stock banks of the country. I am sure you will all join with me in heartily congratulating Sir James on his well-merited distinction.

I wish now to refer to changes that have taken place in the directorate of the bank. Your directors have felt it important to secure the services on the board of Sir Aubrey Brocklebank. Sir Aubrey is not only a son of a former chairman of the bank, but he is a leading shipowner, and, personally, admirably qualified to discharge the duties of a director of the bank. Accordingly, the directors gladly welcomed the opportunity of inviting him to join the board, and I have no doubt that when you are asked, as you shortly will be, to confirm his appointment, your confirmation will be both cordial and unanimous.

You will have noticed in our annual report a reference to the retirement of Mr. Benjamin Noble from the general board and from the chairmanship of the North-Eastern local board of the bank. Mr. Noble was for many years general manager of the North-Eastern Bank, and on his retirement from that office became one of its directors. When that bank joined us in 1914 Mr. Noble was one of the two directors nominated by the North-Eastern local board to a seat on our general board, and he also succeeded the late Sir John Barwick as chairman of the local board. He has now found it necessary, in view of advancing years, to resign both these positions, and we are reluctantly compelled to acquiesce in his decision. I am glad to say that Mr. Noble will remain a member of the local board, so that we shall still retain the benefit of his ripe experience. I am sorry we are not in a position to submit to you to-day for election a successor to Mr. Noble on the general board; accordingly, the vacancy will have to be filled by the board and submitted to you for confirmation at your next meeting.

We are glad to see with us to-day our director, Colonel Reynolds. In your name I offer him a hearty welcome on his safe return from active service at the front, and also our warm congratulations on the high honour conferred on him by the King in appointing him a member of the Distinguished Service Order, a distinction which Mr. Reynolds has richly deserved.

Turning to the record of the past year, the outstanding factor is the continuance of the war.

We feel its effect every day in regard to our staff. The withdrawal of men for service with the colours has continued, and the work of the bank has only been possible through the loyal labours of the men who remain and the equally loyal assistance of the ladies. One of our difficulties has been to keep our branches properly staffed, and while we have had to close two branches and eleven sub-branches, and curtail the hours of attendance in some cases, there are half a dozen branches which are now being run entirely by ladies—an experiment which has been found quite successful. Throughout the service hours have been long, holidays short, and work heavy, but all have responded with readiness to the demands made upon them. In recognition of service so efficiently and freely rendered, and in view, also, of the increased cost of living, the directors have not only granted increases in salaries on a higher scale than usual, but have just distributed to all members of the staff, whose salaries do not exceed £1,000, a war bonus of over £20,000, free of income-tax. I know this will meet with your approval.

You will be interested to know that we have sent 570 men to the colours, and we have every reason to be proud of the work they have done. We cannot say we have a complete list of the military honours won by our men, but we have heard of the following:—

- 3 Military Crosses.
- 5 Military Medals.
- 2 Croix de Guerre.
- 1 Italian Silver Medal for Valour.
- 1 Russian Order of St. George of the Third Class.

While we are proud of these men, we also feel great pride in those of our staff who have been wounded, or who have given up their lives in the service of their King and country. We owe to them a tribute of deep gratitude and esteem.

The general prosperity of trade, to which our chairman referred at last year's meeting, has continued practically throughout the last 12 months, but business is steadily becoming

more and more subject to Government control, and business men are beginning to feel the effect of the regulations and restrictions to which one trade after another is required to submit. Accordingly, speaking generally, I am afraid that until the war is over we must expect a growing curtailment of business activity. Dealing, however, with the past 12 months, I should like to refer to a few of our leading trades.

Farming throughout our area has been distinctly prosperous; prices of agricultural products have been high, and, even after allowing for the high price of cattle purchased for summer grazing, and the extra cost of feeding stuffs and of labour, the prices which cattle realised last autumn left farmers with a good profit. Last year's harvests were good, and the outlook for the present season is also good, particularly in regard to hay, which is, speaking generally, of good quality, and is being nicely got in. The only adverse feature seems to be that, owing to the severe weather last winter and spring, hill farmers suffered severely by losses of ewes and lambs. The immediate future of farming is still promising, and in one important agricultural district, hitherto largely devoted to grass lands, we find that farmers are quite willing to put the land under plough, though they are a little apprehensive because of the shortage of labour.

Turning to engineering, practically all our engineering customers are fully engaged on Government work, and any non-Government contracts have to be carried out under Government restrictions. Collieries are similarly under Government control, and are working under the difficulty of shortage of labour and of transport and the high cost of pit props, which are now mainly supplied from timber grown in this country, and which, on delivery to the pits, have to be cut into the required lengths. The outlook for either engineering concerns or collieries during the remainder of the war will be largely governed by the regulations under which they may be called upon to work.

The building trade everywhere and its allied trades are practically at a standstill.

With regard to the cotton trade, the import of cotton has been conducted under increasing difficulties during the past season. The speculative movements in the future market in America, the difficulty of obtaining tonnage, and the prospect of a deficiency in the supply of raw material have made business trying from an importer's point of view, and the same adverse conditions have naturally reacted upon the spinner and manufacturer.

The decision of the Government to control purchases by spinners and restrict the free use of the future market is too recent for one to express any confident opinion as to the result of the experiment, but up to the present the indications are that it is leading to a curtailment in the import of cotton. If this were to be the effect, I need hardly point out that an anxious position would be created for the cotton industry of this country. So far as spinners and manufacturers are concerned, there has during the past 12 months been some improvement in regard to internal transport arrangements, and also in regard to the dyeing of the finished article, but against this we have to set the difficulties of shortage of labour, shortage of tonnage for shipments of cloth to the East, and the heavy rise in the price of the raw material. The shortage of tonnage has led to a great accumulation of stocks of finished goods, and we, as bankers to a large number of cotton manufacturers, have had to do more than our usual share in carrying these stocks for our customers. Until Government can place more tonnage at the disposal of cloth merchants for the conveyance of cotton goods to the East, this accumulation of stocks is likely to continue. In the meantime, it is pleasant to record that spinners and manufacturers generally have earned fair profits during the past 12 months, and if the tonnage problem were solved, there is no doubt that there would still be a good foreign demand for the finished article, even at present high prices. As things stand, however, the outlook seems fairly well summed up by one of our managers, who says that prospects indicate lessened production, leaner returns, and plenty of worry for the heads of business.

Our other large staple industry, viz., the woollen industry, has been mainly devoted to the carrying out of Government orders and private orders in large lines of a simple character. The result has been general prosperity, in which both employer and employee have shared. Government has for some time past controlled the supply of wool, and, in consequence of the shortage of wool, mills throughout the West Riding are being compelled to run fewer hours per week. As in the case of the cotton industry, the cost of carrying stocks has greatly increased in consequence of the high price of the raw material. The condition of the trade generally is sound, and the future is looked forward to with a good deal of confidence.

Among other trades of lesser magnitude but still of great importance to the country, I may say that our managers' reports regarding the chemical and paper trades indicate activity and prosperity; also that boot manufacturers, in spite of shortage of labour and the great rise in the price of leather, have done a large and satisfactory business.

I may close my reference to the trades of our area by mentioning the provision trade, the shipping industry, the wheat market, flour milling, and the timber trade, with all of which we are brought into close contact. The provision trade has been active during the last 12 months, and has done good service in bringing large supplies of food into the country. The other trades I have named are all now so completely under Government control, or subject to such restrictions, that comment upon them would hardly be useful or interesting to this meeting.

I have already pointed out that the effect of the war upon business generally is being increasingly felt as the months pass. Government control and regulation are extending in every direction and adding to the difficulty of conducting business. If such control and regulation are necessary to win the war no business man will complain, but we must not forget that the effect of Government control is to discourage enterprise, and I think I am expressing the opinion of all business men when I say that if the trade of the country is to revive after the war, Government control and regulation will have to be reduced to a minimum.

During the past 12 months we have taken our share in the finance of the war. We established a department for dealing with the loan or sale to Government of American dollar securities. This has been an arduous piece of work, and has been skilfully carried through by all our officials concerned. Several thousand parcels of securities, involving several millions of money, were lent or sold to the Government through our agency. Again, when the recent issue of War Loan appeared, we felt it our duty to push it amongst our customers, and you will see from our report that our customers applied for 26 millions of the Loan; these applications were not confined to any particular localities, but came from every part of our area. In addition, we attended to a large number of conversions into the new stock of holdings of previous war issues and bonds. This involved another ten millions of War Loan. We also responded to the request made by the Chancellor of the Exchequer to the banks to be free lenders to parties desiring to apply for the Loan, but who might be temporarily short of ready money. Our loans of this nature amounted to nine millions. They are being rapidly reduced, and you will see in our balance-sheet that on June 30 last the balance outstanding was only about six millions three hundred thousand. It is interesting to note that the majority of the borrowers are not repaying their loans by selling the new stock, but are repaying out of income or by sale of other securities. The work connected with the War Loan issue called for skilful handling by the management and staff, and by our War Loan department.

May I be allowed now to refer to the figures contained in the balance-sheet and profit and loss account appended to our annual report: The amount of money at credit of customers' accounts is about eight millions higher than it was this time last year, and the amount of the bank's acceptances a million higher. This large increase in money belonging to customers, in spite of heavy withdrawals for purpose of War Loan applications, is, we believe, largely due to the fact that our branches lie mainly in or near industrial centres. A great deal of the money disbursed by Government finds its way into those centres, and our customers get their share of it.

On the assets side the bank's investments show an increase of about six hundred thousand; bills of exchange an increase of about two hundred thousand; ordinary loans and advances to customers an increase of three million six hundred thousand; while the advances against 5 per cent. War Loan, to which I have already referred, amount to six million three hundred thousand, and are a fresh item in the balance-sheet.

You will notice a reduction in the amount of our cash in hand and at the Bank of England, and also in the money at call or short notice with other bankers. This is a temporary reduction in consequence of the War Loan advances already mentioned.

The substantial increase of business disclosed in the balance-sheet is confirmed by the important growth there has been in every one of the bank's districts in the number of new accounts opened, and also in the statement of profits which we are able to submit to you to-day. The net profits of the year are £41,000 in excess of the profits shown last year, after providing for a considerable and unavoidable increase in the ordinary general expenses of the bank and in the amount which had to be reserved for income-tax. We have every reason to be satisfied with this result. You will observe from the report that after paying our usual dividend, and applying £145,000 in writing down investments, we carry forward into the new year practically the same balance of profit as was brought forward from last account.

You will notice that the bank's investments have been written down to Stock Exchange prices ruling on 30th ult. Last year, while all our securities, except War Loan, were written down to the prices then ruling, War Loan was taken at cost. Now we have been able to write all securities, including War Loan, down to the prices of June 30th last. The main depreciation in the value of securities occurred early in July last year, when the final restrictions upon Stock Exchange prices were removed and the quotations of securities fell to their natural level. I am glad to say that since then there has been practically no further fall, and even the issue of new War Loan had little effect upon the value of other gilt-edged securities.

At this point I might mention that we last year took an interest in the British Italian Corporation, and have recently taken an interest in the newly established British Trade Corporation. Both these institutions have been founded at the suggestion of the Government, and on that account, and because we believe that they will be of assistance to British trade, and also prove sound investments, we have felt it desirable to support them. With the full approval of the board, our general manager has accepted a seat on the board of the British Trade Corporation.

This is our third annual meeting since the outbreak of war. At each of the previous meetings the chairman has expressed the hope that Peace would come during the ensuing year. Without playing the part of the prophet, may I express the same hope, and also my belief that in spite of the bad news from Russia we are distinctly nearer to a successful issue of the war than we have ever been. When peace comes, it will bring its own com-

mercial and financial problems, but our chief anxiety will be over, and we shall be able to face the future with confidence. In the meantime, I feel that we are to be congratulated upon the considerable progress which the business of the bank displays. This is surely an indication that we shall be well prepared to handle our share of the new business which I hope will spring up after the close of the war.

Mr. Isaac H. Storey seconded the motion, which was unanimously adopted.

The usual routine business followed.

EBBW VALE STEEL, IRON AND COAL.

SIR CHARLES ALLEN ON THE YEAR'S OPERATIONS A PROGRESSIVE POLICY.

The fiftieth ordinary general meeting of the shareholders of the Ebbw Vale Steel, Iron and Coal Co., Ltd., was held on Thursday at the Cannon Street Hotel, E.C., Colonel Sir Charles Allen, V.D. (chairman of the company), presiding.

The Secretary (Mr. Bertram Northgreaves) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—It has been my pleasing privilege to address you at many previous general meetings. This is, however, a particularly gratifying occasion, as I am able to announce that we are holding the jubilee, or fiftieth, meeting since the formation of the company under the Limited Liability Act. (Applause.) It is not my intention to weary you by alluding to the eventful career and critical periods this company has from time to time experienced, but I venture to think it is an opportunity of mentioning that we are one of the few South Wales iron and steel producing firms which have successfully weathered the severe storms which wrecked so many of our neighbours, and your directors are able to-day to present you with one of the most encouraging and gratifying balance-sheets ever produced during the eventful career of this old company. We might reasonably regard ourselves as one of the survivors of the fittest, but it would have been impossible to attain the present condition of prosperity without the courage and determination of the board to build up and maintain your property and plant upon the highest scale of efficiency. It has taken years of judicious labour to attain this satisfactory condition. Therefore it must not be imagined because we are able to-day to recommend an increased dividend, that it is altogether due to the improved condition of business and somewhat inflated prices owing to the excessive demand for war material. Our main success must be attributed to the fact that for many years we have been rectifying past errors, building up our works upon most modern and scientific lines, and providing our workmen with comfortable cottages and comfortable surroundings. Taking to-day's position of affairs, it is perfectly certain that the only rapid economical recovery from the terrible ravages of the war we are now experiencing reposes in the successful development of our home resources on the most scientific lines by our large manufacturing concerns. Your board have always realised the importance of this policy. Although we have now reached the third year of the most terrible war the world has ever known, your directors are more convinced than ever that it will ultimately result in a complete victory by the Allies, and in order to render the greatest amount of assistance towards helping to pay off the great national debt which must accrue, they are determined to continue to do everything in their power to consolidate and develop their resources, and providing the labour element will only realise their share of responsibility by working loyally in double harness with capital—(hear, hear)—the future prosperity of this country is pretty well assured. (Hear, hear.)

BALANCE-SHEET.

I now beg to invite your attention to the balance-sheet, already circulated among the shareholders. Comparatively speaking, excepting a few items, there is little difference between these figures and those shown on the balance-sheet of last year. Taking the liability side, it will be observed that the authorised ordinary capital last year was £1,000,000. This has been increased by an addition of £250,000, in accordance with the resolution passed at the extra-ordinary general meeting last year. An application was made to the Treasury for power to increase the issued capital by £600,000, mainly for the purpose of paying the balance of purchase moneys for our iron ore enterprise in Northamptonshire and for the share capital of Powell's Tillery Steam Coal Co. and John Lancaster and Co., Limited. Besides these additional properties, very large extensions were being made in the company's works, in order to assist the Government as far as possible in the urgent demand for steel and other products. Of the £600,000 intended to be issued, the company only obtained power to create £250,000, a sum quite inadequate to meet the company's capital requirements. While needing to meet the liability for what may be termed outside extensions, it must also be borne in mind that, owing to the greatly increased cost of labour, iron ore, pit wood, and all stores used in the works, it requires in our days more than £4 to do the work of £2 in pre-war times. The mortgage debentures remain the same as last year. The item "sundry creditors" includes a very large sum representing ordinary current accounts attributable to the high cost of materials. The total liability is £1,344,725, against £885,632 last year, an increase of £459,093. This increase not only covers the increased cost of all purchases, whether for capital or trading account, but also includes balance of purchase moneys on the additional properties acquired during the year, as well as provision for war taxation, excess profits tax and

other reserves, and the advances for war loans. Large as the item appears, it is more than balanced by the increase in stock, debtors, and investments. The reserve account was nil in 1916, and now stands at £50,000, being the amount voted by the shareholders last year. This year you are asked to appropriate a further £50,000 to the same account. Those shareholders who have attended these meetings for many years will remember that the West Somerset Mineral Railway guarantee is an old-standing liability. It is automatically disappearing, and I am delighted to mention to-day that that will expire in September, 1919—another two years.

PROPERTY ACCOUNT.

Taking the property and assets side of the account, there has been a substantial addition to the book value of the company's property, the amount added this year, after writing off depreciation, being £259,892. This amount consists of expenditure during the year upon the Northamptonshire iron ore mines and properties, by-product coke ovens, important extensions to the blast furnace plant, steel works and other branches of the company's undertaking. Besides, we have built a considerable number of railway wagons. The sale of property amounted to £1,366, against £895 in 1916, the proceeds of the sale of cottages to the company's tenants and employees in pursuance of the policy adopted by the board years ago to encourage the ownership by the workmen of their own dwelling-houses. An amount of £13,778, you will observe, has been expended on new works, and has been written off against revenue in addition to depreciation. Stocks on hand and sundry debtors grouped together amount to £777,642, against £560,568 last year, an increase this year of £217,074. Dealing with the item of investments, these show a net increase of £332,208, which includes instalments paid to date of £83,255 on account of 5 per cent. war stock, the total increase, including the item for stocks and sundry debtors, amounting to £549,372 against a total increase of creditors, to which I have already alluded, of £459,093, leaving a net improvement for the year of £90,279. Our 2½ per cent. Consols were converted this year into 4½ per cent. war stock, and the balance of this stock, amounting to £11,504, has since been converted into 5 per cent. war stock. Shares and debentures show an increase of £250,333.

PROFIT AND LOSS ACCOUNT.

Taking the profit and loss account, our general expenses are down £450 and legal expenses are reduced by £567. The interest on debentures represents the annual charge upon £450,000 issued debentures, and remains unchanged. The interest on special loans, £36,071, is incurred in respect of the temporary financial accommodation required in connection with the acquisition of the various properties and developments, to which I have already alluded, and about which I intend to say something later. You will notice we continue to make liberal war allowances to officials and dependents of the company's workmen. This year the figure shows a reduction of £13,910, due to the fact that many of the men have returned to work from the front and dependents of others have obtained employment. Still, it is worthy of mention that the total amount under this heading paid by the Ebbw Vale Company since the commencement of the war now exceeds £120,000. The balance of profits for this year stands at £356,949, after making provision for estimated liability for excess profits duty, income-tax, and depreciation; it is £2,740 greater than the previous year's figure. It is worthy of note that local rates, workmen's compensation and national insurance are equivalent to a dividend of 6.75 per cent. upon the issued ordinary share capital of the company. Assuming the report and balance-sheet be adopted the carry forward will be somewhat less than the amount brought in from last year, but it must be remembered that the carry forward last year included provision for excess profits tax, whereas this year the amount is included in sundry creditors. You will observe from this financial statement of affairs the importance of a substantial addition to our capital, and the board have taken steps again to apply to the Treasury for permission to issue the requisite additional capital to carry on satisfactorily and economically our increased undertaking and business.

THE YEAR'S OUTPUT.

Alluding to the interesting item of output, during the past year we have naturally experienced difficulties in the way of securing labour; still, the outputs of material have been fairly well maintained, and compare favourably with the previous results. Our collieries have raised 1,812,750 tons during the year, an increase of 10,900 tons on the output of 1916. Our output of pig-iron amounted to 242,975 tons, a decrease of 679 tons as compared with 1916. The steel we have produced amounts to 200,350 tons, a decrease of 457 tons on the output of the previous year. Our by-product coke ovens and other coke plants all continue to work most satisfactorily, and our output this year was 351,000 tons, an increase of 84,000 tons on the previous year. (Applause.) A very important item is that of wages. During the year the Ebbw Vale Company alone has paid the enormous amount of £1,747,155. As an indication of what the local War Savings Associations connected with the works departments of the company and the schools in the district have done towards the War Loan, I might mention shortly that there are 4,568 members, who have taken up 9,875 War Savings Certificates, representing the respectable sum of £7,653, in the Ebbw Vale district alone, and as regards the 5 per Cent. War Loan taken up by the three associated colliery companies, on behalf of the workmen employed, who are promptly repaying the amount so advanced by weekly deductions from their wages, the amount is substantially £28,500, the number of workmen participating in this arrangement being 3,010.

NORTHAMPTONSHIRE IRON ORE PROPERTY.

Those present will remember that two years ago I had the gratification of announcing the purchase of an extensive virgin iron ore field in Northamptonshire, explaining the long-felt want and the great advantages to be derived by the company owning its own iron ore deposits. Since then extensive developments have been in progress, which promise to turn out quite up to our expectations. Your board has taken the deepest interest in closely watching these developments by paying periodical visits of inspection, and while it was evident that the management is somewhat handicapped for labour, the contractors erecting the calcine kilns are making excellent progress consistent with the difficulties they experience in obtaining the structural iron work, owing, of course, to the pressing demands for war material. The fusion of additional local collieries is also a highly important step in the right direction. It will have the effect of increasing outputs, with lessened productive costs, eliminating reckless neighbouring competition with each other, and strengthening our hands against foreign rivals. By this arrangement the Ebbw Vale Company will eventually control an output of something like 5,000,000 to 6,000,000 tons of coal per annum. It is my intention to ask Mr. Beynon to be good enough to second the adoption of the report and to give you a few details concerning our colliery properties.

ADDITIONS TO PLANT.

As regards the iron and steel plant, extensive additions are still in progress, encouraged by the Government, in the way of new blast furnaces, coke ovens, electrical plants and accessories, which, when complete, will practically add 50 per cent. to our power of output. To summarise the magnitude of this vast undertaking, we shall eventually be finding employment for between 30,000 and 40,000 men. You will, therefore, understand that our progressive programme has been materially increased during the past year. With the rapid growth of the company's business the board realise the absolute importance of consolidating its financial position, which must lead to a substantial increase in our capital. I should like to mention that in the ordinary course of events I had hoped to-day to be able to introduce you to the gentleman invited to fill the vacancy on our board. Unfortunately he will not be available until after the war, and we must ask your indulgence to allow this matter to stand over until then. Now, gentlemen, after endeavouring to review the subjects your board desire should be emphasised before the shareholders, my remarks are now drawing to a close. As you understand, I shall be only too pleased when I have finished to answer any questions. I should, however, be failing in my duty if I omitted to express the richly deserved compliments to those who have so nobly fulfilled their duty during the past strenuous and difficult year's working. I allude to our official staff, whose numbers since the outbreak of war have been seriously depleted by some hundreds of its members being called to the colours. Still, the remnant left have never flinched from the additional severe tax on their un-failing energy, and I feel sure you will gladly allow me to say on this occasion that they have all won our deep admiration and respect.

THE MANAGEMENT.

We must not forget, however, that the heaviest burden of responsibility, the constant source of anxiety in supervising such a gigantic establishment, rests mainly on the shoulders of our indefatigable managing director, Mr. Mills—(applause)—whose unbounded energy and business ability are never-failing, and set a noble and wonderful example to those under him. He is never happier than when engaged upon large complicated problems to solve, and assisting and doing his best for the company; but I deeply regret to say that, in the midst of these surrounding responsibilities, his happiness during the past year was sadly disturbed by the heaviest blow any man can suffer, and I feel sure I am echoing your sentiments in expressing our heartfelt sympathy and condolence. (Hear, hear.) Your board is a busy one; we have other things to do beyond sitting on this board, and our colleague, Mr. Beynon, whose wide experience and great business interests in the South Wales coalfields are second to none, has been selected for additional responsibility and appointed to the honourable position of High Sheriff for the county of Monmouth. We feel safe, as we may now look to him to maintain law and order, and I believe it is his duty to see all punishments properly carried out, but your board trusts he will not be very busy during the next year. (Laughter.) I would like just to mention that a letter has been received, signed by four shareholders, asking the board to give favourable consideration to the practicability of declaring interim dividends. I wish to assure you that this subject has been always considered by the board, and they are quite as anxious as the shareholders to receive half-yearly dividends, but it would not be in the interests of the company or wise at the present juncture to adopt such a course. Gentlemen, I beg now formally to move: "That the directors' report and balance-sheet be approved and adopted; that the interim dividend paid on the preference shares for the half-year ended September 30, 1916, be confirmed; that a dividend be declared at the rate of 6 per cent. per annum, less income-tax, on the preference shares for the half-year ended March 31, 1917, to the shareholders on the register on July 12, 1917; that a dividend of 15 per cent., less income-tax, be declared on the ordinary shares for the year ended March 31, 1917, to the shareholders on the register on July 12, 1917." I may say, gentlemen, that with your loyal support we hope to carry on into brighter days of peace and prosperity. (Applause.)

MR. BEYNON'S STATEMENT.

Mr J. W. Beynon: Gentlemen,—In rising to second the resolution I have to thank Sir Charles Allen for the very kind reference he has made to myself. It is a matter of great pleasure and pride to me to occupy the very high and important position of High Sheriff for my county, which position was held by my father some twenty-seven years ago, and, above all, it is to me a very great pleasure to have references so kindly made and so kindly received as they have been this afternoon. Our chairman has referred to the fact that this is the "golden wedding," so to speak, of the Ebbw Vale Steel Iron and Coal Company as a limited liability company, but he has omitted to refer to the fact that the Ebbw Vale Company goes back into dim antiquity. We are, so to speak, the aristocrats of industry. We display sixteen quarterings of nobility on our shield of pretence. The early Romans worked the coal and iron of the district, and although they failed in those days to register their title as the Ebbw Vale Steel Iron and Coal Company, we are their legitimate successors to-day. (Laughter.) I am reminded by the fact of these records that we have another record this afternoon. We have to congratulate our chairman, Sir Charles Allen, on twenty-five years of long and loyal service as a director of this company. (Applause.) Sir Charles carries his years so lightly that really one is tempted to believe that in his case the calendar lies, and, believe me, he is as young as, or younger than, he looks. We have had the advantage of his ripe judgment in days gone by when the prospects of this company were not as bright as they are at present, when dividends were small and infrequent, and I am sure that we all rejoice to-day to welcome him among us now, and we all sincerely hope that it may be his good fortune, as it will be ours, to have him occupy the important position of chairman of this company with that genial graciousness which is his characteristic. (Hear, hear.) Now, gentlemen, we are passing through times of great national stress and anxiety, but when peace is declared we, as shareholders and part proprietors of a great industrial company, will rejoice to think that under his guidance this great company has played its part in this great conflict. Coal from the Ebbw Vale pits has carried our gallant soldiers across the seas into the firing line, iron and steel from our blast furnaces, fashioned into shells at the national shell factory at Ebbw Vale, backed by high explosives from the by-products of our coke ovens, have helped to blast a way through the German lines. And last, but not least, hundreds of gallant men from among our officials and employees have trooped to the colours in our country's hour of danger.

EXPANSION OF THE UNDERTAKING.

It has been your privilege this afternoon, Sir Charles, to sketch out a programme of the company's expansion in various directions. Our new coke ovens will absorb our surplus coal, the resultant coke will be used up in our new blast furnaces in smelting those large quantities of iron ore which we confidently expect to obtain from our Northamptonshire property. In a word, as years roll on we become more self-contained and more self-supporting, and it is to you and the departments which you represent that we must look for our profit in the near future. As you, gentlemen, are aware, in ancient days the Egyptians, when they spread before their expectant guests a very magnificent banquet, were wont to place at the head of the table a skeleton to remind their friends that while to-day they might eat, drink and be merry, to-morrow might prove that after all they were mortal. May it be my rôle on this occasion to play the part of the skeleton at the feast. The coal trade more than any other trade and industry in this country has unhappily come under the blighting influence of Government control. (Hear, hear.) At the end of last year a Coal Controller was appointed who was financially to control the collieries of Great Britain. Representatives from the various coalfields of Great Britain were asked to meet him; their deliberations were held with all the secrecy of a Star Chamber, with all the ferocity of the Council of Ten. Recently the Coal Controller favoured the chairman of each coal company with a print of the scheme, with a warning that under the Defence of the Realm Act sudden death would be his portion if the slightest details of the scheme were allowed to become public. (Laughter.) I have visions of standing against a white-washed wall with a file of loaded rifles directed against me, and like St. Paul I protest I stand in jeopardy even in speaking of it, but enough is known for me to say that 95 per cent. of the excess profits of the coal trade of this country will be taken either by the Controller or the Government. The fate of the other 5 per cent. is problematical, but I am afraid we will not see much of it. If the coal trade, particularly of South Wales, was an industry from which you might look to receive annual dividends with clockwork regularity it would not be so bad, but the coal trade of South Wales often has difficulty in normal times in paying a fair return to its shareholders, and it looks to the boom years to provide it with the financial assistance required for developments. I may say that during the past 20 years I know of no South Wales colliery of any position which has been able to pay a regular dividend of not less than 10 per cent. per annum to its shareholders, or, putting it in another way, I know of no company which during the past 20 years has returned to its shareholders annually a sum equal to 1s per ton on its output of coal, which goes to prove how unfair it is to single out a particular trade for harsh treatment. (Hear, hear.)

EXCESS PROFITS DUTY.

Speaking of taxation generally, I see it is the intention of the Chancellor of the Exchequer to impose a tax of 80 per cent. on the excess profits of the whole industry of this country. Now, we all realise that this war must be paid for, but surely there are other methods than that very crude one of killing the goose that lays the golden eggs, which must necessarily be as inimical to labour as it is to capital. The commercial future of this country lies in the balance. If trades unionism fails to realise that the wealth of the nation depends solely on the productive capacity of its inhabitants, if it fails to realise that wages must necessarily be paid out of production, that the cleverest trades unionist, the glibest politician, never has been able, and never will be able, to pay one pound's worth of wages out of 15s. worth of production—if they still persist in the suicidal policy of attempting to limit the potential capacity and output of labour, then the commercial doom of this great Empire is already sealed. (Hear, hear.) The writing is on the wall: "Thou art weighed in the balance and found wanting." Other nations, better disciplined, more industrious, must inevitably usurp the proud position this country has hitherto held in the commercial world. The teeming millions which make up the inhabitants of China and India and the Far East must necessarily become a growing menace to the economic life of Europe. We might paraphrase a very hackneyed quotation and say, "Peace hath her battles, just as great as war." (Hear, hear.) But if trades unionism does its best in the interests of labour, if labour puts forth its best efforts, and even if those efforts are backed up by the most capable, the most energetic and the most courageous management, all will go for naught if the industry of this country is forced to enter into the greater economic conflict of the near future ill-provided with the ammunition of capital and finance. With these few words I beg to second the resolution so ably proposed by our Chairman. (Applause.)

THE NEW CAPITAL.

Mr. Hanford: As to the new capital, do you still propose to issue the balance of the £600,000? That, I think, would be £350,000, and, as against the £850,000 already issued it would mean seven new shares for 17 old ones. And could you give us some idea of the price, because shareholders like to get a little money ready when there is a new issue coming? Then there is a little item of shares and debentures under the head of investments. I should like to ask whether they are put in at cost, and whether you can give us some idea of what those shares and debentures are.

The Chairman: As regards the issue of the new capital, you must remember that we are not our own masters, as we are controlled by the Government. We do not know on what terms they will allow us to issue it. The last issue of shares was made on the understanding that they were to be allotted among our own shareholders, or applied for by our own shareholders. In this case I daresay they may make other stringent conditions, but it is premature for me to be able to tell you precisely on what terms and conditions we propose to issue them. A circular will be issued to all shareholders, and due notice will be given and every convenience afforded for the payment of any shares applied for. As regards the item, stocks and debentures, I should like to tell you that so far as the debentures are concerned, they are a very small part of the item; they are simply a few debentures in various railway companies in the neighbourhood. The principal portion of the item is stocks and shares.

Mr. Hanford: Gilt-edged?

The Chairman: Oh, yes.

Mr. Hanford: Are they put in at cost price?

The Chairman: Yes. They are colliery shares which we recently purchased in the Powell's Tillery and Lancaster Companies.

The resolution was carried unanimously.

The Chairman: The next item on the agenda is the re-election of the retiring directors, and it requires but very few words from me to recommend the adoption of the resolution. The resolution which I wish to propose is: "That Sir Henry Mather Jackson, Bart., and Mr. Frederick Mills be and are hereby respectively re-elected directors of the company." We know those gentlemen so well that I can assure you we should get on very badly without them. I will ask my friend Mr. Thompson Jowett to second that.

Mr. Thompson Jowett: It is with the greatest possible pleasure that I second the resolution. We all know Sir Henry Mather Jackson, and I know Mr. Frederick Mills. It was my good fortune to visit Ebbw Vale quite recently—I may tell you that I am very largely interested in steel, being a general manufacturer in the country myself—and I was more than delighted, as a shareholder, to see the extensions and the improvements that were going on there. I came to one conclusion, and that was that the extensions and improvements had been carried out by a great master mind. I believe that in Mr. Mills you have the man. (Applause.)

The resolution was unanimously agreed to.

Sir Henry Mather Jackson, Bart.: I beg to thank you, gentlemen, for the honour you have done me.

Mr. Frederick Mills (managing director): I also, Mr. Chairman and gentlemen, desire to thank you.

Mr. Thomas Edwards: After the balance-sheet we have received, and having had such a successful year, it is my pleasure to move:—"That the directors be authorised to appropriate £1,000 to charitable purposes during the current year."

Mr. Thomas E. Mitton seconded the motion, which was unanimously adopted.

The auditors (Messrs. Alfred Tongue and Co.) were re-appointed for the ensuing year at a remuneration of 300 guineas, on the motion of Mr. A. W. Pickard, seconded by Mr. Alfred de Mattos.

Mr. Mitton said he did not think the shareholders would like to separate without passing a vote of thanks to the Chairman for his conduct in the chair, as well as to the other directors and the staff and all those who had supported them. They had all known the company through its dull times, and they were very glad that they had found a sufficient body of Englishmen and Welshmen who had had the pluck to stick to it until now it had been made a great success. He looked forward to the company being one of the greatest steel producing companies in the country, and he was sure all the shareholders would like to assure the directors of their confidence. (Hear, hear.)

Mr. Alfred de Mattos seconded the motion, which was unanimously adopted.

The Chairman returned thanks on behalf of himself, his colleagues, and the staff for the shareholders' renewed vote of confidence, and stated that they would continue to look after the interests of the company as they had done in the past.

The proceedings then terminated.

AUSTRALIAN ESTATES AND MORTGAGE.

A SATISFACTORY YEAR.

THE GOVERNMENT WOOL PURCHASE SCHEME.

The annual ordinary general meeting of the shareholders of the Australian Estates and Mortgage Co., Ltd., was held on Thursday at the Cannon Street Hotel, E.C., Mr. Andrew Williamson, the chairman of the company, presiding.

The Secretary (Mr. A. W. Stevens, F.C.I.S.) having read the notice convening the meeting and the auditors' report,

The Chairman said: Gentlemen,—Before proceeding to deal with the report and accounts of the past year, it is again my painful duty to have to record the loss sustained by the death of another director of the company. The vacancy caused in 1915 by the lamented death of Mr. Charles E. Bright was filled, as you may remember, by the appointment of Mr. Stanley Carr Boulter, who was present with us at our annual meeting last year. I deeply regret to say that, after a comparatively short illness, Mr. Boulter died in January of this year. Though he had thus only been a member of the board for a very short time, yet, as chairman of the Law Debenture Corporation, the trustees of our first debenture stock, he had been connected with this company from its formation. His keen mind, wide financial experience in the City, and great interest in our company's affairs fitted him in a high degree to be of great service as a member of the Board, had he been spared to us, and we deplore his death. The vacancy thus caused has been filled by the appointment of the Right Hon. J. S. Sandars, who is with us to-day, and in whom I am sure we have secured an able, zealous, and congenial colleague.

DIVIDEND AND RESERVE INCREASED.

The directors' report and statement of accounts for the year ended December 31, 1916, you will no doubt wish to be taken as read, as they have been in your possession for some days. It must be gratifying to you that during the third year of this world war we have not only been able to maintain our dividend, but to recommend a distribution at a slightly increased rate after having added substantially to our reserve fund, the dividend being 1 per cent. in advance of that of the previous year, and the amount carried to reserve being £10,000 better. As mentioned in the printed report, the climatic conditions in Australia during the year under review over most of our properties were of a very favourable character. On some of these, however, the drought of the previous year continued well on into 1916, to the serious prejudice of the earnings of these particular stations. Prices for wool, meat, and live stock were on a high level of value throughout the year. The company's wool clip for 1916 was less in quantity than that of 1915 by 387 bales, while 1915, you may remember, showed a decrease on 1914 of 570 bales. A statement of our clips and their proceeds during the last four years may interest you:—In 1913 the quantity was 14,645 bales, and the proceeds £230,539; in 1914 the quantity was 13,118 bales, and the proceeds £217,379; in 1915 the quantity was 12,548 bales, and the proceeds £249,707; in 1916 the quantity was 12,161 bales, and the proceeds £266,455. The proceeds of our sales of live stock, after providing for any diminution in numbers since our valuation of assets as at December 31, 1908, amounted to £126,197, and for each of the last four years the proceeds of sales of live stock coming to the credit of revenue account have been as follows:—In 1913, £106,405; 1914, £131,370; 1915, £72,426; and 1916, £126,197. Turning again to wool, you will have observed, from what I have just said, that there has been a

yearly falling off in the quantity of our total clips during the last four years. It has recently been reported that there are fewer sheep in Australia to-day than there were 30 years ago, although the population has increased by 60 per cent. in the same period. The excellent season at present prevailing gives promise this year of some recovery in numbers through natural increase, and also of a larger total wool clip.

WOOL PURCHASE BY BRITISH GOVERNMENT.

In regard to the shipment, sale and distribution of our wool, a new and dominating factor has come into play owing to the prolongation of the war and the loss of tonnage. Towards the end of 1916 an official announcement was made that the Imperial Government had decided to acquire the entire Australasian 1916-17 clip. This purchase scheme was carried through so far as the Australian clip was concerned by the Australian Commonwealth Government acting as the agent of the Imperial Government, and the basis of price for the wool thus taken over was the average price per pound of the entire clip of the season 1913-14 (the pre-war wool year), with 55 per cent. added thereto—that is to say, an average rate per lb. over all for the entire commandeered clip of 15½d. When this arrangement was concluded between the respective Governments a not inconsiderable portion of the 1916-17 clip, as well as the balance of the 1915-16 clip, had been shipped, and of this part was on the sea in transit and part had already arrived in London, and was awaiting sale at public auction. For a time considerable doubt and uncertainty prevailed as to whether this wool, arrived and in transit, was or was not included in the definition 1916-17 clip in the Government scheme of purchase. Undoubtedly a portion belonged to the 1915-16 clip, its arrival here having been delayed owing to late shearing arising from adverse weather conditions in Australia, and also from labour difficulties there on account of the war. We claimed that such wool was clearly outside the operation of the scheme, and that it ought to be allowed to be sold in the open market in the ordinary way on the growers' account. Our contention was that all wool shorn before June 30, 1916, and shipped from Australia before November 23, 1916, was wool belonging to the 1915-16 clip, and should be so regarded and be exempt from the restrictions of the scheme. Strenuous efforts were made to impress this on the War Contracts Department. The Government, however, eventually decided, in concert with the Commonwealth Government, that all wool not shipped before June 30, 1916, and unsold on November 23, 1916, whether in Australia, in transit, or in London, irrespective of when it was grown, was controlled by the Government scheme and would be regarded as the 1916-17 clip. Regarding this somewhat complicated question, as well as many other important points at the time in doubt and requiring adjustment, meetings of the representatives of the principal pastoral companies were held, and they appointed a small committee to represent them, consisting of Mr. R. H. Caird, managing director and chairman of the Australian Mercantile Land and Finance Company, and your chairman, to bring the points in question before the Imperial Government. The committee of the London Wool Merchants' Association, of which we are members, took the matter up very vigorously and rendered excellent service, and our thanks are especially due to their able and indefatigable chairman, Mr. William Weddel. Countless interviews were held with the various directors and others of the officials of the War Contracts Department, and important and influential deputations were received by Mr. Forster, representing the War Office, and Sir Albert Stanley, of the Board of Trade. I mention this to reassure you who, as shareholders of this company, are large growers of wool, and act as agents for large growers, that no exertion was spared and no means left untried to protect your and our constituents' interests in the final adjustment of the terms of this scheme of acquisition and distribution by the Imperial Government of the Australian wool clip.

APPRAISEMENT OF PRICES.

The appraisement of prices to determine the value of each particular lot of wool has been an arduous task. The Australian Government, in their printed notes on the scheme, observe:—“In order that the wool growers and the public may have some idea of the work involved in the appraisement of the wool clip, it is a fact that the Advisory Board of Wool Experts consider it absolutely necessary to classify the clip into over three hundred standards, so as to arrive at the true appraisement and maintain the correct value relative to the flat rate of 15½d. as the average price of the clip.” This work of appraisement, both in London and in Australia, seems to have been well done, and the appraisement has worked, on the whole, with smoothness, and, taking all the circumstances into consideration, we have no reason to be dissatisfied with the result, though it has yet to be determined whether the average price for the whole clip will reach the agreed figure of 15½d. While we do not complain of

the prices given for the commandeered clip, yet it is a fact that sales by the Government of appraised wools that have not been required for military purposes have realised a substantial surplus on the appraised prices. In this matter, however, the growers' interests have been protected by an express provision in the purchase scheme. This provision was publicly announced by Mr. Hughes, the Prime Minister of the Commonwealth, in the Australian Parliament in the following words:—"If the balance is sold for a higher price than 15½d., half the excess will go to the grower and half to the British Government." Accordingly, in due course, a further amount as proceeds of the 1916-17 clip should be received by us and the other growers. The enormous growth of bureaucratic Departments which has taken place during the last two years is no doubt one of the evils incidental to such a war as is being at present waged. For your comfort, however, I may tell you that Mr. Forster, as representing the Government, definitely assured the deputation which met him in connection with the wool purchase scheme that this interference by the Government with the wool trade had been entered on most reluctantly, and was only for the duration of the war—that it would cease when the war was over. Similar statements have been authoritatively made also in the House of Commons. It may, therefore, be safely assumed that when the war is over these pledges will be faithfully redeemed by the Government that may be then in power, and this great industry will once more be set free from the hampering restrictions inseparable from control by a Government Department.

IMPROVED REVENUE FROM SUGAR ESTATES.

Turning now to our sugar estates, the revenue derived from this source shows an improvement when compared with that of 1915, and the results would have been still better had it not been for the heavy increase in the rate of wages to workers on the estates imposed by the decision of the Wages Board in Queensland under what is known as the "Dickson Award." The result of the award was to advance the rate of wages to an almost prohibitive level, and at one time there were fears that the whole of the sugar mills in Queensland, other than Government mills, would have to stop crushing. Shortly after the outbreak of the war the Federal Government intervened in regard to sugar, and has since controlled the price paid to the producer, the rate last year being £18 per ton. In view of the great increase in wages imposed by the above award, the Federal Government was approached with a view to this price being increased. Recently we received cable advice that the Federal Government had raised the price of sugar to the growers to £21 per ton, an increase of £3 per ton. While this will afford a measure of relief to the growers, the whole position is artificial, and one which we hope to see put on a more satisfactory basis for all concerned after the war is over.

DOUBLE INCOME-TAX.

When addressing you last year I mentioned the strong effort that was being made to obtain some measure of relief for you and all those who suffer through what is known as double income-tax on the same income. Indeed, as I showed you, we who are living here and carrying on business in Australia suffer from treble and, if super-tax is taken into account, quadruple tax on the same income. The Association to Protest against the Duplication of Income-Tax within the Empire has been unremitting in its efforts to obtain redress. Since we last met here several large and influential public meetings have been held and deputations to Ministers made. The only concession so far obtained is that given in the 1916 Finance Act, which is relief to the extent of 1s. 6d. in the £ to all who are liable to pay 5s. in the £ here and who also pay not less than 1s. 6d. in the £ in Australia. This concession is, however, wholly inadequate. The income-tax in Australia on account of Federal income-tax alone rises to a maximum of 6s. 3d. in the £ in the case of individuals, and in the case of companies is 1s. 10½d. in the £ on their undistributed profits, and with a flat rate of 6d. in the £ on their distributed profits to absentee shareholders and on the interest paid to absentee debenture-holders, in addition to which there is the income-tax payable to each State on the profits made therein.

INEQUITY OF THE TAX RECOGNISED.

The whole question received very careful consideration at the Imperial War Conference held at the Colonial Office last May, the published report of which will well repay your perusal. There is now no dispute in responsible quarters that to tax the same income twice for the same war is wrong and indefensible on any ground of equity. The representatives of our Overseas Dominions pressed very hard at the Imperial War Conference for immediate further relief, but the Treasury could not see their way to deal further with the matter till after the war, on the ground of the complexity of the problem and the fact that owing to the war their staff was undermanned and overworked. The double war income-tax is at least 3s. 6d. in the £—that is to say, all who pay 5s. income-tax here and the maximum income-tax in Australia pay war tax twice over on the same income to the extent of 3s. 6d.—the Treasury in such cases returns now 1s. 6d. It is urged that they agree to return this duplicated war tax of 3s. 6d., leaving over till after the war the adjustment of the complex problem of double income-tax at peace rates. It is no real answer to this to say that the Treasury and Inland Revenue Offices are undermanned and overworked, for it will not take an additional man nor the present staff any longer time to rebate 3s. 6d. instead of 1s. 6d.

(Hear, hear.) The real reason surely is that the Treasury want the money, but it is possible, as we all know, to be penny wise and pound foolish, and in the judgment of those who are pressing for this relief it is of urgent importance in the highest Imperial interests that this duplication should be removed without delay. A perusal of the discussion of the Imperial War Conference makes this abundantly clear. Owing to the relief already granted you will find that only 3s. 6d. will be deducted for British income-tax from the dividends shortly to be paid to you by this company.

THE ACCOUNTS.

Passing now to our accounts for the past year, the profit and loss account shows, you will observe, a gross profit of £247,942, arrived at after writing off depreciation in investments in Stock Exchange securities, the corresponding figure for 1915 being £210,792. On the debit side of the profit and loss account the general current expenditure, which includes all expenses at head office and branches, amounts to £33,858, against £31,580 in the previous year, while English and Australian income-tax amounts to £40,108, against £23,500 in 1915. After deduction of these charges the credit balance brought down is £173,975, against £155,710 in the previous year. After providing for debenture interest for the year and carrying £35,000 to reserve account (bringing this account up to £330,000), and bringing in £5,137 brought forward from last year, there remains a balance of £44,427 17s. 11d., out of which the directors recommend payment of a dividend of 7 per cent. for the year, leaving to be carried forward £7,421 8s. 4d. The figures in the balance-sheet do not, I think, require any explanation from me. I shall, however, be happy to answer any questions that shareholders may wish to ask. It may be of interest to you if I mention the amount of our holding in British Government securities at the date of the balance-sheet and at the present time. At December 31, 1916, we held £260,000 of the 4½ per cent. War Loan, £90,000 in Treasury bills and £20,000 in 5 per cent. Exchequer bonds. To-day we hold £455,300 of the 5 per cent. War Loan, £155,000 of Treasury bills and £70,000 in 5 per cent. Exchequer bonds, which makes our holding to-day £680,300. (Hear, hear.)

PROSPECTS DISTINCTLY FAVOURABLE.

With regard to the prospects for the coming year, I am glad to say that these are distinctly favourable. The rainfall, speaking generally, has been abundant, and by recent cable advices from our Australian head office in Melbourne the present position as regards the season and the lambings is everywhere satisfactory. The outlook as regards prices for our produce is also encouraging. There seems little likelihood of any serious fall in the present high prices of meat, so that such live stock as we may sell seem likely to command good value. As for wool, this season's clip (that of 1917-18), according to recent cables, has been acquired by the Government on the same terms as that of last season, so that, provided the remaining months of this year have their seasonable rains, the result of the working in 1917 should be very satisfactory. Before closing my remarks and moving the usual resolution as to the adoption of the report and accounts, I should like to refer to the number of employees of the company who have joined the colours during the war. From the staffs of our various offices 48 have enlisted; the great majority of these, of course, come from our Australian offices, while of our outdoor employees on our stations, &c., no fewer than 145 have also enlisted. I regret to say that out of the total of those serving 13 have been killed. I am sure all present join with the board in expressing our heartfelt sympathy with the relatives of those who have died, as well as our sympathy with any who have been wounded. (Hear, hear.) The loss of trained staff through the war and the shortage and diminished quality of general labour from the same cause have hampered us in the conduct of the business throughout the whole of the past year, and are the cause of our again this year being unable to hold our annual meeting in the month of June. Our hearty thanks are due, however, to our present staff in all departments, both here and in Australia, for faithful service willingly and ably rendered. I am glad to say that our general manager in Australia, Mr. McClure Smith, has recovered his health, and to him and all his staff I am sure you will wish me to convey your appreciation of their good work, which, with a good season and good prices, has produced so satisfactory a result. (Applause.) I now have the pleasure to move: "That the report and accounts for the year to December 31, 1916, now submitted, be received and adopted, and that the dividend recommended by the directors in the report of 7 per cent. for the year 1916 be and is now declared on all the consolidated ordinary stock and the capital paid up on the ordinary shares of the company appearing on the register on July 13, 1917, the same to be payable, less income-tax, on and after Wednesday, August 1."

The Vice-Chairman (Mr. G. F. Malcolmson) seconded the motion.

The Chairman, in inviting questions, said that he had received a communication from Sir Montague Nelson, one of his colleagues on the board, regretting his inability to attend the meeting. Mr. Charles Lock, a large shareholder, had also written expressing his regret that he could not be with them on that occasion as he had to attend another meeting at the same hour in his capacity as a director. In the course of his letter Mr. Lock said how gratified he was as a large shareholder of the company "at the very excellent report you and your colleagues have been able to submit for the past year."

No questions being asked, the resolution was put to the meeting and carried unanimously.

The Vice-Chairman then proposed the re-election as a director of Mr. Williamson, and warmly testified to the services rendered to the company by that gentleman.

Mr. Stanley Gray seconded the motion, which was unanimously agreed to.

The Chairman next proposed the re-election of Mr. Malcolmson as a director, remarking that that gentleman had been a member of the board from the inception of the company and deputy chairman for many years, and he had given most faithful and valued services to the company.

The Right Hon. J. S. Sandars, C.V.O., seconded the motion, which was carried unanimously.

On the motion of Mr Daughlish, Messrs Kemp, Sons, Sendell and Co. were re-appointed auditors of the company for the ensuing year.

A hearty vote of thanks was accorded to the chairman, the directors, and the staff, and the proceedings then terminated.

DISTILLERS COMPANY.

The annual meeting of the Distillers Co., Ltd., was held at Edinburgh on Friday, last week, Mr. W. D. Graham Menzies, chairman of the company, presiding.

The Chairman, in moving the adoption of the report, said: For the first part of the year almost 75 per cent. of the alcohol produced by the Patent Still Distillers was being taken by the Government or for other industrial requirements, leaving only about 25 per cent. to supply the wants of the blending trade. On January 1 it became evident that the Government were approaching the time when there would be an actual shortage in the supplies of alcohol for Government and other essential uses, and we, along with the other patent still distillers, voluntarily agreed to set aside the whole of our production to these uses. This meant a considerable sacrifice, which not only we but our regular customers were asked to bear. Since that time, by reason of the shortage of food and freight room, the Government have found it expedient to close down five of the patent still distilleries in Scotland and two in England, leaving only the yeast-making distilleries and those which produce spirits from molasses still working. Of these five Scotch distilleries, three belong to our company, and naturally means a loss of revenue to us, as we receive no compensation whatsoever. The most serious effect of this decision was to accentuate the shortage of alcohol, and to suggest to some minds the idea that the stocks in bond must be requisitioned after all. Needless to say, this would be a most undesirable and uneconomical course for the Government to adopt, and should only be resorted to under the most extreme necessity. The Distillers have already pointed out to the Government that, with the addition of only two tank steamers to those now running, it would be possible to import all the molasses required to produce sufficient alcohol to meet all likely demands. This would enable the Government to obtain alcohol at a price immensely cheaper than what would be the case if the redistillation of existing stocks were resorted to. When it is added that the molasses referred to is not fit for human food, and would otherwise be wasted if not brought to this country, it can readily be appreciated how great are the benefits which are likely to accrue all round from the adoption of the course which has been, and is still being, pressed upon the Government. On the subject of State purchase I can say very little. The majority of the trade, and more especially your company, have no desire to sell their businesses if they are allowed to carry on without disturbance; but if ever the necessity for commandeering the stocks in bond should arise, then your directors think in common with a large body of the whisky trade that this would so cripple the industry and interfere with the goodwill of their businesses that a scheme of State purchase would be the only fair and reasonable solution. And now, gentlemen, I have in my opening remarks referred to the company having been formed in 1877, so that it has now completed a period of 40 years' work. During that long period it has been the aim of successive boards of directors, and of none more so than the present board, to strengthen the company by every legitimate means in their power. The result, I think, is reflected in the latest balance-sheet now produced. Towards this result it would be unfair to overlook the able assistance your directors have at all times received from their whole staff in their efforts to strengthen and consolidate the position of the company, and I have already referred to what your directors propose to do for them with reference to providing a superannuation and provident scheme, but some of you may be inclined to ask what we propose to do for the large body of shareholders who represent the capital in the business. Your directors think it has been a wise policy to restrict the dividends to a moderate rate, and to place any surplus profits to a reserve fund from which money can be drawn to develop the business. This reserve fund now amounts to £800,000, and as it is all invested in the business or in other concerns which strengthen the company's connection, and which yield a good return, it may be regarded as part of the company's working capital. That being so, your directors have come to the conclusion that the time has arrived when they may safely recommend that part of this reserve fund may be distributed amongst the shareholders—not as an extra dividend, but in the form of extra capital. If you agree with that view, special meetings of shareholders will be called at an early date to pass the necessary resolutions to increase the capital of the company, and to authorise the issue of an additional 65,000 ordinary shares to be distributed amongst the holders of ordinary shares in the proportion of one new share for every

two old shares. This will have the effect of transferring £650,000 from the reserve fund to capital account, and will still leave £150,000 at the credit of reserve. Your directors believe that this step should meet with the unanimous approval of the shareholders. I now formally move the adoption of the report with its recommendation as to the allocation of profits, and also that the meeting confirm the action of the directors in setting aside £25,000 as a nucleus in setting up a superannuation and provident scheme for the benefit of the company's employees, details of which are left with the directors to arrange.

The motion was carried unanimously.

WELSBACH LIGHT CO., LTD.

GERMAN INTEREST ELIMINATED.

The sixth annual general meeting of this company was held on Thursday last at Winchester House, Mr. J. R. Yates presiding.

The Chairman said that negotiations which, with the concurrence of the Foreign Office, Board of Trade, and Public Trustee, took place at Berne last September, culminated in an agreement by which this company sold to the German company, called for short the D.G.A., their entire shareholding in the Austrian company, receiving in exchange the whole of the shares and debenture stock held in this company by the D.G.A. This momentous deal, effected after many months of strenuous work and thought, was of undoubted benefit to this company. They gave up the Austrian asset, standing in their books at £179,617 19s. 7d., but, with the existing outlook, having no immediate value and very little potential value for this company—an asset which they could not properly and effectively control even in peace time, however useful it might be to the D.G.A., who now had acquired it. In return the Welsbach Co. received shares, debenture stock, and cash to the nominal amount of £255,237, and, although some of the shares had been reissued to their own share and stockholders on terms realising less than par, yet they were able to improve their balance-sheet by an amount substantially in excess of the value of the asset sold, namely, £215,270, as against £179,617 19s. 7d., while their own members had had the opportunity of increasing their holdings on favourable terms. All the formalities having now been carried out, the matter might be looked upon as having been actually completed and the former German interest eliminated. In carrying out these transactions the board had been considerably aided by the courteous assistance of the Foreign Office, the Board of Trade officials, the Public Trustee Department, and the officers of the High Court, and they desired to make public their cordial acknowledgment of the broad-minded consideration they had met with, which had been most invaluable, and without which the carrying out of these difficult and complicated transactions would have been impossible. The issued capital of the company now stood at £175,000 in £1 shares, fully paid-up, leaving 90,000 £1 shares in the company's treasury available for future issue if required.

A careful study of the balance-sheet would, he thought, convince shareholders and debenture stockholders of the intrinsic soundness of the company's position, and of its financial strength. The profits on trading for the year were £40,013, as compared with £26,427 in the previous year. With the dividend on shares in B. Cars, Ltd., £15,074, there was a total profit of £57,329. After providing for interest on debenture stock, depreciation, &c., the net profit was £30,512. The directors recommended a dividend of 5 per cent. per annum, leaving a balance of £23,802 to be carried forward, subject to any liability for excess profits duty. It seemed anomalous that investors who had lost so much of their original capital should be mulcted by the imposition of heavy excess profits duty in a case where no dividends had been received for years, now that on a largely reduced capital they were able to pay a modest dividend. The present trading outlook of the company, provided they received the supplies of raw materials contracted for, and could retain sufficient labour, appeared satisfactory, thanks to the able management of Mr. B. Cars. If after the war they were reasonably free from the dumping of cheap foreign goods, this company, as the leader in the British mantle industry, should have a successful future. It had now, in effect, been reconstructed without the usual disadvantages of reconstruction. They had reduced the issued capital without the detriment ordinarily incident to that operation, and, moreover, had effected a corresponding increase in the capital available for future issue should the shareholders eventually be satisfied of its being required. Such ill-effects as arose out of the reconstruction of 1911 they had completely wiped out, and the concern had come back full swing into the ownership of our own people. In carrying out the work to which the directors had set their hands they looked for the whole-hearted support of the shareholders.

The report was unanimously adopted, and the dividend recommended was declared.

BRITISH NORTH BORNEO COMPANY.

The 60th half-yearly meeting of the British North Borneo Co. was held on Tuesday at River Plate House, the Right Hon. Sir West Ridgeway (the chairman) presiding.

The Secretary (Mr. Harington G. Forbes) read the notice convening the meeting and the auditors' report.

The Chairman said that they met again under the shadow of this terrible war, but, notwithstanding that many adverse factors continued to hamper their operations and to interfere

with the trade and revenue of North Borneo, particularly Customs and railway, the report and accounts for the year 1916 showed a material improvement over the previous 12 months. The revenue and expenditure account, including London, showed a credit balance of £140,000, as compared with £130,000 for 1915. That, in the circumstances, they would, he was sure, regard as distinctly satisfactory. With regard to Customs, which was one of their chief sources of revenue, there was shown a decrease of £864, but this decrease was nominal. If certain sources of revenue had not been transferred to the heading of "Land Revenue" from the heading of "Customs in respect of export duty on timber," there would have been an increase of £354 instead of a decrease of £864 in Customs revenue. The decrease under the heading of "Railway Earnings" amounted to £621. The total increase in the revenue from North Borneo, as compared with 1915, was, exclusive of land sales, £16,116. Of this total, Excise accounted for £14,649. An important source of their income was land revenue. Under this heading there was an increase, as compared with 1915, of £3,970. This sum included an item of £1,218 in respect of export duty on timber, which had hitherto been included under the heading of "Customs." Apart, however, from this item, there was an increase under land revenue of £2,752, which was due chiefly to increases in quit rents and land registration and transfer fees. This was very satisfactory, as it showed conclusively that the country was being developed in the way most beneficial to them all, namely, by the multiplication of small holdings. After pointing out the effect on British North Borneo of the shipping position, and commenting on the trade returns for 1916, he proceeded to deal with the progress of the various industries of the company's territory, remarking that the rapid strides made by the rubber industry in North Borneo was proved by the fact that last year over 4,000,000 lbs. of rubber were exported. He thought there was every reason to be satisfied with the company's present position. When war broke out they were faced with a very difficult and even dangerous state of affairs, and they had to be prepared to face any emergency. It at once became a question whether they should not have to husband all their resources, so as to enable them to grapple with any unforeseen contingencies, or whether they should continue to make advances to their subsidiary companies to enable them to tide over their difficulties and carry on operations. They fully realised that this policy would involve the reduction, if not the passing, of the dividend. Well, it was decided that it would be highly prejudicial to the best interests of the territory to refuse their support to the subsidiary companies. Without assistance many of them would have had a hard struggle to exist, for in no other direction could they have got help. It was fortunate that they did so. But in order to carry out this policy they were obliged to reduce the dividend for 1914 to 2½ per cent. and postpone its distribution for some months. At December 31, 1916, their investments amounted to £481,805, in addition to which they had cash at the bank £49,763, while their advances to companies amounted to £506,218. Their total liquid assets were therefore £1,037,786. Furthermore, whereas at the end of the year the market value of their investments disclosed depreciation to the extent of about £90,000, the market value to-day of the same investments showed depreciation of little more than £8,000. It would therefore be realised how vastly their financial position had improved in the course of the year. Included in the total of £481,805, which was the cost price of all their investments, was £245,670 for Borneo rubber shares, and at to-day's prices these shares would realise a profit of about £5,000. That surely was a position of strength. In fact, their financial position was stronger to-day than at any period of their history. He disliked making predictions or in any way attempting a prophecy, but he thought he was safe in saying that, judging from the information already in their possession, the year 1917 would show a satisfactory increase even over the gratifying figure of 1916. Although they fully realised that grave difficulties might yet confront them so long as the war continued, and therefore appreciated the necessity for husbanding the company's resources, whether derived from revenue or investments, still they felt justified in recommending a dividend of 3½ per cent. for the year 1916. In conclusion, he moved the adoption of the report and accounts.

Sir Montagu F. Ommanney seconded the motion, which was carried unanimously.

LOBITOS OILFIELDS.

The ninth annual ordinary general meeting of Lobitos Oilfields, Ltd., was held on Wednesday at Winchester House, Sir Archibald Williamson, Bart., M.P. (the chairman), presiding.

The Secretary (Mr. James Rennie, A.C.I.S.) read the notice and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said that the production of oil in the past year was slightly less than in the preceding year. This was accounted for by a general strike in September, which lasted 15 days, during which time the pumping of the wells was stopped. The profit made on producing oil was £45,619, as compared with £55,068 in the preceding year—a drop of about £10,000, due to increased operating expenses and increased taxation in Peru. The profit from the steamers was £30,424, or about £10,000 less than in the preceding year. The net profits amounted to £48,615, as compared with £80,557 in the previous year. The lesser gains from the steamers were accounted for by the fact

that the company had only two steamers in operation in 1916, as against three in the preceding year. In the balance-sheet property account had been raised by further property acquired during 1916. With regard to the valuations of the steamers, he mentioned last year that the book valuations were considerably less than the value of the steamers, as gauged by present prices. They had not yet been able to recover the value of the *El Zorro*. He regretted to say that the Admiralty were contesting the company's claim, and it was being carried from Court to Court. The directors had done their best to press the claim to a conclusion, but the end was not yet in sight. Meantime, the company had been kept out of the money since the end of 1915. With regard to the steamer *El Toro*, he regretted to say that she was lost on the Irish Coast by a peril of the sea in January last. They had recovered her value from the marine underwriters, but her loss, coming on the top of that of the *El Zorro*, was a serious matter for the company, from the point of view of income. The board did not propose hastily to replace these steamers. At the moment, indeed, they were practically unable to do so. Meantime, the proceeds of the *El Toro* had been invested in War Loan. The directors recommended a final dividend of 5 per cent., making 10 per cent. for the year. They proposed that £15,000 be added to reserve fund, and that the balance of £35,062 be carried forward. They did not expect to have to pay any excess profits duty, but the question was not definitely settled. The reserve account would now stand at £90,000, which might be set against the depreciation of part of their original property. The production amounted for the year 1916 to 87,208 tons, as compared with 88,613 tons in 1915 and 67,288 tons in 1914. With regard to the general situation, the war had undoubtedly brought oil fuel and petrol into prominence, and in certain directions had greatly increased their use. In the directors' opinion this would continue after the war. Increased production was hampered by increased cost. Meantime, the increased demand was making a steady reduction in the world's stocks above ground. In these circumstances the price had naturally increased. In this improved price the company had not fully shared, owing to the fact that most of the contracts under which they had been delivering oil were made prior to the outbreak of war. Improvement in this respect might be looked for after the end of 1917, when their larger contract expired. Taking the view of the future which they did, the board were continuing their policy of keeping the company strong financially and acquiring further areas of oil lands from time to time, when offered on suitable terms. They believed this policy to be thoroughly sound, and that it would secure the continued and increasing success of the company.

Mr. H. W. Sillem (managing director) seconded the motion, which was carried unanimously.

ROEBOURNE FINANCE AND INVESTMENT

The annual general meeting of the Roebourne Finance and Investment Co., Ltd., was held on Wednesday, in the Council Room of the Rubber Growers' Association, 38, Eastcheap, E.C., Mr. Hubert Feilden Jackson (the chairman) presiding.

A representative of the secretaries and agents (Messrs. Wallis, Wood and Co.) read the notice and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said the company held an area of 2,500 acres, of which 685 acres was planted and in good condition, and approximately 600 acres was planted which was in a bad condition. There was a crop of 105,203 lbs., against the manager's estimate of 85,000 lbs. It was quite probable that that figure would have been exceeded had it not been for the extremely heavy rainfall, amounting to about 178 inches, of which over 85½ inches fell in the first three months of the year, which were the last three months of the financial year, naturally upsetting the work on the estate. The estate expenditure, including depreciation on plant, amounted to £5,598. With regard to the 600 acres which he had described as being in bad condition, originally 1,300 acres were planted, and they knew that 685 acres were in good order; but the 600 acres were apparently abandoned by the company from whom they purchased the property. The directors ordered a minute investigation into that area with a view to reclaiming as large a portion of it as possible. At the present time it was of unknown value, but by the time they met next year he would be able to tell the shareholders how much of it they could regard as of value. The area of 2,500 acres which they held was a portion of a total of 5,000 acres, the lease for which was granted some ten years ago, and still had about 89 years to run. It was granted subject to a royalty of 2½ per cent. upon the proceeds of the output. In the original lease there was an obligation to plant the whole of the 5,000 acres by the end of 1924. That, of course, was quite impossible. The directors had no ambitious programme of planting at the present time, even with regard to the planting up of the balance of the 2,500 acres. They were not at present manufacturing their own rubber—it was being treated on the neighbouring estates—but as soon as it was practicable the directors proposed to make arrangements to deal with the rubber on their own property. They had adequate buildings and a certain amount of machinery, and the outlay involved in completing that machinery in order to be able to treat their own products would not be very heavy. The directors felt that the cash position of the company, after paying the dividend recommended, would be adequate for the probable requirements of the near future.

Dr. Samuel Rideal, D.Sc., J.P., seconded the resolution, which was carried unanimously.

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The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

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SATURDAY, AUG. 4, 1917.

[Price 6d.]

CONTENTS.

Passing Events:—Revenue — Pacifist Fright — Houses for the Working Classes — Civil Departments' Obstruction — Diplomatic Deal in Paper — British Australian War Time Profits Tax Assessment Bill — Serbian Claims — National Bank of South Africa — Manchester and Liverpool District Bank — Australian Agricultural Co. — Arthur Guinness — Furness, Withy — Spillers and Bakers — Gordon Hotels — British Steamship Investment — Threlfall's Brewery — Mond Nickel — Cotton Trade Crisis (pp. 119-24).

Leading Articles:—Land: The One Safe Basis of Public Income — Marconi's Wireless Telegraph Co. — By-the-Way War Notes — The Rumanian Senate and the Land Monopoly (pp. 124-7 and p. 135).

American Business Notes:—Reason for Going to War — Stoppage of Dutch Ships — Budget Estimates — Foreign Trade for June — United States Steel Corporation (p. 128).

Mining News:—Casey Cobalt — West Rand Central Liquidation — Arizona Copper (p. 129).

Insurance News (pp. 128-9).
The Week in Mines (p. 129).
Dividends Announced (p. 129).

Money and Credit Notes:—Steady Discount Rates — Weaker Bank Return — Scandinavian Exchanges Lower — Gold Leaving Germany — Port of Bahia Bonds — Silver (pp. 130-2).

Tea, Oil, and Rubber:—Rubber Market — Malay Peninsula — Bukit Rajah Rubber Co. (p. 136).

What Balance Sheets Tell:—Scottish American Mortgage Co. — Parker's Burslem Brewery — British Portland Cement Manufacturers (p. 136).

Company Meetings:—The Union Bank of Manchester — The Clergy Mutual Assurance Society — Dorman, Long and Co. — Gloucester Railway Carriage and Wagon Co. — Furness, Withy and Co. — Union Bank of Australia — Spillers and Bakers — Burma Corporation — Threlfall's Brewery (pp. 137-143).

The Week's Stock Markets (pp. 132-3).
London Produce Markets (pp. 133-4).
Public Income and Expenditure (p. 134).
Answers to Correspondents (p. 136).
Oilfields Items (p. 143).
Traffic Returns (p. 144).

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SATURDAY, AUG. 4, 1917.

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Passing Events.

Révenue continues to come in much as usual during the slack quarter of the year, but its yield is poor indeed compared with our necessities. The total yield from taxation, &c., last week was £9,320,000, and of that £6,204,000 was provided by the income-tax, the excess profits duty, and the munitions levy, the last two alone yielding £4,344,000. Up to date out of £161,000,000 obtained from taxation and State monopolies nearly £91,500,000 has come from these two sources of direct taxation, or four if sub-divided—income-tax, super-tax, excess profits tax, and munitions levy. Expenditure was nominally £102,778,000, but of that only £48,089,000 represented the actual outgoings of the week. On supply services alone £46,916,000 went away, or £6,706,000 a day. Add in the £1,173,000 set down to miscellaneous demands and we get a daily expenditure of £6,870,000. In addition to that Treasury bills fell due last week to the amount of £49,624,000, and £5,000,000 of temporary advances had to be repaid, so that altogether £55,000,000 out of the £103,000,000 of total expenditure was due simply to the financing of the floating debt. Supply Treasury bills, for example, were sold to the amount of £59,309,000, and £19,937,000 came in as product of "other war debt," while £10,000,000 was raised on temporary advances. The more permanent form of debt, the Exchequer bonds, provided only £2,735,000 and War Savings certificates no more than £600,000. The total of the Exchequer bonds of the present series now outstanding is £58,966,000, little more than an average week's expenditure, and the Government will have to take into more serious consideration than it has yet visibly done the problem how the floating debt is to be kept from bulging out to a size that might very easily frighten the timorous everywhere and damage the whole fabric of our credit. We are not going to harp further about the issue of "lottery" bonds, as they are misnamed. It is getting almost too late to fall back on such a perfectly legitimate and workable expedient, but that the Government must do something to ease the strain upon the market becomes every week more obvious. From the two War Loans, the 4 and 5 per cent., only £500,000 was received last week, but as the total is now £946,377,000 there can be little more left to come. The floating debt in Treasury bills, however, is rapidly overtaking the figure of the funded

debt, a nett addition of £9,674,000 having been made to it last week, which increases the outstanding total to £729,057,000.

Is not too much noise being made around our Pacifists? To foreigners we must begin to look like a people afflicted with nerves; but foreigners, if they came to that conclusion, would make a mistake. It is not exactly nerves that moves the mob to break up meetings conceived with designs essentially disloyal to free democracies, nor yet that prompts M.P.'s to hold a sort of police spy inquiry into the movements of Mr. Henderson, an often absent member of Mr. Lloyd George's war Junta—we cannot call it Cabinet, for it is not a Cabinet in any accepted sense of the word. The feelings thus shown are indicative rather of the growing detestation of German war inhumanities and the consequent shrinking of all sane and healthy human beings from contact with Germans on any terms and for any purpose whatsoever. This feeling has led to a quite exaggerated pre-eminence being bestowed upon men like Mr. Snowden and Mr. Ramsay MacDonald. Both are really quite ordinary human beings. They have got "a twist," no doubt, due perhaps to their natural bent, to over-education in a particular line, but most of all perhaps to that habit common to many really superficial minds of accepting all phrases tendered to them at their face value. In their speeches last week these two gentlemen, and those who supported, talked of Michaelis's phrases about "peace by agreement," and so forth, as if they had the same meaning in his mouth as they would have had in Mr. Asquith's, Mr. Balfour's, or the Prime Minister's. So they advertise themselves as easy dupes and meander on about things they misunderstand or do not understand at all, and their influence with the public seems to us to be on the decline, tending towards zero rather than towards their victory. Certainly their association with the Belgian adventurer Morel—and they are associated with him, no matter how they may deny his dominancy—is not calculated to increase the confidence of their fellow-countrymen in the trustworthiness of their judgment upon any question of politics.

When Mr. Henderson, therefore, went to Paris without the knowledge of his comrades in Mr. Lloyd George's War Directorate, there was naturally much excitement aroused, which found expression in a de-

bate in the Commons on Wednesday. It was not a particularly satisfactory debate, because rather too much passion was exhibited, and occasionally the trend seemed towards a fussy dread of the Germans, always and everywhere. The loutish and ill-bred, but, persistent functionaries of the Prussian tyranny would seem to have succeeded in impressing people abroad, and especially here, with a conviction that they are superlatively astute and clever. And we are, or affect to be, in terror at the very thought of meeting any of them. Good, however, came of the tussle, and calm returned when Mr. Lloyd George was moved in the House to make the emphatic declaration that "under no circumstances" would any Socialist or other person from this country be allowed to enter into confabulations with the Germans at an international conference. By all means let us stand clear of the Germans while the Prussians continue to cling to their lusts, and to clamour after their incompleted "conquest" with the tenacity of thieves caught in the act and reluctant to let go their hold. Talks with the agents of such would serve no good object of any sort. There can, however, be no valid reason whatever for interfering with or forbidding British Labour representatives to attend that inter-Allied Labour Conference which it is proposed to hold in London on the 10th of this month. The Russian Socialists, who seem to know comparatively little of the workings of class aspiration and passions in other countries, have demanded, or pleaded, that this conference should be held, and as it would be well to enlighten them, also to prove to them if possible how and why we cannot allow Labour in this country to send delegates to an International Conference in Stockholm, where we should have to meet Germans, the utmost possible should be done to make it free, full, and representative. And although no official countenance should be given to delegates appointed for the All-Europe Socialist assemblage in Stockholm, why should the Government prevent them from going if they so choose? There is a rebelliously inclined Socialist party in Germany, small as yet so far as its public representatives go, but still beginning to reveal an independence of mind which might be fruitful of good results to the German people themselves. What harm could be done to the prospects of arranging a sure peace by allowing members of the German Minority Socialist group to hear the truth about the war, about Germany, about the peace, from the lips of well-chosen British delegates? Even Mr. Ramsay MacDonald might be turned to good account in talks of that kind, for he is not the man to tell lies and deny the truth merely in adherence to a pre-arranged party programme. Nay, it is conceivable that the Majority Socialists might be the better for knowing that the United Kingdom is not yet starving, and also something of the kind of peace the Allies mean to secure—a peace that would deliver Germans themselves from the all-consuming tyranny of the Prussian monster. Let all go to Stockholm who care to; they cannot bind the nation to any course of action, nor could their peace manœuvres afterwards be more insidious or futile than they are to-day. But are we afraid of Socialism at home? Ah, that's quite another story.

Few things amaze us more than the ignorance of the working classes about the bearings of their financial demands, unless it be the ignorance of those who are supposed to be educated, and therefore to know better. Here is a Joint Committee on Labour Problems After the War made up of representatives of the Parliamentary Committee of the Trade Union Congress, the Executive Committee of the Labour Party, the Management Committee of the General Federation of Trade Unions, and the War Emergency Workers' National Committee, putting forward a project for building "at least a million" new houses for the working classes, to be let at not more than a few shillings a week. This, it seems, would only cost the modest sum of £250,000,000 and the representatives of the men appear to think that if they press their demand it will be granted. Possibly they are right, too, for in

its meekness towards labour in all conditions the Government may be ready to concede even this much without asking where such a sum as £250,000,000 could be found. Already there is talk of compromising at 500,000 houses. The working men seem to imagine that the Government has nothing to do but to sign a cheque, and accordingly this gathering of wise men of labour peremptorily asks the Government to inform all local authorities at once that this million new buildings must be put up, and each locality is to have its quota assigned, and will be allowed to draw for a free grant in aid to be provided from the public purse. Four years' priority are to be given to the builders of these new houses, and meanwhile the erection of "luxury" buildings must be suspended. The building should begin everywhere "the day after peace is declared," and should be proceeded with in proportion as the supply of building trades workmen increases with demobilisation. The Committee further estimates that if the Government "lent the whole capital free of interest," the charge on the Exchequer in the first year, assuming that the Government borrowed it at 5 per cent., would "only" be £12,500,000; but if it made a free grant on the scale adopted in the munition areas, allowing just sufficient to enable the local authorities to avoid any charge on the rates, while fixing rents not exceeding those paid hitherto, the total cost to the State would be £50,000,000—less than ten days' cost of the war. It is very pretty and, we fear, quite impracticable. But Mr. Hayes Fisher has been talking smoothly to the working men's representatives, and there is no knowing what may be promised. Meantime, is there not some probability that many "luxury" houses may become vacant, and might not a goodly proportion of these be available for conversion into houses for working men?

Will Lord Rhondda's frank statement regarding the fate which overtook his Public Health Bill do anything to cleanse the Augean stable of our swarming and overlapping civil departments? We doubt it. People grumble, but there is nobody to lead in any real and sustained effort at reform. As Lord Rhondda told the country, several of the departments often share duties that should belong to one of them. They, instead, are divided, and jealousies and rivalries arise resulting in confusion and delays. But they all unite in putting up an impassable rampart of obstruction against the reformer. This obstructiveness has always been a grave complaint against these permanent servants of the State who behave as its masters. They are so irremovable by custom and contract as to be able to defy all criticism or attempts at reform. What does the House of Commons really know about the working of any of the departments supposed to be subject to its governance? It knows nothing, and the permanent official does not intend that it should know anything. Because he is ignorant it is always open to the civil official to befool the inquiring M.P., groping in the dark, suspecting that something is wrong but not knowing how to find out what, still less how to stop it. Nine times out of ten the effort to remedy or improve comes to nothing, ay, we might say 99 times in 100. There must, however, come a change in this state of affairs, and one consequence of the war is certain to be a reduction and simplification of our Civil Service. Unless that comes about the Government machine will break down altogether. As now conducted, the great administrative departments of this country are the most fertile source of discontent which we have, and therefore of revolutionary tendencies amongst the masses of the people. And was not the Roman Empire of the East, most law ruled and orderly of Governments, squeezed to death by its bureaucracy? Why should ours escape a similar fate?

In the end of last week the following paragraph went the round of the Harmsworth newspapers in London:—

The American Newspaper Publishers' Association announces that 80,000 tons of new printing paper will be annually available from Lord Northcliffe's Newfoundland mills to relieve the present shortage. It is intended that small newspaper pub-

lishers and others who are at present paying high prices for paper shall also have access through the same source to a quantity of ground pulp and sulphite, the throwing of which on to the American market is expected to result in lower prices all round.

We have been looking for something of this kind ever since Lord Northcliffe departed as a representative of the British Government with undefined duties and as many, doubtless mistakenly, thought, in a position to compete with our regular Ambassador in the United States. We looked for it, because two members of his Carmelite Street staff either preceded or followed him to New York, a Scotsman and a Jew, both men of unusual business shrewdness and capacity, and one of whom knew all about the Newfoundland paper-making adventure or enterprise. And it was perfectly legitimate on his lordship's part to take these members of his staff with him to America, and also to set them to work to sell the paper produced by the Harmsworth Anglo-Newfoundland Development Co. if it could not be sent home. We have not a word to say against the transaction as a stroke of business, doubtless smartly and ably conducted, with good profit to all concerned. But what does surprise us is that any man in Lord Northcliffe's actual official position, and possessed of his interests as a manufacturer, should be considered fit to represent the British Government at the present time in a country increasingly sensitive on points of honour in official quarters, and at the same time to carry on his private business there. We shall look for light to be thrown on the transaction and on his lordship's position and duties by Parliament, and feel sure that if our M.P.'s do nothing, politicians in the States are likely to be less shy. The way an air of philanthropy is sought to be given to the transaction is quite Prussian in its hypocrisy.

Some important alterations have been made in the Australian War Time Profits Tax Assessment Bill. The amended measure, which was introduced by Sir John Forrest in the House of Representatives at the end of last week, provides that the tax shall be 50 per cent. for the year ended June 30, 1916, and 75 per cent. afterwards. The tax will be levied on the excess profits made after June 30, 1915, as compared with pre-war profits. The exemptions include agriculture, fruit-growing, dairying, and allied businesses. It was originally proposed to take all the excess profits for the second and succeeding years of the war. The new Bill provides that the statutory percentage allowed on capital shall be 10 per cent. instead of 6 per cent., as in the previous Bill. It also provides a sliding scale of taxation on profits over £200, this exemption limit disappearing when the excess income reaches £600. There is likely to be much less opposition to these than to the original proposals, which were distinctly more stringent than the English excess profits duty legislation.

Something like a consciousness of the approach of peace crops up frequently in the utterances of foreign Governments. Germany itself is evidently beginning to think that not all its profusion of murder machinery, its poisoned gases and liquid fire, its long-range guns, U-boats and aircraft, can long stave off the end or its own exhaustion. And one of the most interesting recent events has been a manifesto by the Serbians, or Southern Slavs. They have issued through the Serbian Government a statement of their aims, and the fact that this should be done now reveals the existence of a feeling that it is well to be in good time with the aspirations to be put forward. It has always been recognised in this country, at any rate amongst observant politicians, and perhaps even more so in France, that the settlement of the Balkan problem is going to be one of the tests of the new statesmanship. A spirit of generosity, of forgiveness even, will be necessary, so also a wide tolerance, and we must have a complete absence of all selfish designs on the part of any one of the big Powers if a durable settlement is to be arrived at. We gave last week a sketch of the

aspirations—one may say the demands—of Italy, and endorsed that country's claim to be supreme in the Adriatic. Perhaps it was with a view in turn to assert their rival claims that the Serbian Government has now put forward the project of a new State composed of Serbs, Croats and Slovenes, which would form a kingdom with 12,000,000 inhabitants. Presumably this new kingdom would embrace Montenegro and Bosnia and Herzegovina, including the so-called kingdom of Dalmatia, with Croatia and Slavonia, possibly even Corinthia, thrown in. In one of Dr. Seton Watson's able and well-informed pamphlets upon the Adriatic problem we find a sketch map which carries the Yugo-Slav kingdom right up to the Alps and almost to Gorizia on its Northern border. Within that kingdom Trieste and Fiume would be "free ports," and it would embrace all the islands off the coast of Dalmatia, and include the whole of Albania. That is an imperialist's dream, and if the Serbians have any such ambition as that, they will have to change their plans somewhat before the boundaries are finally settled. That they should have perfectly free access to the Adriatic, and that all who wish to form part of the larger Serbian kingdom should be free to join it, are indisputable rights, which the Allies now fight to secure. The idea of the constitution put forward by this manifesto is in accordance with Western professions of faith, is, in fact, excellent—freedom of worship and equal rights for all within the State. Italy, at least, will have no objection to such a constitution, and it is just because Italy alone appears to us to be capable of guaranteeing peace and freedom to grow to the long oppressed populations of Slavs inside the Austrian compound, and out, that we think the autonomy of the Adriatic should be hers; hers the duty to keep the peace and to smooth the path the oppressed have to climb. For the world will not be a millennial ideal of either national or international concord immediately after the war ends. It will be long before the excited passions subside and nobler conceptions of man's place and of social morality begin to make way amongst the down-trodden and ignorant masses for so many centuries victims of arbitrary rule; but that Serbia should be enlarged and free, and that all Croats and Slovenes who wish to join her to form a large and harmonious State will be allowed to do so, should be beyond question.

Remarkable progress continues to be shown by the National Bank of South Africa, Ltd., whose report and balance-sheet cover the operations of the year ended March 31 last. It was a more prosperous year than the one that preceded it. Gross profits were no less than £266,000 larger at £1,034,924, and as expenses increased only £61,104, it follows that the nett revenue, including £7,841 more at £44,294 brought forward, was £197,058 better at £418,634. But this splendid increase in the clear profit did not tempt the directors to make any difference in the dividend paid to the shareholders. They again get 6 per cent. for the year, and £175,000 is added to the reserve fund, raising it to £700,000 alongside a paid-up capital of £2,850,000. The pension fund also gets £25,000. A year ago it got £10,000; and the reserve got nothing; but then, however, £173,000 was applied in writing down the value of the bank's investments, whereas this year nothing is required in that direction, and instead £30,000 is written off the cost of bank premises. These particulars testify to conservative management. Perhaps the most striking change shown by the balance-sheet is in the liabilities on deposit, current and other accounts. These have risen no less than £4,089,257 within the year, and now amount to £27,246,501, placing the bank in this respect at the head of all the banks in South Africa. A year ago the deposits, &c., showed an increase of £2,934,000, so that in two years these liabilities have expanded no less than £7,000,000. The note circulation also has again increased by £538,000, which compares with an increase of less than £83,000 a year ago. On the assets side cash in hand and with bankers has increased £956,217 to £4,374,812, and the total of immediately liquid assets;

including remittances in transit and native gold on hand and in transit, was at March 31 last £5,802,410, or £1,280,037 more than at the end of March last year. Call money is about £164,000 larger at £1,657,434, and bills of exchange are now £5,357,202, or £894,216 up, while the increase in bills discounted, loans, &c., is £2,930,832, making that credit mass £17,158,663; so that altogether there must have been a big business going on in the districts and countries where the bank is situated. The total of the balance-sheet has risen on the year £6,147,055, and is now therefore £38,618,353. Its investments are valued at £3,292,030, or £7,520 less than last year, and have been written down to market value.

Following a growing custom, the Manchester and Liverpool District Banking Co., Ltd., merely issues a balance-sheet as at June 30, the full report being postponed till the end of the year. Current and deposit accounts have increased £4,500,000 to £35,147,000, and nearly the whole of the increase has gone on to advances, which are £4,300,000 up at £17,756,000, no doubt mainly in connection with War Loan subscriptions. Cash is up £775,000 at £5,410,000, and there is a small increase in money at call, &c., which amounts to £3,328,000. Exchequer bonds are stated separately at £2,372,000, with the result that other British Government securities show a decline of £2,900,000 at £5,072,000. Other investments are £300,000 lower at £2,054,500, and bills of exchange have fallen £225,000 to £2,049,000. These changes call for no special remark.

The Australian Agricultural Company had many disadvantages to contend with in 1916, but it managed to make a slightly larger profit than in the previous year. The coal trade was in a very depressed condition, and although the Queensland and Headingley properties did fairly well, the season at Warrah, though better than in 1915, was not a good one, and land sales yielded slightly less. The outcome of all operations is an increase in gross revenue of £2,840 to £137,700. Expenses and taxes, however, took slightly more, with the result that net revenue only showed an increase of £1,610 at £73,875. The dividend on the ordinary shares is again made up to 9½ per cent., but to do this the carry forward has to be drawn on to the extent of £2,125. In the balance-sheet cash and Treasury bills have fallen £106,025, and estate and properties account—which in the opinion of the directors is undervalued—exhibits a shrinkage of £31,075 at £276,930. On the other hand, investments are £33,705 up at £250,650, cattle and horses have risen £64,440, sundry debtors owe £24,360 more, and wool clips and stores account for a further expansion of £28,850. The outlook for the current year seems to be somewhat more encouraging. The condition of the sheep on the Warrah estate is said to be on the whole satisfactory; at Corona and Bladensburg the season promises to be an excellent one, and the latest advices from Headingley are that the country is in splendid condition. High prices are being realised for sheep and cattle, and the coal trade, inter-state and local, is brisk.

It might have been expected that the brewing restrictions would have affected Arthur Guinness, Son and Co., Ltd., more than most other firms, especially having regard to the difficulties in getting the output shipped. We are not surprised, therefore, to find that the profit on brewing has dropped £550,000 to £4,920,000, but no less than £950,000 was saved on excise and license duties at £2,929,000, and the net profits, including a larger amount received for interest, come out at £1,995,000, an increase of £413,000. Excess profits duty takes £177,000 more at £473,000, and after again placing £200,000 to reserve and £35,000 to depreciation account, the balance available is £33,000 higher at £677,830, including £102,000 less brought in. This time the dividend is 12 per cent. and the bonus 4 per cent., free of income-tax, while last year the dividend was 10 per cent. and the bonus 6 per cent.,

but it comes to the same thing, and £177,830, or £73,000 more, remains to be carried forward. Creditors have been reduced £230,000 to £824,380, while debtors are up £660,000 at £1,164,000. Stocks are slightly lower at £2,504,000, investments have been reduced £370,000 to £1,020,000, and cash balances are £83,000 down at £587,850. Stock of casks, which cost £485,400, now stands at £271,150, having been written down £17,000 on the year, and on balance property, plant, &c., is a little lower at £5,850,000. It is a wonderful business, and nothing seems to interfere much with its abounding prosperity.

At the meeting of Furness, Withy and Co., Limited, Lord Furness, more in sorrow than in anger, deprecated the discrimination against shipping companies in the Finance Bill. It is quite true that some concerns, especially those owning tramp steamers, have made enormous profits, but the regular lines have not been so fortunate, because the bulk of their tonnage was requisitioned at Blue Book rates, and the whole lot is now controlled on a similar basis. Owing to increased expenses it will be impossible on these terms to make even the pre-war rate of profits, while any new tonnage purchased costs two or three times the normal price, and cannot be remunerative when rates fall to their old level. But perhaps the most serious aspect of the matter is the fact that neutral shipowners have been making enormous profits which are not subject to 80 per cent. excess duty, and the increased funds at their disposal have enabled them to greatly strengthen their position and to extend their connections owing to such a large proportion of British shipping being diverted to special purposes. Competition after the war is certain to be keen, and British owners will have a very hard struggle to regain their old supremacy, handicapped as they must be by high expenses and heavy taxation. Lord Furness again exploded the fallacy that freights are largely responsible for the increased prices of commodities. In the case of bread, freight represents less than 1d. on the 4-lb. loaf, and it is only 1d. per lb. on meat and 1½d. per lb. on sugar. But the clamour got a long start, and it is difficult to overtake and scotch.

Some interesting statistics with regard to bread consumption were given by Mr. W. E. Nicholls at the meeting of Spillers and Bakers, Ltd. On the basis of a population of 47½ millions the normal requirements of the country would be 40,375,000 sacks of flour of 280 lbs. Under the voluntary ration of 3½ lbs. per head per week the consumption would be 23,085,000 sacks per annum, but allowing for coarser milling and the compulsory dilution of 20 per cent. the amount of wheat flour is reduced to 18,468,000 sacks, or considerably less than half the normal peace requirements. Of course, it cannot be known for some time whether we are actually living down to this figure, but, in any case, the reduction in consumption must be enormous. In connection with supplies, Mr. Nicholls gave an illustration of the immense importance of large crops in North America, especially in view of the shortage of tonnage. Steamers are able to average seven round voyages a year across the Atlantic. A vessel carrying 30,000 quarters will therefore transport 210,000 quarters in the year, covering approximately 46,000 miles. The same steamer would average only two and a-half voyages to and from Australia. It would consequently carry no more than 75,000 quarters, and would cover about 58,000 miles. In ordinary times the difference is not of great importance, but it is a vital factor at present. Incidentally Mr. Nicholls paid a high compliment to the Royal Commission on Wheat Supplies, which is charged with the task of supplying the bread cupboards of this country and its Allies, who are dependent on the transport of foodstuffs from overseas, a total of over 140,000,000 people. He said that the Commission had dealt with a very difficult task in a manner which could only be impugned by the most carping critic. But he has not an equally favourable opinion of the New Issue Committee of the Treasury,

which refused its sanction to an issue of shares although it was partly in connection with a highly desirable co-partnership scheme.

A cynic might remark that the Gordon Hotels, Ltd., seems to do better when most of its business is taken from it. The Hotel Metropole was requisitioned by the Government on January 20, 1916, and the year's trading to May 31 resulted in a loss of £30,415. On September 28 the Grand Hotel, on December 20 the Hotel Victoria, and on April 18 the Grand Hotel, Broadstairs, were commandeered, and, hey, presto! the gross profit for the past twelve months jumps £52,000 to £91,870. Only £6,130 against £11,200 is taken from premium account, and after paying interest, &c., there is a nett profit of £17,230, so that there has been a nett gain on the year of nearly £48,000. That is not so bad with all the principal establishments closed, but evidently business was very good up to the time they were taken over, and the Government will have to pay substantial compensation for disturbance and loss of goodwill. It has grudgingly paid £15,500 on account of compensation for the Hotel Metropole to May 31, 1916, and a basis of settlement has been arrived at in respect of this establishment, while negotiations are proceeding with regard to the others, but it ought not to take all this time to arrange matters. Probably the Gordon Hotels will come out all right on the deal; it is apparently only the little fellows that the Government official cares to bully and cheat.

A further considerable improvement took place in the position of the British Steamship Investment Trust, Ltd., during the financial year ended June last, but, as the directors point out in the report, the outlook for the current year is very uncertain. £396,250 compared with £185,350 has been received from managing owners in respect of vessels sold, lost, sunk, or torpedoed, and investments realised, and has been placed, less sums written off securities, to reserve, and gross revenue exhibits an increase of £21,130 at £253,475. After providing for expenses and fees, debenture and other interest nett profit is £19,820 up at £227,650, and the distribution on the deferred stock is raised from 45 per cent. to 50 per cent. The balance brought forward from the previous year, when £61,660 was withdrawn from the reserve, is £132,275 larger, and the carry forward is £90,175 higher at £264,180. A number of changes have taken place in miscellaneous investments, but the total sum invested exhibits little movement, being only £5,400 less at £219,400. Loans, less bills receivable, however, show a reduction of £434,400 at £66,000, and investments in shipping companies a shrinkage of £70,550 to £661,725. These movements are more than accounted for by British Government stocks, which have gone up £631,250 to £752,000. Cash is £16,960 lower, but sundry creditors are £11,420 down at £11,330, and deposits have gone down £116,125 to £6,875. The reserve fund, after adding the sum received from managing owners on account of vessels sold, &c., and writing £116,245 off securities, amounts to £435,320, an increase of £282,000. The market value of the quoted securities on June 30, standing in the books at £1,147,400, was, it is stated, considerably in excess of that figure.

Threlfall's Brewery Co., Ltd., of Liverpool and Manchester, has always been a well-managed concern, and we are not surprised therefore to find that in the year to June 30 it did remarkably well in spite of all the restrictions on the trade. Trading profits were £86,000 higher at £304,770, and as £28,000 less at £31,070 had to be allowed for depreciation, while £1,600 was received as interest, the nett trading profit is £115,000 up at £275,400. After paying debenture interest, &c., £30,000 against £10,000 is placed to reserve and £10,000 (new) to pensions insurance fund. With £10,000 more brought in the available balance is £100,000 higher at £222,080, and the dividend is raised from 9 per cent. to 15 per cent., while £121,580,

or £70,000 more, is carried forward, subject to excess profits duty, the amount of which has not yet been ascertained. Cash has increased £104,000 to £129,600, in addition to which there are War Loan and other investments for £2,800,000, so that the position is a remarkably strong one. Other changes in the balance-sheet are unimportant, but everything has a clean and healthy appearance.

The Mond Nickel Co., Ltd., apparently did a considerably larger business during the year ended April last, but profit only exhibits a very moderate expansion, and the dividend on the ordinary shares calls for a considerably larger sum than in the previous year. Moreover, the position is not at all clear as regards excess profits tax. In 1916 the carry forward was stated to include provision for war taxation 1915-16. The whole of the sum is brought into the present account, and no mention is made as to any liability in this respect. There is no doubt that the company has ample provision in its reserve and carry forward to meet any contingency of this character, but it would be easier to gauge the position if the liability were known. Still shareholders are in receipt of the excellent distribution of 20 per cent., which seems to be substantial enough. The profit for the year amounted to £327,250, an increase of £4,660, and after providing for directors' fees, £16,360, preference dividend, £68,600, an increase of £10,300, and the ordinary distribution taking £27,000 more at £180,000, £50,000 is again allocated to reserve. The amount brought in from the previous year was £45,150 larger, and the carry forward is £12,285 more at £111,600. Most of the items in the balance-sheet show considerable expansion. Investments, sundry debtors, and cash total £217,000 more at £522,400, stocks have gone up £248,860, and £33,219 more has been spent on the various properties. All this is reflected in sundry liabilities, which, including dividend disbursements, total £504,015 more. We should not be surprised if more capital were required before long.

The crisis in the cotton trade has rapidly developed. As recently as July 13 the Cotton Control Board decided not to recommend any immediate curtailment of production, though the scarcity of supplies of the raw material due to the freight shortage seemed likely to bring about a difficult situation. The Board, however, has now decided to recommend the stoppage of 40 per cent. of the spindles at mills other than those with orders which must be completed. The chief obstacle in the way of securing this reduction in output has been the demand of the operatives that they could

LLOYDS BANK LIMITED.

Head Office: 71, LOMBARD ST., E.C. 3.

CAPITAL SUBSCRIBED -	£31,304,200
CAPITAL PAID UP -	5,008,672
RESERVE FUND -	3,600,000
DEPOSITS, &c. (June, 1917)	141,053,601
ADVANCES (do.)	67,573,903

FRENCH AUXILIARY:
LLOYDS BANK (FRANCE) LIMITED.

not accept a reduction in their wages in the event of a curtailment of production, and that if the Board of Control, with the approval of the Board of Trade, decided to introduce restrictive measures, thus reducing the earning capacity of the workers, the Government would be asked to make good the loss in wages. But the Government apparently intimated that it was not prepared to do this, though it has not hesitated to pay compensation to other trades for losses sustained through Government restrictive measures. It is understood that those owners whose mills are kept running full time will be called upon to subscribe to a general fund, which will be drawn upon to maintain the present rate of wages for those operatives whose hours will be reduced. The cotton trade is in rather an anomalous position. The crop is estimated at 11,633,000 bales, or 183,000 bales more than last year's crop, and 441,000 bales more than in 1915, though the acreage under cotton is substantially smaller than in 1916 or 1915. But stocks afloat and in Liverpool are about one-half of what they were a year ago, owing to the shortage of shipping tonnage. Meanwhile, the United States Government is reported to be contemplating the control of the textile trades, including the fixing of prices. The reason for this is that America's entry into the war will mean that a largely increased amount of cotton will be required for her Army and Navy for explosive purposes, and that the supply of cotton for civilian requirements will be correspondingly reduced. The position in regard to both cotton and wool is very interesting, and it is impossible yet to say what really will happen, except that the supply available for civil populations in Europe will be still further reduced.

Land—The One Safe Basis of Public Income.

A remark made by Mr. McKenna in his speech on the Vote of Credit appears to have sunk into the public mind, and caused a good deal both of apprehension and misapprehension therein. It was to the effect that the current expenditure on the war would necessitate a further increase in the income-tax, and was indeed a quite obvious deduction from the facts. Our debt is accumulating at a rate probably rather greater than that of the now bankrupt German Empire, and it will have to be honoured, paid interest upon, and, if possible, paid swiftly off if the democracy of this country is to remain free and to expand in civilisation. Now, how is debt interest to be paid and debt principal to be redeemed without further taxation? When Mr. Bonar Law introduced his last Budget this journal and other unprejudiced financial critics almost went so far as to call him, quite in his official capacity, of course, a moral coward. We did say that there was an absence of courage and of enterprise in the way he dealt with the country's necessities, and avoided all serious effort to measure its capacity to bear taxation.

What will be the position at the end of March next, assuming the war expenditure to go on at its present scale up to then? That is the question to be faced and, if possible, answered. We do not think that it can go on at that pace, because while strain is undoubtedly being felt here and in France, our vigour, refreshed as it has been and is being by the generous help of the United States, is that of manhood in its youth compared with the forlorn decrepitude of the two derelict empires of the Teuton. They are both insolvent. But vigorous as we may still be, we must not, in our easy assurance, forget that we have to be prepared to meet next March a debt charge of not far short of £250,000,000 a year. In addition the taxpayer is being loaded with pensions and annuities—not too generous in scale we admit, but still onerous in our circumstances—and is being saddled likewise with indefinitely heavy charges for stimulating the farmer and to prevent the landowner from running any risk of losing a part of his income from rents. The Food Controller also has to assume risks and liabilities of many kinds, more of them probably than he yet quite

knows, in order if possible to keep down the cost of living. Taking one thing and another it need be no great surprise to the House of Commons—the new one which will have arrived by then, we hope—if the Chancellor of the Exchequer, be he Mr. Law, be he another, comes before it to ask it to make provision for an ordinary peace expenditure little if at all below £500,000,000 per annum.

How do the taxpayers think that money to such an amount is going to be provided? It cannot be "financed," you know. The Protectionists amongst them pin their faith still in a revenue fertilising tariff, and the same mocking illusion haunts the minds of most of our colonial politicians, at least most of those who make speeches. They would all save themselves from affliction and ward off visits of the bailiffs by an ingeniously devised patchwork of Customs duties so designed that each segment of the Empire may steal from its neighbours and all grow rich by the robbery. There could be no greater folly; so colossal is the folly that we fear the politicians must know that they are talking nonsense in proportion to the din they make when they mouth to us about taxing this, that, and the other commodity in order to produce abundant revenue. They, indeed, may be said to confess that they are humbugging the people, for they always noisily thrust forward the pretext that it is a necessary and patriotic duty to impose stiff import duties in order to keep out the Germans. Goods must be so taxed that the Germans may not again get a hold in Australia, in Canada, in New Zealand, as if a tariff had ever kept out these clever, persevering traders in the past. And, moreover, if the Germans are kept out, how is revenue to be drawn from taxes on German goods? After all, beast as the fighting German has proved himself to be, a loathsome, morally undeveloped savage too often, he has his uses and his qualities in industry and commerce, and the tariffites can gain nothing by unintelligently barring him out. Instead, therefore, of destroying for him every chance of contributing anything towards meeting the appalling expenses he has put us to, with no benefit whatever to ourselves, the wits of our statesmen ought to be exercised rather in discovering how best to make German industry, perseverance, and method a source of income to the nations he has compelled to fight for their liberty, for the world's deliverance. A preferential or prohibitive tariff will serve no good purpose of any sort.

But put Germans aside altogether, and answer the question, How is a Customs tariff of any kind going to help us in paying our debts? Supposing a Customs tariff, with preferential devices or without, could be made operative, and that our politicians in power could disregard its cruelty towards the bulk of the people made victims to it, how can it be made sufficiently prolific to meet the great needs of the Treasury or help much to meet them? We are told, and it is emphatically true, that an imperative necessity now lies upon us to grow our own food, all of it if possible, except luxuries drawn from warmer climates. The land of these islands must be brought into cultivation, and worked in a manner and with an assiduity never before seen. Why are we going to risk the payment of £60,000,000 to £70,000,000 to the British farming industry except in order the more speedily to attain this very object? And if it is attained, what becomes of the Australian and Canadian grain-grower and his "scheme of preference"? We shall not want his grain, and it would be useless, therefore, to try to extract from him the means to pay our own debts by a revival of the corn duties. And if our wise men are to fall back upon meat and wool, the position will be little, if at all, better, because if we succeed in raising all the grain we require to meet home consumption, we shall at the same time improve to an indefinite extent our capacity to raise food for cattle and sheep. Barren wastes in Wales, England, and, above all, Scotland, where now one sheep per acre may be too much for the land to carry, can unquestionably be transformed and cultivated to an extent that would increase their feeding capacity many times over.

It is the same with the colonies, the free, independent States standing around the Mother Country, and helping her so loyally in this life and death struggle. They will have to provide everything for themselves, including the interest, &c., on their debts, and to do it out of their own resources, too, to a degree they never hitherto have dreamt of doing. If we take less of their produce they must buy less from us, and a tariff would not stir up a trade that must drag and go back for probably a good many years. It seems to us, indeed, that one of the first results of the financial devastation produced by this war must be an all-round diminution in the commercial intercourse of civilised peoples. Our shipping magnates do not think, or do not say so. They seem at one with Herr Heineken, the manager of the North German Lloyd Company, in looking for a tremendous overseas business when the war ends. "The action of the U boats," to quote that German commercial philosopher, "in diminishing the tonnage available will cause high freights to prevail for two or three years after the war," and the eye of the shipowner gleams at the prospect of continued high profits. But that is an unlikely prospect, and it is far more probable that, be the destruction of shipping by the murderous piracy of the Germans what it may, when the nations have settled down to peace after the war, and wound up their warlike affairs, there will be far more tonnage available than the world has any immediate need for, because every one of the countries that have been drawn into the vortex of this war will be compelled to economise and to live on its own resources, in order to escape the fate now about to overwhelm the Habsburg and Hohenzollern empires.

So we shall have to fall back upon direct taxation, all of the Allies, and that means—there can be no question about it—a rearrangement of the relations of the people to the land, everywhere, but especially here and in Russia. In no country is land tied up and held up by a few privileged individuals as it is in the United Kingdom—but we are not now going to enter into a discussion of the injustice of the land system we merely point out that the land, and the land alone, must be the ultimate security for the State creditor. Dependence cannot be placed in a Customs tariff, nor yet, beyond a certain limit, now perhaps, almost reached, in the income-tax. In all its forms the income-tax has been wonderfully prolific during the war, but it cannot be expected to continue so after the war, certainly not to the same extent. What are most of the excess profits now being collected by the Treasury except a direct product of war expenditure? It is the credit created by the Government and paid out to the manufacturers, which is in part sucked back again into the Treasury by the tax-gatherer. That "wealth" will all come to an end when the war is over, and although there is an infinity of work to be done in the world, of railways to be built, regions to be irrigated, forests to be planted or cut down, mines to be opened, towns to be built, or rebuilt, and so on, there will not be sufficient capital or credit available at the first offgo to enable much of that work to be done. We shall have to go slow, and pay our debts or provide satisfactorily for the interest upon them before we can turn round and assume responsibility for the restoration of the waste and devastated places of the earth to prosperity.

With all this the income-tax, with its ornaments, remains, as our fiscal scaffolding is now reared, the one broad foundation for our solvency. But if we push the income-tax on the large incomes which may remain to us too high, they also might soon cease to be prolific. The tax might so encroach upon the margin left to the owner after meeting all his obligations as to cripple him or force him into difficulties. Nevertheless, more revenue must be had, and because it must, it is time to tell the Chancellor of the Exchequer that he had better pluck up courage and set himself to discover how it is to be drawn direct from the land. Instead of asking a dying Parliament to pass measures calculated to put public money in millions into the pockets of the land-owning—not land-occupying—classes, it is high time that he should discuss how a graduated tax upon rents

could be imposed and administered, so as to obtain for the Treasury the major part of the great income to be looked for from improved and extended cultivation. It will have to be done; the landlords are beginning to be conscious of that fact, and some of them are busy portioning out their estates in small lots and selling their farms to the tenants. One estate in the West of England sold a week or so ago was competed for with such avidity that some of the farmers bought their holdings at, it is said, 50 years' purchase—a monstrous price surely; but, nevertheless, a price which represents in no small degree the vicious stimulus given to everything connected with the land and agriculture by the unwholesome profusion of the bounties to be showered on the rulers by Mr. Prothero's Corn Production Bill. His liberality is a signal to the land-liberator to be up and doing, and our necessities give him his opportunity. Rents will have to be taxed much more heavily than other forms of income, precarious often and always insecure; especially will the new rents of the freshly made available land have to be earmarked to the Exchequer. Above all, the scandal of ground rents will have to be taken in hand and their possessors taxed not only for the benefit of the Imperial Exchequer, but in relief of local rates. It has been one of the most signal examples of class selfishness and the tyranny, mostly unthinking or unconscious, of a group of individuals, hedged by privileges created through Parliaments under land-owning control, that there should have grown up in this country a system of parcelling out land to be let on short leases for other people to build upon it to the landlord's exclusive advantage. No man has more denounced this, doubtless legal but none the less cruel, system than the present Prime Minister, Mr. Lloyd George. It is responsible for our slums and social gangrenes more than any other iniquity of the land system. Will Mr. George stir up his Chancellor of the Exchequer and bid him set to work to devise a system of taxation whereby this crowning injustice may be put in the way of removal? It will have to be done, he may be sure; there is no question at all about that, for money must be had, much money, if we are to escape the fate of that Carthage envious rivals and enemies have often likened us to. And in compelling the screened and privileged to pay, many individuals will doubtless be compelled to submit to hardships, some possibly even to privations, but the public creditor must be protected and the interests of the nation must come before those of individuals. Imagine the country that deems itself the most enlightened and civilised among all the great States of the world, whose best protected citizens have been put in a position to gather in the fruits of other men's endeavours without being liable to find a penny towards meeting the expenditure necessary for the building up and maintenance of towns and cities whose sites alone they "lease." Is it possible for that system of privilege and land monopoly to endure after the war? It is not. Would it not be better, then, to begin to set our affairs in order now?

Marconi's Wireless Telegraph Co.

Once more the directors of the Marconi Co. have to report that no settlement has been arrived at with the Government for remuneration or compensation in respect of the use since the beginning of the war of the company's high-power stations and other services, and they have not even been afforded an opportunity of considering any proposal as to the basis on which such compensation is to be calculated. There are four heads under which the company claims that the Government owes it substantial sums, and the position is very much what it was a year ago. (1) Remuneration and compensation by the Post Office for the use of the company's high-power stations, the staffing and management of these stations and other services in connection therewith. Under this claim the company has during the year been repaid part of its out-of-pocket expenses, but the expenditure incurred is considerably in excess of the payments received. (2) For the use of the company's patents by the Admiralty since the expiration, on

March 31, 1914, of the agreement of 1903. A year ago an assurance was given that the matter would be dealt with as quickly as possible, and this assurance has been repeated, but nothing further appears to have been done. (3) For the use of the company's patents by the War Office without agreement during the whole time it has used wireless telegraphy. The War Office has now intimated that this matter cannot be dealt with till after the war. (4) For compensation by the Post Office in respect of its withdrawal from the contracts for the Imperial chain of stations. Last year the report stated that the company had been "obliged to leave the amount of compensation to which it is entitled to be settled by a Court of Law," but apparently action has not been taken as the directors state that negotiations "are still proceeding." Considering the immense services the company has rendered by developing and perfecting wireless telegraphy, we cannot help thinking that it is entitled to more generous treatment than it has so far received at the hands of the Government, and the decision to defer settlement of one of the claims till after the war seems particularly mean.

In 1916 the gross profits amounted to £486,670, a decrease of £95,000 as compared with the previous year, but the actual results are probably better than these figures indicate. A year ago there was a loss of £25,760 on exchange, and £27,600 was written off for depreciation of temporary investments. This time the loss on exchange, the amount of which is not stated, has been deducted before striking the profit balance, and in the event of ultimate realisation without loss the amount so written off will appear as profit in another year. General expenses increased £17,000 and station expenses were £14,000 higher, but salaries and directors' remuneration were £4,400 lower and law charges, &c., £4,000 less, with the result that the nett profit comes out at £318,430, a decrease of £60,000. However, the balance brought in was £240,000 larger, and the dividend is raised from 10 per cent. to 15 per cent. on the ordinary and from 7 per cent. to 12 per cent. on the preference, while £32,470 against nil is placed to reserve (raising it to a round million), and the carry forward is increased by £73,000 to £380,100.

Sundry creditors have risen £30,000 to £185,000, while cash has dropped £64,000 to £12,400. On the other hand, debtors and expenditure on foreign developments (a rather curious combination) have increased £245,000 to £996,000, and stocks are £20,000 higher at £180,000. Shares in associated companies have increased £20,000 to £1,404,000, but the par value is only £3,000 higher at £2,487,450. It would certainly be desirable to give a list of these holdings. The Marconi International Marine Communication Co. raised its dividend from 12½ per cent. to 15, and increased its carry forward by £17,500 to £51,280. It has so many orders in hand that it proposes to increase its authorised capital to £600,000, the balance of the existing capital having been issued last November at a premium of 15s. per share. The Russian Co. raised its dividend from 15 per cent. to 17, and the French Co. paid 12½ per cent. against 10, but the Amalgamated Wireless (Australasia) reduced its distribution from 6 per cent. to 5. In the case of the American Co., from which such great things were expected, the Trans-Atlantic stations have remained idle, being entirely in the hands of the Government. Nevertheless, the net income was \$80,000 higher at \$260,000, and the surplus carried forward is now \$802,000. Large orders are being executed on behalf of the United States Government, and have necessitated the construction of additional factory accommodation. A very satisfactory service was being conducted across the Pacific to the Hawaiian Islands and Japan up to the time the United States entered the war, when the Government took possession of the stations. Negotiations are proceeding rapidly toward settling the basis of payments to be made to the company, and final agreement is expected to be reached promptly.

During the year the action brought by Messrs. O. Locker-Lampson and Peter E. Wright was discontinued. In view of the unconditional withdrawal by

the plaintiffs of all charges, the company and its directors agreed not to look to them for the payment of their costs, which will be borne by the company. A resolution will be submitted at the meeting next week fixing the directors' remuneration at £4,000 per annum, with an additional £200 in respect of each 1 per cent. paid in excess of 7 per cent. on the ordinary shares. It seems a reasonable arrangement, and will no doubt be carried without demur. The future of the company is somewhat obscure, but it has built up a fine organisation, which will stand it in good stead when its principal patents expire, and the business will doubtless develop enormously after normal conditions are restored.

By-the-Way War Notes.

"From the battlefields of Galicia" wired that Nemesis-hunted "object," William Hohenzollern, who calls himself "Kaiser," though he has no empire of his own and never wore a crown—"From the battlefields of Galicia, where my troops, in their unrelenting advance, have won fresh laurels, I recall with a grateful heart the unforgettable deeds of my armies in the West in repelling the enemy with tenacious persistence." And he goes on to "high salute"—there is no suitable word for his bombast in English—about "My brave troops in Flanders who have withstood for weeks the most violent artillery fire," and who "dauntlessly await future assaults." They do stand up to the butchery, and have done so with the doggedness of Paraguayans, poor victims and dupes that they are; but the language of the lunatic, for the gratification of whose ambitions they are laying down their lives by the thousand and ten thousand every day of the week, nauseous though it be, is not what it was three years ago, or even one year ago. Then the mouthings of triumph were in the familiarly vulgar "me-and-God" style of a little satirical poem Fisher Unwin published many years ago, with illustrations, and had to withdraw from circulation because the Hohenzollern mountebank didn't like it; whereas now it is, "My confidence, like that of the Fatherland, whose frontiers they are defending against a world of enemies, is in them—[i.e., in his brave troops]—may God be with us." But we are afraid his God is either asleep or has gone on a "mission" somewhere—to help the Russians perhaps, or to smooth the ocean for the speedy arrival of the American aeroplanes and armies, eager to be in at the death. One could pity the forlorn creature were it possible to forget or to condone the crimes committed in his name and at his instigation. In his latest utterance of all, the "Proclamation" which was published on Wednesday to mark the close of the third year of butchery, he appears to have dissolved partnership with his "God," whom he never alludes to in it. The reliance now is wholly upon German deeds, whose glory "cannot be extinguished"; indeed, it cannot, for it is a glory in infamy unspeakable. "We stand erect at the close of this year, immovable, victorious, intrepid," fully determined also that no part of "German territory" shall be surrendered. If such be, indeed, the resolve of the German nationalities, if they still subscribe to the insane ambitions of the Pan-Germanists, and claim as theirs all the territory their pedants tell them was once inhabited by German-speaking peoples or private fiefs of robber families, as well as all the countries purloined from their inhabitants by the three master thieves of the 18th century, Prussia, Austria, and German-governed Russia, and all the territories since won by chicane and carefully-arranged surprise assaults, then, indeed, this war must go on until all the males in Germany capable of being tied to a gun are destroyed.

We do not believe that the all-consuming horror will go to that length, nor do we think all Germans as mad as William and his Prussians. But they are still glamourised by his illusions and die at his bidding. At the end of the third and the beginning of the fourth year of the war the most gigantic battle fought during all its course has been begun in Flanders, and it may rage on for weeks, an indescribable welter of slaughter.

When, however, it has ended there will be little fight left in the Kaiser's dupes; the dupes themselves will mostly have vanished, and Germany will lie prostrate before the Allies, not far from being ready for their peace. It cannot now be otherwise. Human nature could not endure much longer the agonies of grief and dismay this wholesale scientific murder excites. All over the Allied countries, and in stricken Germany itself, every day adds thousands to the number of those who mourn their untimely dead. And in Germany those who survive to mourn have no consolation in their sorrow. To them there can be no reflection that their children have died in a noble cause. They have only died to gratify an insane ambition. It cannot continue much longer, this senseless outpouring of human blood, for no higher purpose than that.

Before the intensity of the conflict in the West, operations in the other seats of war which the bungling insolence of Prussian diplomacy and the ruthlessness of Prussian crimes have created apparently for no better purpose than the extinction of so many German lives, sink into insignificance. We do not even pay so much attention at the moment to the confusion in Russia, and the German descriptions of their doughty deeds in Galicia excite only a passing feeling of derision. It is so easy to be triumphant over a bewildered, fleeing enemy. Yet valiant fighting goes on in all these far-off quarters, and not least on the Russian and Rumanian fronts. The Rumanian army is indeed proving itself a worthy comrade to the armies of Italy and France and Great Britain; but the eyes of the world are on Flanders, and as the battle sways to and fro there the suspense often reaches agony point. We have no doubt whatever as to the result. Side by side, Frenchmen and British men press forward on the foe, loyal fighters for the liberty of mankind, and the victory they are now making sure will cement them in everlasting friendship. That also is our confident hope and expectation. Ah, but the ordeal is great, and the grief and pain that attend the progress of the conflict are such as may change the whole attitude of mankind for the remainder of recorded time towards all wars and war-makers. There should be no room henceforth among civilised nations for the sword-jangling strutter and mouther of threats and boasts of capacity to slay. William Hohenzollern ought to be the last of his type the world will have room for.

As usual with Harmsworth's agitations, they first start in the family newspapers and are then carried into Parliament for the greater honour and glory of the noble class. So we have had a demand made this week for the disclosure of the British tonnage lost through the German submarine piracy, ordered to be given by the Northcliffe Press last week. The demand has been refused by the Government, and wisely refused. What possible good object could be served by disclosing our tonnage losses to the world? Do the Germans ever tell us anything about their losses? Have they not concealed the damage done to their U-boat fleet with a thoroughness which has completely baffled curiosity, and have we not imitated them with a success that keeps them in the dark about the fate of their pirate craft? Why, then, should we betray to them particulars of what injuries their murderous pirate crews have inflicted on us? Who would gain by it? Surely nobody. It would only gratify an idle curiosity and, perhaps, enable the Harmsworths once more to get a chance of boasting—they have not had much of that lately—that they rule the country and can make the Government obey—get what peerages they ask for likewise. Were there great anxiety about the progress of the submarine campaign some reason might perhaps be found in the growing public alarm for soothing it by telling it all the truth; but there is no anxiety. Last week 2,747 ships of over 100 tons nett, exclusive of fishing and local craft, entered our ports, and 2,776 similar vessels left, a total out and in of 5,523, or only 367 below the highest week since February; and the German submarines managed to sink 18 vessels of 1,600 tons gross or over during the same week and three vessels of less than 1,600 tons. They also attacked

without success six vessels, the total number of nine shown in the return for the week being reached by including three vessels the enemy had attacked and failed to sink in the previous week. So altogether only 27 ships were got at last week by the pirates. That is the lowest number of any one week since the war to the death by indiscriminate sinkings was proclaimed. The lowest number hitherto was 30 in the week ended July 15, and the average for the 23 weeks of the run-amok-at-sea campaign has been 19.7 vessels of 1,600 tons gross and over sunk per week, an average total of 26.7 per week of all kinds sunk, and of 17.8 per week vessels attacks on which have failed. The average of sinkings and attacks per week for the whole period has been 44.5. This compares with 27, the total for the past week, and the comparison does not tend to the comforting of the defeated Prussians whose very anxiety to proclaim the infallibility of their piracy as war winner emphasises their confession of defeat on land.

But it looks slow in coming, that defeat, even now. Millions of money dissipated in securing an advance of a few furlongs, thousands of men killed and maimed in capturing a village; it is slow, slow work, and agonising. True, but again we would remind the grieving reader that it is whole nations we are fighting, not mere armies, and that our chief enemy is a nation wholly trained to war from its infancy, whose preparations for this war were begun more than a generation ago. If against this massed superiority the Allies have not only held their positions, but gradually turned the tables on the enemy, until for long now it is he who is fighting for his existence, as the melancholy Kaiser confesses, does not that give us solid reasons to be confident of victory? It should, and does. And as we read day after day of German bootless assaults, of the losses inflicted continually on their armies, of the increasing number of immature boys fighting in their ranks, as we note, too, their increasing powerlessness to recapture any important position that has been wrenched from them, our conviction deepens that the hour of collapse for the hideous war machine of the Prussians is now drawing near. One day before long his shattered battalions will melt suddenly and go down, the fight be over, the war at an end. Not all the ruthlessness of the Prussian system of mind and will-destroying military oppression will suffice to hold the German peoples together much longer. The hatred of the Prussian is becoming as great within the Empire as it is outside; it is only the moral courage to rebel that is absent, for the people have not grown up out of their slavery to free manhood. But we are beating the Prussian, and he is sacrificing the German race, all Germany's future, rather than acknowledge himself baulked of his prey and plunder. He cannot do that much longer. The day is near when in hiding the truth in order to escape retribution he will also fail. His own race, victimised, should then be his judge.

Messrs. Harrisons and Crosfield, Ltd., have elected Mr. H. J. Welch to a seat on their board.

According to a cabled summary of the New Zealand Budget, the ordinary revenue was £18,367,547, and showed a surplus of £4,308,777. War expenditure to the end of June was £28,439,912, and war loans came to £24,000,000. Proposed new taxation includes a progressive land tax from 1½d. to 10½d., income-tax from 1s. 3d. to 7s. 6d., with additional taxation on non-subscribers to war loans. Amusements are also taxed, and Customs duties on luxuries increased. The excess profits tax is abolished.

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American Business Notes.

Some people are beginning to grumble that the population of the United States has not had the reason why it is at war sufficiently explained to it. "You must tell the mob what your purpose is in going to war," certain journals are saying, and their words are finding ready echo here, in the *Times* amongst other papers. But is it true that the American people do not know and comprehend? It is not. The United States people are intelligent, and not uneducated masses at the mercy of traitors and intriguers, as are the Russians. It looks, indeed, as if this complaint, or insinuation, is only another phase of the German peace propaganda which grows more feverish, more stealthy and mole-like than ever, the nearer the final catastrophe approaches. On Sunday last Mr. Lansing, the United States Secretary of State, told a meeting composed of 1,700 members of the Officers' Reserve Corps, held in Madison Barracks, New York, that the immediate cause of the war with Germany was the breaking of her promise concerning submarines, in which the evil character of the German Government is laid before the world. "We know that the German Government is inspired by ambitions which menace human liberty, and to gain this end it does not hesitate to break faith, violate the most sacred rights, and perpetrate intolerable acts of inhumanity." And he went on to say: "It needs but the words of the Chancellor to tell the character of the Government when he announced that the only reason why the intensified submarine campaign was delayed until February last was that sufficient submarines could not be built to make attacks on commerce efficient." And Mr. Lansing went on further to declare that the future of the United States was at stake, and that if any of his hearers had an idea that they were fighting others' battles, and not their own, the sooner they got rid of that idea the better it would be for all. "I am firmly convinced," he said, in conclusion, "that the independence of no nation is safe and the liberty of no individual is sure until the military despotism which held the German people in the hollow of its hand has been made impotent and harmless for ever. Appeals to justice, moral obligation and honour no longer avail with such a Power. There is but one way to restore the peace of the world, and that is by overcoming the physical might of German Imperialism by force of arms." Does anything more need to be said for the enlightenment of the American people? We do not think so.

But one thing is sure, there is no hesitation about the American Government nor any delay in its action. Look what it has done this week in the matter of Dutch ships loaded and waiting in United States ports for export permits in order to make their way to Europe. The Washington Government has intervened and stopped them all, 75 of them, the majority of which are loaded with wheat, maize, oil cake, lard and bacon. "Probably," one correspondent says, "they have more than 10,000,000 bushels of maize on board." And why have they been stopped? Because the United States Government is not satisfied that their cargoes are *bona fide* for Dutch use alone. It is holding an investigation into the wants of neutral countries in a position to supply Germany, and is determined to run no chances meanwhile. "The enemy shall not be fed with our corn," President Wilson has decreed, and not one of these ships will be allowed to leave American ports until it is proved to the entire satisfaction of the Washington authorities that there is no possibility of Germany's food situation being improved as the result of their departure. It is proof pretty clear that the Dutch shipowners cannot satisfy the Government upon this point that they have already begun to discharge their cargoes.

In another direction also the thoroughness of American adhesion to the Allied cause is increasingly made manifest. At the end of last week Mr. McAdoo told Congress that the Budget estimates for the first year of the war promised to reach \$10,736,000,000, or £2,150,000,000. Of that total £1,300,000,000 would

be set apart to be lent to the Allies. In a statement like this we have a full recognition of the peril in which the Allies stood through danger of the exhaustion of their resources by an excessive prolongation of the war. That was undoubtedly the Prussian calculation at the beginning of this year. By ditching and the use of high explosives and poisons, by atrocities at sea also, the men who used William II. for their ends hoped to tire us out and make France and ourselves willing to let them off with most of the "swag." Russia they knew to be in traitor hands; everything promised success. It was not to be. Russia broke her chains, and the United States, seeing the danger, manfully came to our side, to our help! Now, therefore, the Allies can go on with the war in good hope, certain that they will not be left in the lurch or fail of the means to fight the fight to a successful close through lack of financial support.

The preliminary report of the United States foreign trade for June shows imports valued at \$307,000,000 (£61,400,000) and exports at \$576,000,000 (£115,200,000). This is an increase of \$61,000,000 (£12,200,000) in the imports and of \$111,000,000 (£22,200,000) in exports compared with the same month last year.

In the June quarter the profits of the United States Steel Corporation were returned at \$90,579,000, as against \$113,121,000 for the March quarter. This looks strange, in view of the intense activity of the war industries in America until we notice that \$53,919,000 (£10,800,000) have been deducted for war, income, and excess profits taxes. Add that in, and the profits for the quarter will be found to reach almost \$145,000,000, or £29,000,000. The nett income, after providing for sinking fund and other variable charges, &c., was \$74,425,000, as compared with \$103,330,000, and the portion available for dividends was \$68,874,000, against \$97,745,000, so the usual quarterly dividends were declared at the rate of 7 per cent. on the preferred and 5 per cent. on the common, and the common also gets an extra dividend of 3 per cent., the same as for the previous quarter.

Many people here must still be interested in the fortunes of the Chicago, Rock Island, and Pacific Railway, whose property came back to the proprietors on June 24 last. The summary of accounts for 1916 shows earnings amounting to \$80,889,000, or \$9,485,000 more than in the previous year, and expenses of \$53,610,000, or only \$1,482,000 up. Therefore the nett revenue of \$25,797,000 coming from the working of the line was \$8,108 better. Taxes, at \$3,766,000, were \$250,000 up, but, after deducting this and crediting rents, &c., the final clear income was \$23,429,000, or \$7,959,000 higher. But there was nothing for the stockholders out of this wealth. Interest charges to the amount of \$12,386,000 were met, and left a surplus of \$8,078,000, but the balance-sheet works out at a deficit of \$5,024,000. The year before the deficit was \$11,630,000, and to that had to be added \$1,288,000 for depreciation on equipment sold, dismantled, or destroyed, and \$669,000 for other depreciations. Deducting from the total the above-noted surplus and sundry credits amounting to \$487,000, we get the nett shortage of over \$5,000,000. And it all looks quite nice and regular on paper.

Insurance News.

The proposed acquisition of the shares of the Marine Insurance Co. by the London and Lancashire Fire Insurance Co. has called forth some opposition, the contention being that the terms offered are inadequate. It is asserted that assets valued at £2,364,000 are to be sold for £2,280,000. It is pointed out that for the three years to 1916 the dividends paid in each year amounted to £90,000 and in addition thereto the average annual reserved profit was £27,000, making together an annual ascertained nett profit of £117,000, and it is argued that it is not unreasonable to expect a very tangible sum for the goodwill. Further, it may

be mentioned that in 1911 a bonus of £10 10s. per share was paid out of the reserve fund, the sum of £420,000 being thus placed to the credit of capital account. As the reserve fund at present stands at £550,000, there appeared to be a reasonable chance of a substantial bonus being forthcoming in the near future should the company continue to make the handsome profits which it has done in the past.

It will be recollected that the price at which the Marine Co.'s shares are to be acquired worked out at approximately £57 per share of £25 each, on which £15 per share has been paid up, the present quotation of which is 55. Although no statement of the precise terms has been published, it is believed that a certain proportion of the payment will be made in War Loan, and the bulk of the amount in debentures of the London and Lancashire Fire Co., only a comparatively small payment being made in cash. On the whole of the purchase money it appears to be safe to assume that shareholders should receive a gross yield substantially larger than the £90,000 which the Marine Co. is at present paying. A full statement of the terms of the purchase is awaited with interest. The deal is the largest of its kind ever arranged, and a transaction of this magnitude requires a considerable amount of arranging.

The London manager of the Australian Mutual Provident Society has received information from the head office to the effect that the payment of premiums within the days of grace allowed has scarcely been affected by the war. As between the first six months of 1914 and 1916 the premiums were actually paid more promptly on the whole in Australia during the latter period, and the increase in the item of premiums unpaid was less in 1916 than in 1915. In the case of premiums advanced against surrender values under the society's non-forfeiture regulations the rate of increase for the whole of 1916 was a little over 2 per cent. only, and lapses and surrenders during the same period were actually less than for 1915. In fact, all indications point to a very prosperous state of affairs in Australia so far as insurance business is concerned.

The Week in Mines.

The Mining markets have been slightly more active, and certainly more cheerful, this week. This was due to the successful opening of the new offensive movement on the Western front, but it must not be assumed that markets have quite thrown off the lassitude noticeable in the last few weeks. August is notoriously a quiet month on the Stock Exchange, and the development of the offensive is more likely to be reflected in tone rather than in the volume of business.

SOUTH AND WEST AFRICANS.

In the South African market there has been rather more demand for the better class of share, and most of the leading descriptions show rises on the week. New Modderfonteins have recovered $\frac{1}{4}$ to 29 $\frac{1}{2}$, Modder B's $\frac{1}{8}$ to 7 $\frac{1}{2}$, and Brakpans at 5 $\frac{1}{2}$, Central Minings at 6 $\frac{1}{2}$, Gold Fields at 1 $\frac{1}{2}$, Daggafonteins at 15s. 6d., Springs at 3 1-32, and Modder Leases at 3 $\frac{1}{2}$ are all fractionally higher. East Rands have also rallied slightly to 7s. 3d. Diamond descriptions have weakened; De Beers deferreds have eased to 13 $\frac{1}{2}$, and Premier deferreds to 7 $\frac{1}{2}$. In the Rhodesian section, Cam and Motors have attracted attention, and have advanced 1s. 9d. to 10s. 3d., while Chartered have been bought at 13s. 6d. and Tanganyikas at 3 $\frac{1}{2}$. Victoria Falls Power ordinary have been in active request up to 19s. 9d., but profit-taking caused a relapse to 19s. West Africans have scarcely been mentioned.

COPPER AND MISCELLANEOUS.

Copper shares have been inactive. Rio Tintos have improved to 62, but Arizonas, in spite of its big increase in profits in the first half of its year, weakened to 49s. 6d. on the recurrence of labour troubles at the mine, which have resulted in a fresh strike that is still unsettled. Tin shares have hardened in sympathy with the rise in the metal. South Bukerus have been in rather keen request, and are 1s. 6d. higher at 11s. 3d., and Rayfields (Nigeria) have risen 9d. to 8s. 6d. Champions, on the other hand, have been weak, and are 9d. lower at 2s. 9d.

In spite of the recovery in the price of silver, silver mining companies' shares have continued on the down grade. Casey Cobalts, on the report, have relapsed 1s. 6d. to 9s., and in the Broken Hill group British Proprietaries have declined 1s. to 36s. 9d. Sulphides at 26s. 6d., and Zincs at 21s. 6d., however, have met with support. Russian shares have recovered slightly; Russo-Asiatics have risen $\frac{1}{2}$ to 4 $\frac{1}{2}$ and Irtyshs 1-32 to 1 27-32. A sharp recovery of $\frac{3}{8}$ to 1 $\frac{1}{2}$ is recorded in Alaska Treadwells. Burma Corporations, after being supported on the report, relapsed 5-32 to 3 31-32, on offerings by impatient speculators who were disappointed at the absence of any striking statement at the meeting. Chaffers have marked freely around 2s. 3d., but these shares ought to be left severely alone by the public.

The attempt to galvanise the market into life is a professional operation, the object of which should deceive no one.

MINING NEWS.

CASEY COBALT.—The issue of the report of this company for the year 1916 has rather taken the steam of the recent bullish movement in the shares, which was not based on what the company was doing, but on what the company might have been able to do with silver at its present high price. The directors of the Canadian company, it appears, considered that developments on the Casey-Harris property adjoining fully warranted their making the first payment of \$10,000 under the terms of the option for purchasing within three years one-half of the Casey-Harris share capital. But the operations of the Canadian company resulted in loss for the year of \$13,845. However, when the option payments are completed, the company will be entitled to 50 per cent. of the \$118,510 profit made by the Casey-Harris Co. Forest fires stopped all development work in August last, and the mine was not de-watered until March, but operations have been actively carried on since then. Recently satisfactory disclosures of high-grade ore have been made, but it would be unwise to build much on these disclosures yet awhile.

WEST RAND CENTRAL LIQUIDATION.—This company, which was formed in 1897 to acquire the White Rose Gold Mine, is now being wound up. It has had a somewhat varied career, but on the whole the mining results were not unfavourable. However, in 1915 the nature of the ground made a continuance of operations difficult except at an expenditure which the company could not incur. The accounts show as regards creditors a surplus in assets of £14,185, and as regarded shareholders a deficiency of £85,342. The Official Receiver states that the result will probably be a return of a little more than 2s. 6d. in the £ to the shareholders.

ARIZONA COPPER.—Operations in the half-year ended March 31 were carried on very successfully. Profits amounted to £816,981, and including sundry receipts, less expenses, the total net profit was £820,360 as compared with £137,176 in the corresponding period, when, however, work was seriously interfered with by a strike. For the same period of 1914-15 the net profit was £218,512. This remarkable increase in profit was due to higher prices, and to an increase in production from 2,957 tons of copper to 13,722 tons. After appropriating £96,323 for debenture redemption, and placing £25,000 to reserve for capital outlays, the directors recommend out of an available balance of £646,288 an interim dividend of 2s. 3d. per share, tax free, absorbing £170,938, as against 1s. 6d. per share a year ago. The sum carried forward at September 30, 1916, £443,389, has been transferred to a suspense account pending the amount of the contingent liabilities to that date being ascertained. The reason that a larger dividend is not being paid is a recurrence of labour troubles. A strike began in the middle of last month, and though an offer of increased wages has been made, the men have not returned to work.

DIVIDENDS ANNOUNCED.

Arthur Guinness, Son, and Co.—Final for the year ended June 30, £6 per cent., with a bonus of £4 per cent. on the ordinary stock (free of tax), making £12 per cent., with a bonus of £4 per cent. on the ordinary stock; a year ago the final was £5 per cent. and bonus £6 per cent., making 16 per cent.

Bristol Tramways and Carriage Co.—Interim at the rate of 5 per cent. per annum for half-year ended June 30 on the ordinary shares, same as a year ago.

Century Insurance Co.—Interim for six months ended June 30, payable Sept. 15, of 12 $\frac{1}{2}$ per cent., less tax.

Charing Cross, West-End, and City Electricity Supply Co.—Interim on ordinary shares of West-end undertakings for half-year ended June 30 at rate of 4 per cent. per annum, same as a year ago.

Court Line.—Interim for six months ended June 30 at rate of 6 per cent. per annum, as compared with 16 per cent. a year ago.

Claudius Ash, Sons and Co.—Dividend on ordinary shares of 7 $\frac{1}{2}$ per cent. for 1916, less tax, against 5 per cent. for 1915.

Dublin and South-Eastern Railway.—Interim on the consolidated preference stock at rate of 4 per cent. per annum for half-year ended June 30, same as a year ago.

Great North of Scotland Railway Co.—Interim for half-year ended June 30 on the preferred converted ordinary stock at the rate of 3 per cent. per annum and on the deferred converted ordinary stock at the rate of 1 per cent. per annum, payable Aug. 28.

Hull and Barnsley Railway Co.—Interim of £1 per cent. on the consolidated (ordinary) stock in respect of year ending Dec. 31 next. The increase of 5s. per cent. in the dividend is made with a view to the better apportionment of the revenue between the interim and final dividends. Warrants will be posted Aug. 21.

Isle of Wight Railway Co.—Interim for first half of 1917 on the deferred converted at 1 $\frac{1}{2}$ per cent., payable Aug. 23.

National Gas Engine Co.—Interim of 7 $\frac{1}{2}$ per cent. per annum, less tax, on the ordinary shares for six months ended June 30, same as a year ago.

Vickers.—Interim 1s. per share (free of income-tax) on the ordinary shares, same as a year ago.

Watney, Combe, Reid, and Co.—8 per cent. for year on the deferred ordinary stock. A year ago a final of 1 $\frac{1}{2}$ per cent. was paid on the preferred ordinary, making 2 $\frac{1}{2}$ per cent. for year.

Western Wagon and Property Co.—Usual interim at the rate of 10 per cent. per annum for half-year ended June 30.

Westminster Electric Supply Corporation.—Interim at the rate of 8 per cent. per annum, less tax, for the half-year ended June 30, payable Sept. 1, as compared with 5 per cent. a year ago.

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from $5\frac{1}{2}$ per cent. on
Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

The movements in rates for short loans and of discount offer nothing outstanding to draw readers' attention to this week, for money rates alone move about. This week they have been easy owing to the abundance of credit available in the market or to the slender demand for it. Discount rates are the same to-day as they were a week or a fortnight ago, and that is the only interesting fact to comment upon. Since the end of June the Bank reserve has shrunk by £6,000,000, and neutral exchanges abroad keep moving against this country. Gold must be leaving the Bank for destinations abroad because our domestic circulation is now paper and our own banks do not call for sovereigns from the Bank of England on quarter day to enable them to meet the demands of their customers for currency. Were times not abnormal this export of gold would before now have hardened the money market and probably compelled the directors of the Bank of England to raise their rate. The proportion of reserve to liabilities has shrunk to $17\frac{1}{2}$ per cent., which is $\frac{7}{8}$ per cent. down on the week and $9\frac{3}{8}$ per cent. below the ratio at this date last year. The directors of the Bank, however, are powerless in present circumstances to do anything effective to protect their gold. They cannot put their rate up because that would embarrass the Treasury in its daily borrowings, and perhaps involve a disquietingly high rate of interest to be offered on the next great funding loan. What, then, is to be done? We really cannot offer a suggestion worth printing. The nation must just endure and lean upon the United States for assistance in the last extremity. There, as we showed a fortnight ago, there is abundance of gold, and were it necessary to reassure credit in Europe we feel sure that President Wilson's Government would be ready to lend our market and the French whatever gold was needed to enable them to resist the pressure of war's devouring necessities. Money in our market must be kept cheap, at least as cheap as it is now.

The details of last week's movements in the Bank

return are otherwise of small importance. Coin and bullion to the amount of £673,000 has disappeared, and as the note circulation is up £740,000 the reserve is down £1,413,000. Public deposits are £1,803,000 lower, and other deposits £1,904,000 up, but the Government has increased its debt to the Bank by £2,312,000, so that it probably is meeting the export demand for gold. That is a guess, of course, but none the less probable.

The outstanding development this week in the Foreign Exchange market has been the weakness of the Scandinavian rates. The Swedish rate has touched 13 kr. 70 c. per pound sterling, which compares with a pre-war parity of 18 kr. 15 c., and is the lowest level yet touched. In the case of the Norwegian and Danish rates, the fall, though severe, is not so heavy, Christiania being quoted at 15 kr. 35 c., and Copenhagen at 15 kr. 72 c. The Dutch exchange has also moved against this country, and is now 11 fl. 20 c., as against 12 fl. 10 c. in pre-war days. Strengthening of the blockade, and the policy of restricting imports from the United States, form the chief explanation of the rise in the value of neutral moneys in relation to sterling. The difficulty of paying for exports from these neutral countries has thus increased, but it has already had the advantage for us of causing large amounts of neutral money to be invested here. Considerable purchases of Scandinavian securities have been effected here, and English holders have been induced to part with their securities owing to the profit to be made on exchange. But it is interesting to note that the fall in exchange has had the very effect which it was sought to obtain by artificially raising money rates in order to attract neutral funds here.

For the second time within a month—and, indeed, since the outbreak of war—the Imperial Bank of Germany reports a heavy loss of gold. The return dated July 23 shows an efflux of £2,811,800, bringing the total down to £120,074,250. Thus all the additions made to the gold stock by the diligent scraping together of fragments of gold from jewellery and ornaments during the past two years have been wiped out, for the total is the smallest since August, 1915. The Netherlands Bank has, according to its own return, apparently received £1,000,000 of the gold, and the remainder is understood to have been transferred to the German banking house of Woermanns in Holland and to Switzerland. Very special reasons must obviously have occasioned such a heavy loss of gold, amounting to about £7,000,000 in a month, from the Reichsbank. The very restricted volume of Germany's foreign trade would not have required the shipment of so much gold for the settlement of purely commercial transactions. It is known in certain quarters that Germany has been purchasing securities in neutral countries, and the Swiss papers have, it is reported, contained circumstantial stories of the investment of German funds in Swiss securities on behalf of prominent Germans. The proportion of gold to note circulation of the Reichsbank has now dropped to 27 per cent., as against $33\frac{1}{2}$ per cent., which is the statutory percentage, a ratio which was successfully maintained down to the end of last year. Since the outbreak of war the proportion has dropped from 72 per cent. In July, 1914, the ratio of gold to notes and deposits was 48 per cent.; it has now declined to 17 per cent. It is little wonder, therefore, that the value of the mark in neutral countries has declined to about $6\frac{1}{2}$ d. It is the measure not of the balance of her foreign trade, but the value which neutral business men place upon her credit.

Interest payments in cash are about to be resumed on two more Brazilian securities. Holders of the Port of Bahia 5 per cent. bonds will receive payment on and after Tuesday next of the coupon which fell due on March 1 last. This is the first payment since March 1, 1914, subsequent coupons having been funded into second mortgage debentures. The reason for the funding of the interest for two and a half years was not that the company had failed to earn the money to pay it, but that, owing to the embargo placed upon capital

issues in Europe, and the difficulty of raising funds at reasonable rates elsewhere, the revenue has been devoted to the completion of the port works. The works having now been completed, the revenue is available for bond interest payments. The other security on which interest payments in cash are expected to be shortly resumed is the City of Santos 6 per cent. Loan of 1910. The funding scheme expires at the end of October, after which date it is anticipated the municipality will resume specie payments.

SILVER.

Silver has been a more active market this week, which began with the price tending downwards. It fell to 39½d. per oz., and remained there until the middle of the week, but since then it has recovered persistently, and closes to-day at 40½d. The Continent has been buying steadily, and the supplies are small. The China exchange continues firm, and no sales of Sycee have been made from there. San Francisco, however, has been buying much less keenly, and supplies from there seem likely to increase. Messrs. Samuel Montagu and Co.'s circular states that the stock in Bombay consists of 1,400 bars, as compared with 1,700 bars last week. The stock in Shanghai on July 28, 1917, consisted of about 20,600,000 ozs. in sycee and 15,100,000 dollars, as compared with about 19,700,000 ozs. in sycee and 15,100,000 dollars on July 21, 1917.

Applications for the Rs. 90,00,000 India Council drafts offered on Wednesday amounted to Rs. 2,01,05,000. Of these, Rs. 84,67,000 were allotted in deferred transfers, and Rs. 5,33,000 in immediate transfers. Tenders for bills and deferred transfers at rs. 4 5-32d. and for immediate transfers at rs. 4½d. received about 44 per cent. The amount to be offered next Wednesday is again Rs. 1,20,00,000. Since April 1 the total sales have been Rs. 20,40,00,000, realising £13,742,594.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, August 1, 1917.

ISSUE DEPARTMENT.

	£		£
Notes Issued	68,295,650	Government Debt	11,015,100
		Other Securities	7,434,900
		Gold Coin and Bullion ..	49,813,650
		Silver Bullion	—
	£68,295,650		£68,295,650

BANKING DEPARTMENT.

	£		£
Proprietors' Capital ..	14,553,000	Government Securities ..	50,439,661
Res	3,399,004	Other Securities	110,654,852
Public Deposits (including		Notes	27,819,240
Exchequer, Savings		Gold and Silver Coin ..	2,610,353
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	44,811,739		
Other Deposits	128,744,196		
Seven Day and other Bills	16,167		
	£191,524,106		£191,524,106

Dated August 2, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. August 2.		July 25, 1917.	August 1, 1917.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,410,042	Rest	3,311,696	3,399,004	87,308	—
51,009,979	Pub. Deposits ..	46,614,733	44,811,739	—	1,802,994
85,517,391	Other do. ..	126,839,973	123,744,196	1,994,223	—
31,924	7 Day Bills ..	16,076	16,167	91	—
	Assets.			Decrease.	Increase.
42,188,361	Gov. Securities.	48,127,661	50,439,661	—	2,312,000
75,637,166	Other do. ..	111,365,542	110,654,852	710,690	—
36,676,809	Total Reserve ..	31,842,275	30,429,593	1,412,682	—
				4,114,994	4,114,994
				Increase.	Decrease.
£		£	£	£	£
36,637,625	Note Circulation	39,736,370	40,476,410	740,040	—
54,884,434	Coin and Bullion	53,128,645	52,456,003	—	672,642
26.9 p.c.	Proportion ..	18.4 p.c.	17.5 p.c.	—	9 p.c.
6 ..	Bank Rate ..	5 ..	5 ..	—	—

CURRENCY NOTES.

Return of Currency Notes for the week ended August 1, 1917.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes	4,603,643	2,323,417	121,192,625
10s. notes	1,623,501	1,046,990	31,948,911
Note certificates ..	—	420,000	15,400,000
Previous total ..	662,770,554	496,685,755	—
	668,997,698	500,456,162	168,541,536

Ratio of gold held against notes, this week, 18.02 p.c.; last week, 18.9 p.c.

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,445,416,000	333,290,000	—
June	1,486,612,000	1,147,630,000	339,182,000	—
July	387,191,000	340,561,000	46,630,000	—
"	373,674,000	319,832,000	53,842,000	—
"	352,096,000	290,135,000	61,961,000	—
"	341,995,000	288,695,000	53,300,000	—
August	336,410,000	290,541,000	45,869,000	—
Total	11,298,070,000	8,867,289,000	3,019,446,000	—

PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended July 28.)

REVENUE.	EXPENDITURE.
	£
Customs	1,350,000
Excise	388,000
Estate, &c., Duties ..	487,000
Stamps	190,000
Land Tax and House Duty	—
Property and Income Tax	1,860,000
Excess Profits Tax ..	4,344,000
Land Values	1,000
Post Office	600,000
Crown Lands	50
Sundry Loans	—
Miscellaneous	50,069
Bullion advances repaid ..	100,000
For Treasury Bills for Supply	59,309,000
5% Exchequer Bonds, 1919 ..	—
5% Exchequer Bonds, 1922 ..	2,735,000
6% Exchequer Bonds, 1920 ..	—
War Expenditure Certificates	—
War Savings Certificates ..	600,000
4% War Loan, 1929-1942 ..	—
5% War Loan, 1929-1947 ..	500,000
Other Debts created under	—
War Loan Act, 1915, and	—
Finance Act, 1916	—
Telegraph Money Act, 1913	—
Under Post Office Rly. Act,	—
1913	—
Under Military Works Acts,	—
1897-1903	—
Under Public Buildings ..	—
Under Housing Act	—
Repayment of Advance for	—
Interest on Exchequer	—
Bonds, 1904	—
China Indemnity	—
East African Protectorate	—
Loan repayment	—
Suez Canal Drawn Shares ..	—
Ways and Means Advances ..	10,008,000
Decrease in Exchequer	—
balances	276,938
	£102,778,047
	£102,778,047
National Debt Service ..	—
Interest, etc., on War Debt	923,047
Development & Road Impvt	—
Payments to Local Taxation	250,000
Other Consolidated Fund	—
Charges	—
Supply Services	46,916,000
Bullion Advances	40,000
For Advance for Interest	—
on Exchequer Bonds under	—
Capital Expenditure	—
(Money) Act, 1904	—
For Treasury Bills	49,624,000
For Exchequer Bonds issued	—
under the War Loan Re-	—
demption Act, 1916	—
Expenditure Certificates	—
under War Loan Act, 1916	—
Other Debt under War Loan	—
Acts, 1914-16	—
For Exchequer Bonds under	—
Section 61 of Finance Act,	—
1916	—
Under Telegraph (Money)	—
Act, 1913	25,000
Under Post Office (Lon-	—
don) Railway Act, 1913 ..	—
Under Military Works Acts	—
Under Housing Act, 1914 ..	—
Public Buildings Expendi-	—
ture Act, 1903	—
Old Sinking Fund, 1907-8 ..	—
Old Sinking Fund, 1910-11 ..	—
China Indemnity	—
East African Protectorate	—
Loan repayment	—
Suez Canal Drawn Shares ..	—
Temporary Advances repaid	50,000,000
Increase in Exchequer	—
balances	—

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	July 6, 1917.	June 29, 1917.	June 22, 1917.
	£	£	£
Gold coin and certificates ..	94,071,800	96,852,800	98,548,400
Gold Settlement Fund	74,276,000	69,169,000	53,582,000
Gold with foreign agencies ..	10,500,200	10,472,400	10,520,000
Total gold held by banks ..	178,848,000	176,494,200	162,650,400
Gold with Federal Res. Agent	82,743,000	80,338,600	78,153,000
Gold Redemption Fund	1,949,600	1,880,400	1,600,200
Total gold reserves	263,540,600	258,913,200	242,403,600
Legal tender notes, silver, &c.	7,662,800	7,908,000	7,136,000
Total reserves	271,203,400	266,821,200	249,539,600
Bills discounted—Members' ..	25,970,600	39,448,400	38,196,200
Bills bought in open market ..	40,332,800	40,454,000	48,866,600
Total bills on hand	66,303,400	79,902,400	87,052,700
U.S. Government long-term	—	—	—
securities	8,537,000	7,285,200	7,285,400
U.S. Government short term	—	—	—
securities	5,731,800	6,860,400	15,698,200
Municipal warrants	488,400	469,200	488,800
Loans on gold coin and bullion	—	4,370,000	—
Total earning assets	81,110,600	98,907,200	110,529,800
Due from other Federal Res.	—	—	—
bank—nett	3,893,000	289,600	512,200
Uncollected items	50,274,800	44,341,000	39,165,200
Total deductions from gross	—	—	—
deposits	54,167,800	44,630,600	39,677,400
5% Red. Fund against Federal	—	—	—
Res. bank notes	100,000	100,000	100,000
All other resources	170,200	150,800	81,600
Total resources	406,752,000	410,678,800	399,928,400
Capital paid in	11,531,400	11,435,200	11,434,200
Government deposits	28,725,200	60,193,200	99,161,400
Due to members—Reserve	—	—	—
account	222,469,400	206,692,000	161,241,800
Due to non-members—clear	—	—	—
ing account	1,000,000	—	—
Members' bank deposits—nett	—	—	—
Collection items	32,917,600	29,905,400	27,516,200
Total gross deposits	285,112,200	296,790,600	287,919,400
F.R. notes in actual circulat'n	105,491,800	101,761,400	99,944,200
F.R. bank notes in circulation	—	—	—
—nett liability	235,000	186,800	155,200
All other liabilities, including	—	—	—
foreign Government credits	4,381,600	501,800	475,400
Total liabilities	406,752,000	410,678,800	399,928,400
Gold reserve against nett	—	—	—
deposit liabilities	76.1%	69.9%	65.5%
Gold and lawful money re-	—	—	—
serve against nett deposit	—	—	—
liabilities	79.5%	73.1%	68.4%
Gold reserve against F.R.	—	—	—
notes in actual circulation ..	80.3%	81.0%	79.8%

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	July 28, 1917.	July 21, 1917.	July 14, 1917.	July 29, 1916
Loans	£ 169,536,000	£ 168,262,000	£ 168,514,000	£ 143,256,000
Specie	12,394,000	12,394,000	12,264,000	12,022,000
Deposits	169,344,000	169,984,000	169,264,000	150,854,000
Legal Tenders ..	3,410,000	1,978,000	2,032,000	1,822,000

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	July 28, 1917.	July 21, 1917	July 14, 1917	July 29, 1916
Loans	£ 754,336,000	£ 761,452,000	£ 773,678,000	£ 637,518,000
Reserve held in own Vaults ..	30,344,000	27,158,000	27,158,000	85,540,000
Reserve held in Fed. Res. Bk.	82,346,000	70,620,000	82,168,000	32,734,000
Cash in own Vaults	19,924,000	19,490,000	19,490,000	19,490,000
Reserve held in Other Depos.	13,164,000	13,146,000	12,682,000	10,564,000
Nett Demand Deposits	713,476,000	701,550,000	724,892,000	624,438,000
Nett Time Deposits	40,124,000	40,102,000	39,050,000	36,756,000
Circulation	6,018,000	5,972,000	5,944,000	6,290,000
Excess Lawful Reserve	26,408,000	17,030,000	21,258,000	21,340,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

BANK OF FRANCE (25 francs to the £).

	Aug. 2, 1917.	July 26, 1917.	July 19, 1917.	Aug. 3, 1916.
Gold in hand	£ 130,619,680	£ 130,542,600	£ 130,412,320	£ 191,727,680
Silver in hand	10,452,920	10,448,700	10,490,400	13,562,480
Bills discounted	26,200,280	22,007,000	22,539,360	18,669,520
Advances	44,562,200	45,177,560	45,254,240	47,587,400
Note circulation	812,499,920	808,069,680	808,188,160	647,869,200
Public deposits	2,421,240	1,786,560	5,086,680	3,100,040
Private deposits	105,773,440	103,529,520	101,473,440	86,332,920
Foreign Bills	54,880	67,480	79,760	61,640

Proportion between bullion and circulation 27.39 per cent., against 27.52 per cent. last week. Advances to the State £432,000,000, increase £4,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £21,045,360, decrease £55,440, and at the branches £26,201,160, decrease £615,360.

IMPERIAL BANK OF RUSSIA (10 roubles to the £).

	July 29, 1917.	July 21, 1917.	July 14, 1917.	July 29, 1916.
Notes in reserve	£ 14,690,000	£ 14,980,000	£ 15,960,000	£ 11,180,000
Gold	129,160,000	147,870,000	148,140,000	154,740,000
Gold in reserve abroad	230,800,000	211,900,000	211,900,000	186,800,000
Loans and Discounts, including Treasury Bonds	1,308,360,000	1,258,090,000	1,118,220,000	376,220,000
Circulation note issue	1,364,600,000	1,332,820,000	1,305,530,000	675,310,000
Deposits, including Treasury deposits ..	327,450,000	315,900,000	307,280,000	21,000,000

SWISS NATIONAL BANK (25 francs to the £).

	July 23, 1917.	July 15, 1917.	July 7, 1917.	July 22, 1916.
Gold and silver	£ 15,718,508	£ 15,697,568	£ 15,675,254	£ 13,339,680
Bills	6,353,600	8,038,100	7,739,048	5,285,884
Note circulation	20,254,808	20,622,040	21,161,652	16,275,284
Current and deposit accounts	4,194,772	5,091,676	4,468,676	4,448,516

IMPERIAL BANK OF GERMANY (20 marks to the £).

	July 23, 1917.	July 14, 1917.	July 7, 1917.	July 22, 1916.
Total Coin & Bullion	£ 123,769,550	£ 126,218,500	£ 126,356,700	£ 124,891,150
Treasury Notes	25,330,450	22,263,150	22,192,900	28,421,400
Bills discounted	529,482,700	521,631,200	524,866,550	304,582,000
Advances	471,550	466,550	506,850	613,603
Note circulation	431,477,950	432,031,100	433,854,900	342,014,650
Deposits	274,122,550	266,749,350	266,854,150	119,150,450

BANK OF SPAIN (25 pesetas to the £).

	July 21, 1917	July 14, 1917	July 7, 1917	July 22, 1916
Gold	£ 65,372,975	£ 64,418,090	£ 63,250,580	£ 42,979,700
Silver	29,919,868	29,878,830	29,929,202	30,493,191
Foreign Bills	3,785,816	3,799,608	3,724,972	3,877,271
Discounts and Short Bills ..	30,253,385	30,940,611	31,417,051	23,392,286
Treasury Account, &c.	25,668,792	25,721,953	25,643,735	30,447,620
Notes in Circulation	101,968,211	101,960,412	101,061,966	88,732,299
Current Accounts, Deposits ..	32,609,162	32,312,151	31,934,371	130,813,006
Dividends, Interests, &c. ..	1,587,329	2,040,044	2,039,491	2,106,130
Government Securities	7,660,779	7,572,646	7,981,683	985,746

BANK OF NORWAY.

	July 16, 1917.	July 7, 1917.	June 30, 1917.	July 15, 1916.
Gold	£ 7,154,000	£ 7,155,000	£ 7,158,000	£ 6,579,000
Balance abroad	4,696,000	4,834,000	4,284,000	5,570,000
Foreign Bills	705,000	705,000	706,300	762,000
Gov't Securities	15,735,000	14,966,000	15,005,000	5,516,000
Discounts & Loans	16,441,000	16,618,000	16,281,000	12,077,000
Notes in Circulation	8,212,000	7,332,000	7,853,000	3,871,000
Deposits at notice				

NETHERLANDS BANK (12 Florins to the £).

	July 28, 1917	July 27, 1917	July 14, 1917	July 29, 1916
Gold and Silver	£ 53,379,450	£ 52,377,583	£ 52,620,250	£ 49,362,333
Bills and Advances	11,703,916	11,988,583	11,586,250	15,535,083
Note circulation	64,143,166	63,594,416	64,162,833	55,381,666
Deposits	4,658,583	4,391,916	4,173,416	7,437,000

LONDON COURSE OF EXCHANGE.

Place.	Usance.	July 31, 1917.		Aug. 2, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam	Cable transfers	11.43	11.48	11.37	11.45
"	Three months' bills	11.60	11.65	11.55	11.60
Paris	Cable transfers	27.40	27.45	27.40	27.43
"	Three months' bills	27.75	27.85	27.78	27.83
Marseilles	Three months' bills	27.73	27.85	27.78	27.83
Switzerland	Cable transfers	21.45	21.55	21.35	21.45
"	Three months' bills	21.85	21.90	21.70	21.80
Petrograd	Cable transfers	221	224	219	222
Genoa, &c.	Cable transfers	34.35	34.45	34.37	34.47
Spain	Cable transfers	20.73	20.83	20.73	20.83
"	Three months' bills	55 1/2	56 1/2	55 1/2	56 1/2
Lisbon and Oporto	Cable transfers	31 1/2	32 1/2	31 1/2	32 1/2
Copenhagen	Cable transfers	15.55	15.60	15.75	15.85
Christiania	Cable transfers	15.50	15.60	15.40	15.55
Stockholm	Cable transfers	14.25	14.40	13.85	13.95

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques	Francs to £1	25.22 1/2	27.40	27.40
Amsterdam, cheques	Florins to £1	12.107	11.52 1/2	11.52 1/2
Italy, sight	Lire to £1	25.22 1/2	34.1 1/2	34.42
Madrid, sight	Pesetas to £1	25.22 1/2	21.708	20.77 1/2
Lisbon, sight	Pence to milreis	532d.	318d.	328d.
Switzerland, sight	Francs to £1	25.22 1/2	21.75	21.40
Christiania, sight	Kroner to £1	18.159	15.67 1/2	15.52 1/2
Stockholm, sight	Kroner to £1	18.159	14.70	14.10
Copenhagen, sight	Kroner to £1	18.159	16.22 1/2	15.80
Petrograd, sight	Roubles to £100	94.57	223	219
Alexandria, sight	Piastres to £1	97 1/2	97 1/2	97 1/2
Bombay, T.T.	Sterling to rupee	1/4	1/4 1/2	1/4 1/2
Calcutta, T.T.	Sterling to rupee	1/4	1/4 1/2	1/4 1/2
Hong Kong, T.T.	Sterling to dollar	—	2/7 1/2	2/7 1/2
Shanghai, T.T.	Sterling to tael	—	3/10 1/2	3/11 1/2
Singapore, T.T.	Sterling to dollar	—	2/4 1/2	2/4 1/2
Yokohama, T.T.	Sterling to yen	24.58d.	2/1 1/2	2/1 1/2
New York, cable	Dollars to £1	4.86 1/2	4.76 1/2	4.76 1/2
Buenos Aires, T.T.	Pence to dollar	47.58d.	49 1/2d.	49 1/2d.
Valparaiso, 90 days	Pence to peso	—	12 1/2d.	12 1/2d.
Montevideo, T.T.	Pence to dollar	51d.	54d.	53 1/2d.
Rio de Janeiro, 90 days ..	Pence to milreis	—	12 1/2d.	13 1/2d.

OPEN MARKET DISCOUNT.

	Last week.	This week
	Per cent.	Per cent.
Thirty and sixty day remitted ..	4 1/2	4 1/2
Three months	4 1/2	4 1/2
Four months	4 1/2	4 1/2
Six months	4 1/2	4 1/2
Three months fine inland bills ..	5 1/2	5 1/2
Four months	5 1/2	5 1/2
Six months	5 1/2	5 1/2

BANK AND DEPOSIT RATES.

	Last week	This week
	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
short loan rates	—	—
Bankers' rate on deposits	4	4
Bill brokers' deposit rate (call)	4	4
7 and 14 days' notice	4 1/2	4 1/2
Current rates for 7 day loans	4 1/2	4 1/2
for call loans	3 1/4	3 1/4

The Week's Stock Markets.

There was nothing much to encourage business at the beginning of the week, and the dull weather helped to emphasise the rather depressed feeling that prevailed. But the successful commencement of another big push in Flanders put dealers in better humour, although it did not bring much more grist to the mill in the shape of buying orders; indeed, on the whole, selling, if anything, predominated. Of course, as always, there were good spots to be found in several directions, and the support of Scandinavian issues was particularly prominent owing to the low rate of exchange prevailing. Brazilians rose on the recovery in the exchange, but eased off at the finish, and Cuban Ports suffered a rather sharp relapse owing to the small progress made in the negotiations for a settlement with the Government. Home Railway dividends created a minimum of interest, and recent buyers seemed disposed to realise; at any rate, there were more sellers than buyers in evidence. The reported decision of the Canadian Government to take over the Canadian Northern and the control of the Grand Trunk Pacific caused a bit of a stir, but it was mainly owing to the fact that the position of the old Grand Trunk is left in some uncertainty in the cabled advices. Breweries went ahead in great style on a few exceptionally fine reports, and there was a moderate amount of business in Miscellaneous securities, although Shipping shares were dull. Dealings all round, however, have been at a low ebb, and it will require some very special stimulus to set things going with any sort of liveliness.

Absence of interest was very marked in the Stock Exchange at the beginning of the week. The accumulation of orders over

The week-end was very disappointing, the weather was atrocious, the expected "push" in Flanders had not yet materialised. So markets had a rather woebegone appearance, but they livened up a bit in the middle of the week, and although prices swayed somewhat erratically, the tone latterly has been much more cheerful. After giving way at the start,

of higher income-tax. Colonials were almost entirely neglected at first, but they moved upwards before the finish, and a moderate amount of business was marked. In the foreign market Scandinavian issues were particularly prominent, as the low rate of exchange favours buyers both of the stocks and the coupons, whether payable in London or abroad. Russian securities improved on Mr. Lloyd George's optimistic views on the situation, and it is hoped that the scheme to regulate the exchange will have a beneficial effect. Japanese and Chinese issues were good, and Brazilians showed to advantage on the recovery in the exchange. Cuban Ports relapsed sharply, but one or two Mexican issues came into favour. Argentines as a rule were dull.

Home Railways were dismal enough most of the time. Dividends were generally the same as last year, almost the only exception being an advance in the rate on Hull and Barnsleys, but the directors explain that this has been done mainly in order to make the half-yearly distributions more equal, and presumably, therefore, an increase for the whole year cannot be expected. Sellers were most in evidence, and most of the active shares shed a fraction. Americans were steady, but almost entirely neglected, and Canadian Pacific just held their ground, in spite of the favourable June statement. Grand Trunks, on the other hand, showed up badly. The monthly figures gave an increase of £230,000 in gross receipts, but a decline of £43,500 in nett, and the attitude of the Government with regard to the Canadian Northern and Grand Trunk Pacific lines caused some uneasiness, but we must await more complete reports before any definite opinion can be formed on the subject. Argentine Rails were dull on another series of poor traffics, but Mexicans were firm, and one or two Brazilian issues were good.

Bank shares were almost entirely neglected, and only trifling changes—mostly adverse—occurred. Breweries, on the other hand, were moderately active and decidedly strong under the lead of Watney Combes, which jumped points at a time on the best dividend the company has paid since the reconstruction. Egyptian shares came into some favour, as nearly every company operating in that region is doing remarkably well. Iron and Steel opened with a very strong appearance, and most of the favourites gained a fraction, but some hesitation was shown at the finish. Nothing occurred in the Land group, and Shipping shares were weak on a circular issued by the Court Line showing the probable effects of Government control. Textiles were steady to firm, without attracting much attention, and Miscellaneous Industrials as a rule were firm; but there was scarcely enough business to test the market.

Oil shares were dealt in rather more freely, and Royal Dutch were prominent on the report, which was read favourably in spite of the reduction in the dividend. Shells, on the other hand, were dull, and Mexican Eagles also gave way a fraction, but Eagle Transports improved. Russian shares moved irregularly, but Roumanian Consols and Lobitos were firm. Rubber shares, as a rule, kept wonderfully steady, in spite of the reaction in the price of the commodity. Business has been on a smaller scale than for some time past, and prices are maintained, mainly owing to the scarcity of floating stock; but how long this condition of affairs is likely to last it would not be safe to prognosticate. However, for the time being holders are evidently very unwilling to let go, and, with bears eliminated, the market may keep up for a long time, even if the technical position does not improve.

LONDON PRODUCE MARKETS.

SUGAR.—There was a good demand for all descriptions during the week, quotations ruling without change. Partial rains were reported from Cuba.

COFFEE.—Only a moderate quantity was submitted to auction, and, with a steady demand, Naidobatum ruled rather dearer, while Costa Rica fetched full values. Bold sizes of Naidobatum, sold, 86s. to 94s.; Costa Rica ditto, 89s. 6d. to 88s. 6d. per cwt. The terminal market keeps very idle, and general position nominal.

COCOA.—No auctions held this week, and by private treaty the market ruled slow, unchanged.

TEA.—33,600 packages Indian offered in auction ruled firm to dearer for broken teas, but A and B qualities slow of sale and generally unsettled. 18,000 packages Ceylon catalogued. Common experienced a slow demand, chief attention being given to the finer grades, and then largely of broken type.

SPICE.—Pepper market quiet. Singapore, black, July-September, steamer, sellers, 10½d.; Muntok, ditto, value, 1s. 0½d. The market for cloves ruled slow. Fair Zanzibar, on spot, value, 1s. 1½d. Tapioca slow, but nominally unaltered. Fair flake, spot, 6d., sellers. Penang seed pearl, 54s. to 60s. for fair to fine.

RICE.—Only retail sales at late rates. Beans and peas unaltered.

HEMP.—New Zealand inactive, and market largely nominal. Fair, July-September, quoted, £89.

SHELLAC.—Quiet and limited spot sales on the basis of 223s. for fair free second orange. T.N., August, sold, 224s., 220s. and 224s.; October, 227s., 223s. and 226s.

GAMBIER dull. On spot, block, sellers, 58s. 6d.

RUBBER quiet, and values easier. Crepe, spot, sold, 2s. 6d., 2s. 5½d., 2s. 5½d. Ribbed smoked sheet, spot, 2s. 5½d., 2s. 5d., 2s. 4½d. Fine hard Para, spot, value, 3s. 3½d.; soft fine ditto, 2s. 10d.; ball, 1s. 10d.

COPRA.—Market steady quiet at recent rates.

TALLOW.—In auction 1,231 casks were offered, and mostly cleared at 1s. to 2s. per cwt. advance.

	Last Week	This Week		Last Week	This Week
Consols.....	55½	55½	N.S.W. 4½ 5 yr. bds.....	90½	90½
War Loan 3½.....	87½	86½	" 4½, 1922-7.....	91	91
" 4½.....	94½	95½	" 5%, 1921-3.....	96	96
" 5%, 1929-47.....	94½	94½	" 5%, 1920-2.....	98½	98½
" 4%, 1919-47.....	102½	102½	New Zealand 4%, 1929.....	86	86
India 3½.....	57	57	Queensland 4%.....	80	80
" 3½.....	67	67	" 4½, 1920-5.....	93	93½
Australian 5½, 1920-22.....	99½	99½	Union of S. Africa 4½%.....	92	92
Canada 4%, 1910-60.....	81½	81½	1920-5.....	92	92
" 4½, 1920-5.....	93½	93½	Victoria 4½, 1920-5.....	93	93½
N.S.W. 4%, 1933.....	82½	82½	Westn. Aus. 4%.....	80½	81
Argentine 4%, 1900.....	65	65	French War Loan, 5%.....	80½	80½
Belgian 3%.....	62	62	Japan 4½ (1st), 1905.....	96½	97
Brazil, 1913.....	70½	71	" 5%, 1907.....	93½	93½
" 5%, 1914.....	80½	81	Mexican 5%, 1899.....	59	59
Chinese 1896.....	93	93	Russia 4.....	36	36
" 1912.....	77½	78	" 4½.....	63	63
Egypt Unified 4%.....	84	84	" 5%, 1906.....	73½	73½
Caledonian defd.....	84	84	London and N.-W.....	95	95½
Gt. Central prd.....	132½	132½	London and S.-W. dfd.....	22½	22
" dfd.....	64	64	Do red. pf. 1914.....	95½	92½
Gt. Eastern.....	304	352	Metropolitan.....	232	222½
Gt. Northern dfd.....	368	368	Do. 5% pf.....	90	90
Gt. Western.....	888	888	Met. District.....	154	154
Lancs. and Yorks.....	66	65½	Midland dfd.....	58½	57½
London Brighton defd.....	554	554	Nth. British dfd.....	138	132
London Chatham ord.....	82	82	Nth.-Eastern.....	100½	101
Canadian Pacific.....	179½	180	Sth.-Eastern dfd.....	27	26½
E. Indian Guar. 4½ % debs.....	86	86	Erie.....	28½	28½
Grand Trunk ord.....	94	102	Milwaukee.....	86½	86½
Do, 1st pf.....	65	64	N. Y. Central.....	100½	100½
Do, 3rd pf.....	24½	24½	Southern.....	28½	29
Atchison.....	107½	107½	Southern Pacific.....	97½	97½
Baltimore.....	79½	79½	Union Pacific.....	142½	142½
Chesapeake.....	63	63	U. S. Steel.....	116½	116½
Antofagasta dfd.....	127	126½	Cent. Argentine ord.....	64	65
Brazil Common.....	51	52	Leopoldina.....	37½	39
B. A. & Pacific.....	41	41	Mexican ord.....	17	17
B. A. Gt. Southern.....	78	78	San Paulo (Brazilian).....	189	188½
B. A. Western.....	77	77	United of Havana.....	81	81
Anglo-South American.....	68	68	London & S.W.....	12½	12½
Bank of Australasia.....	118	118	London City & Midland.....	74	74
Bank of N.S. Wales.....	34½	34½	London County & West.....	148½	148½
Barclay & Co. "A".....	118	118	London Joint Stock.....	22½	22½
Do, "B".....	118	118	Nat. Prov. of Eng. (£100 pf).....	27	27
Capital & Counties.....	23	23	Do.....	31	30½
Chartered of India.....	62½	63	Parr's.....	30	30
Hongkong & Shanghai.....	82	82	Standard of S.A.....	104	104
Lloyds.....	24½	24	Union Discount.....	104	104
London & Provincial.....	15	15	Union & Smiths.....	238	238
London & Brazilian.....	23½	23½	Kynochs.....	32½	32½
Armstrong, Whitworth.....	40½	39½	Mond Nickel ord.....	34½	34½
Birmingham Small Arms.....	48½	49½	South Durham Steel.....	34½	34½
Cammell-Laird.....	68	68	Thornycroft.....	36½	36½
Cargo Fleet.....	22½	22½	Vickers.....	39½	39½
Dorman, Long.....	37½	37½	Fine Cotton Spinners.....	29½	30½
Associated Cement.....	37	37	Forestral Land.....	45½	45½
Borax dfd.....	37½	37½	Furness, Withy.....	49½	48½
Bovril.....	19½	19½	Harrods Stores.....	2½	2½
Brazil Traction.....	49	50	Hudson's Bay.....	74	74
British Amer. Tobacco.....	18½	18½	Imperial Tobacco "C" pf.....	34½	34½
British Aluminium.....	30½	30½	Lever Bros. "C" pf.....	19½	20½
British Oil & Cake.....	30½	29½	Lyons, J.....	31½	31½
Brunner, Mond.....	47½	47½	Marconi.....	31½	31½
Castner-Kellner.....	38½	38½	Maypole Dairy dfd.....	23½	24½
Coats.....	64	62	National Steam Car.....	19½	19½
Courtaulds.....	74½	74½	Pears, A. & F.....	148	148
Cunard.....	43½	43½	P. & O. dfd.....	332½	329½
Dennis Bros.....	34½	34½	Royal Mail.....	115½	114½
Eastern Telegraph.....	141½	143½	Underground Inc. Bds.....	80	81
Eastmans.....	71	71			
English Sewing Cotton.....	51½	48½			
Anglo-Egyptian "B".....	14½	15½	North Caucasian.....	11½	11½
Baku (10s).....	2½	2½	Roumanian Cons.....	11½	11½
Burmah.....	6	6	Royal Dutch (100 gulden).....	46	47
Lobitos.....	2½	2½	Shell.....	53½	53½
Mailop Pipeline.....	31	31	Spies (10/-).....	12½	12½
Mexican Eagle pf.....	60½	60½	Ural Caspian.....	1½	1½
Anglo-Java Rub. (2/-).....	7½	7½	Merlimau 2/-.....	6½	6½
Anglo-Malay 2/-.....	14½	14½	Pataling 2/-.....	42½	42½
Ayer Kuning £1.....	52½	52½	Port Dickson 2/-.....	4½	4½
Bukit Mertajam 2/-.....	4½	5½	Rubber Trust £1.....	28½	28½
Bukit Sembawang 2/-.....	34½	34½	Sapumalkande £1.....	26½	26½
Carey United £1.....	48½	48½	Selangor.....	34½	34½
Chersonese.....	38½	38½	Sialang £1.....	78½	78½
Gula Kalumpung £1.....	37½	37½	Singapore Para 2/-.....	4½	4½
Highlands £1.....	58½	58½	Singapore United 2/-.....	3½	3½
Java Para £1.....	35½	34½	Tapiung 2/-.....	4½	4½
Johore Rubber Lands £1.....	37½	37½	Tandjong £1.....	90½	87½
Langen Java £1.....	48½	46½	Tandjong Malim £1.....	34½	34½
Linggi 2/-.....	28½	28½	Tebrau £1.....	71½	71½
London Asiatic 2/-.....	8½	8½	United Serdang 2/-.....	11½	11½
Malacca £1.....	52	52	Valambrosa 2/-.....	25½	24½
Malayalam £1.....	38½	38½			
Abbotiakoon (10/-).....	4½	4½	Gt. Boulder (2/-).....	11½	12½
Bechuanaland Exp.....	5½	6½	Kyshtum.....	1½	2
Brakpan.....	5½	5½	Mashonaland Agency.....	4½	5½
Broken Hill Prop. (8/-).....	48½	48½	Meyer & Charlton.....	5½	5½
Cam & Motor.....	8½	10½	Modder "B".....	7½	7½
Central Mining (£12).....	6½	6½	Do. Deep.....	7½	7½
Chartered.....	13½	13½	Mysore.....	32	32
City Deep.....	42½	42½	Rand Mines (5/-).....	34½	34½
Cons. Gold Fields.....	14½	14½	Rio Tinto (£5).....	61½	62
Cons. Langlaagte.....	24½	24½	Russo-Asiatic.....	48	48
Crown Mines (10/-).....	28	28	Spring Mines.....	3	3
De Beers dfd. (£2 10s).....	13½	13½	Tanganyika.....	38	38
East Rand.....	71	71	Tanahly.....	14½	14½
Geduld.....	40½	40½	Van Ryn Deep.....	38½	38
Gov. Areas Mod.....	61½	61½			

* Treasury prices.

Consols gained a good fraction, and there was substantial support of War Loans, the 4 per cent. tax-free issue being particularly prominent by people who fear what the Chancellor of the Exchequer may still have in store for them in the way

CORN (Mark Lane).—Business continued on a limited scale, the general tone of the market remaining steady, quotations in most cases being unaltered since last Monday. Wheat: English, both whites and reds, 74s. to 78s. per qr., 480 lbs. Of imported grades, No. 4 Manitoba, 81s. 3d.; No. 5 ditto, 77s. 3d., both ex ship. Canadian feed, 71s., ex quay, 400 lbs. Flour: Imported sorts are quite nominal, as of late. Japanese, 78s., landed. Country straight runs, 58s. 6d. to 61s. per sack, ex mill, according to quality. Barley: Californian brewing, 83s. 6d., ex quay. Oats: American white clipped No. 2, 63s. 6d., landed. Maize: Flat white South African, 83s. 6d.; and yellow round corn, 79s. to 80s., quay terms.

COTTON (from our Manchester correspondent).—The market

occurred for India in light materials, but the bids in grey shirtings remain unworkable. Rather fewer orders have been booked for Egypt. A fair miscellaneous trade has been done for South America. Distribution in the home trade continues healthy, and rather more inquiry has been met with in heavy materials for delivery in the autumn. American yarns for home use have moved off rather slowly at irregular rates. Spinners at the moment are considerably harassed by the abnormal raw cotton situation. An encouraging demand has come through in bundle yarns for India, and some fairly substantial orders have been booked. Bolton spinnings have been quieter. It has been reported that an old-established Egyptian spinning concern is in financial difficulties.

CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING AUGUST 3, 1917.

—	Last Week.	This Week.	—	Last Week.	This Week.
Sugar —per cwt., duty 14½, 98% polarisation	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign, granulated, first marks f.o.b., spot	nom.	nom.	Greasy Crossbred New Zealand	nom.	nom.
German Cubes f.o.b.	nom.	nom.	(scoured) Merino	nom.	nom.
French Cube	nom.	nom.	Greasy Crossbred	nom.	nom.
Crystallised, West India ..	nom.	nom.	Cape snow white	nom.	nom.
Beet, 88% f.o.b.	nom.	nom.	Indian rubber p. lb.		
Tea —per lb., duty 1/-	s. d. s. d.	s. d. s. d.	Plantation, Spot		
Indian Pekoe ..	1 0-1 6	1 1-1 6	Crepe ..	0 2 6½	0 2 5½
Broken ..	1 0-1 0	1 0-2 0	Coal —per ton		
Orange ..	1 0-1 1½	1 1-2 6½	Durham, best ..	nom.	nom.
Broken ..	1 3-2 0½	1 3-3 1½	Seconds ..	nom.	nom.
Pekoe Souchong	1 0-1 3	1 1-1 5	East Hartlepool ..	nom.	nom.
Ceylon Pekoe ..	1 0-1 3	1 1-1 8½	Seconds ..	nom.	nom.
Broken ..	1 0-1 10	1 1-1 10½	Steamers, best ..	30 0	30 0
Orange ..	0 11-1 3	1 1-1 1	Seconds ..	27 0	27 0
Broken ..	1 3-1 10½	1 0-1 11½	Lead —per ton.	£ s. d.	£ s. d.
Pekoe Souchong	1 1½-1 0	1 1-1 0	English Pig ..	nom.	nom.
Cocoa —per cwt., duty 6d.	s. s.	s. s.	Foreign soft ..	£ 30½-29½	£ 30½-29½
Trinidad—per cwt.	82 0-87 0	82 0-87 0	Quicksilver —per bottle firsthand	nom.	nom.
Grenada ..	66 0-81 6	66 0-81 6	Tin —per ton		
West Africa ..	55 0-65 0	55 0-65 0	English Ingots ..	£ 245-248	£ 242-245
Ceylon Plantation	70 0-85 0	70 0-85 0	Do, bars ..	£ 247-249	£ 245-246
Guayaquil Arriba ..	92 0-98 0	92 0-98 0	Standard cash ..	£ 243½-243½	£ 245½-246
Coffee —per cwt., duty 4½/-	s. s.	s. s.	Tin Plates, per box	nom.	nom.
East India ..	75 0-103 0	75-103 0	Copper —per ton.		
Jamaica ..	66 0-120 0	66-120 0	English, Tough	nom.	nom.
Costa Rica ..	75 0-100 0	75-100 0	per ton ..	nom.	nom.
Provisions —			Best Selected ..	£ 135-131	£ 135-131
Butter, per cwt.			Sheets ..	£ 160	£ 160
Australian finest	194/-198/-	nom.	Standard ..	£ 125-125½	£ 125-125½
Irish Creameries	198/-201/-	nom.	Jute —per ton.		
Dutch ditto ..	196/-204/-	204/-212/-	Native firsts for shipment	nom.	nom.
Russian finest ..	nom.	nom.	Oils —		
Normandy baskets	nom.	nom.	Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Danish finest ..	220/-222/-	230/-240/-	Rape, refined ..	£ 71	£ 71
Brittany rolls —			" crude ..	£ 66	£ 66
doz. lb. ..	21/6-23/-	nom.	Cott'n Seed, crude	£ 60	£ 60
Bacon —per cwt.			Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
Irish ..	145/-147/-	155/-157/-	Petroleum Oil, per 8 lbs.	1/3½	1/3½
Continental ..	140/-147/-	150/-157/-	Water White ..	1/4½	1/4½
Canadian ..	143/-145/-	148/-150/-	Oil Seeds, Linseed	—	—
American ..	138/-145/-	143/-150/-	Calcutta—per ton		
Hams —per cwt.			Spot	30 0 0	30 0 0
Irish ..	148/-154/-	150/-154/-	Rape ..	30 0 0	30 0 0
Canadian ..	143/-145/-	nom.	Iron —per ton		
American ..	110/-135/-	110/-135/-	Cleveland Cash ..	nom.	nom.
Cheese —per cwt.			Tobacco —duty, unmanufactured		
Dutch ..	106/-120/-	104/-125/-	7/4 to 8/0 per lb.		
Canadian ..	nom.	132/-	Maryland & Ohio		
English Cheddar	132/-	nom.	per lb. bond ..	nom.	nom.
Wilts leaf ..	nom.	nom.	Virginia leaf ..	0 8-2 1	0 8-2 1
New Zealand ..	nom.	nom.	Kentucky leaf ..	0 7-0 11	0 7-0 11
Rice —per cwt.	s. d. s. d.	s. d. s. d.	Latakia ..	2 0-5 6	2 0-5 6
Japan ..	29 6	29 6	Havana ..	1 6-6 6	1 6-6 6
Rangoon 2 stars ..	26 3	26 3	Manila ..	nom.	nom.
Eggs —per 120.			Cigars, duty 10/6 per lb. ..	2/ upds.	2/ upds.
English ..	25 6-26 6	26 0-27 0	Timber —Wood.		
Irish ..	24 6-26 6	23 6-25 0	Pitch Pine ..	300/-400/-	300/-400/-
Danish ..	23 0-25 6	23 0-25 0	Indian Teak ..	380/-700/-	380/-700/-
Spelter —			Turpentine —		
G.O.B. as to position ..	£ 54-£ 50	£ 54-£ 50	American Spot ..	2 16 0	2 15 9
Flour —per sack.			Copra —per ton	46 0 0	46 0 0
Country Straight					
Runs ex Mill ..	59/-61/-	58/-61/-			

during the past week has presented a rather quieter appearance, and traders have been less disposed to enter into transactions of importance. The Control Board has had under consideration a scheme for curtailing production, and although no official announcement has yet been made, it is understood that the suggestion is that 40 per cent. of the machinery in Lancashire should be stopped. Uncertainty as to the effect of this scheme upon the course of trade has resulted in buyers and sellers showing more caution in arranging contracts. The official Government report relating to the new American cotton crop has been very disappointing. In piece goods for export the bulk of the inquiry has been for China, and although operations have not been so extensive as last week, a fair turnover has transpired in both white and grey goods. Steady buying has

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and July 28, 1917:—

—	Estimate for the Year 1917-1918.	Total Receipts into the Exchequer from April 1, 1917, to July 28, 1917.	Total Receipts into the Exchequer from April 1, 1916, to July 29, 1916.
Balances in Exchequer on April 1—	£	£	£
Bank of England	—	25,209,947	25,111,065
Bank of Ireland	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs	—	22,754,000	21,138,000
Excise	—	11,779,000	15,945,000
Estate, &c., Duties	—	10,732,000	10,537,000
Stamps	—	2,101,000	2,322,000
Land Tax	—	340,000	310,000
House Duty	—	—	—
Property and Income Tax and Super Tax	—	36,274,000	25,711,000
Excess Profits Duty (including Munitions Levy)	—	55,190,000	10,196,000
Land Value Duties	—	197,000	80,000
Post Office	—	10,500,000	10,500,000
Crown Lands	—	160,000	160,000
Receipts from Sundry Loans, &c.	—	648,581	495,894
Miscellaneous	—	10,552,319	2,178,033
Revenue	—	161,007,900	99,572,927
Total, including Balance		187,443,759	125,147,933
OTHER RECEIPTS.			
Repayment of Advances for Bullion	—	810,000	1,500,000
For Treasury Bills (for supply)	—	657,541,000	520,121,000
For 4½ per Cent. War Loan, 1925-1945	—	—	424
For 5 per Cent. Exchequer Bonds, 1919	—	—	26,092,000
For 5½ Exchequer Bonds, 1920	—	—	79,014,500
For 5 per Cent. Exchequer Bonds, 1921	—	—	44,848,000
For 5 per Cent. Exchequer Bonds, 1922	—	58,966,000	—
For War Expenditure Certificates	—	—	16,407,900
For War Savings Certificates	—	12,700,000	12,150,000
For other Debt created under the War Loan Acts, 1914-1916	—	212,283,344	10,000,000
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947	—	166,030,000	—
Temporary Advances—			
Ways and Means (including Treasury Bills £345,000,000 in 1916-1917)	—	339,631,500	401,396,500
Total		1,634,375,603	1,236,678,257
EXPENDITURE AND OTHER ISSUES.			
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	—	7,339,439	10,940,351
Interest, &c., on War Debt ..	—	57,489,832	39,298,351
Payments to Local Taxation	—	—	—
Accounts, &c.	—	1,290,126	1,628,121
Other Consolidated Fund	—	—	—
Services	—	666,030	680,701
Supply Services	—	813,748,286	536,767,031
Expenditure	—	880,533,763	589,314,555
OTHER ISSUES.			
For Advances for Bullion	—	890,000	1,690,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1934	—	84,909	61,914
Under Telegraph (Money) Act, 1913	—	55,000	150,000
Under Post Office (London) Railway Act, 1913	—	50,000	90,000
Under Housing Act, 1914	—	175,400	18,900
For Treasury Bills for Supply	—	392,325,000	521,452,000
For Exchequer Bonds under Section 61 of the Finance Act, 1916	—	176,620	—
For other Debt under the War Loan Acts, 1914 to 1916	—	14,467,156	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908	—	—	38,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	—	20,000
Temporary Advances repaid—			
Ways and Means (including Treasury Bills £67,895,000 in 1916-17)	—	324,526,500	98,791,500
Total		1,613,284,348	1,211,625,869
Balances in Exchequer—			
Bank of England	20,396,954	24,035,343	—
Bank of Ireland	1,694,301	1,017,045	—
Total		22,091,255	25,052,388

MEMO.—Treasury Bills outstanding on July 28, 1917... £729,057,000.

* Includes £144,000, the proceeds of which were not carried to the Exchequer within the period of the account.

The Rumanian Senate and the Land Monopoly.

The cause of the Allies suffered last week a serious set-back; not on the battlefields of Galicia where the Russian withdrawal, caused by her internal troubles and not by the efficiency of the enemy, is only an incident of no permanency and one which can and will be repaired, but in the Senate of Rumania. For some time past German aeroplanes were wont to distribute proclamations to the Rumanian army, inciting the soldiers to rebellion against their "oppressors," and promising them that should they throw down their arms, Germany would see to it that the peasants would be given full possession of the land, and that they would no longer have to work as slaves of the landed proprietors. To counterbalance this, King Ferdinand, at the opening of the Jassy Parliament, promised land reforms embodied in a Bill which was soon after passed by a great majority of the patriotic House of Representatives. All seemed well, but now, unfortunately, we are informed that the Land Reform Bill was rejected by 75 votes out of 84 by the Senate, which represents the aristocracy and the landed interest in Rumania, and which, not unlike other bodies of its nature, seems unable to learn a lesson. The Senators cannot have ignored conditions which were pointed out in the *Times* (on March 17) by its able Balkan correspondent, where it was stated that, in addition to military factors, the unsound social and economical conditions of the country were the main factors in the reverses of the Rumanian army which came as much as a surprise to the Austro-Germans as to the Allies. What were those conditions? Till 1864 all land was held exclusively by the "gentry" (called boyards) and the State, the peasants being serfs. At this date, however, about one-third was purchased for the peasants with an advance made by the Government, and in less than 20 years these hard-working, thrifty people managed to free themselves from their debt. But only a fortunate minority thus became smallholders, the rest of the soil was still held by the old feudal landlords, who were often absentees, living not unfrequently abroad, in Vienna or Paris, thus draining the wealth of the country. Their estates were farmed out while the peasants, employed as labourers, lived in their customary half-subterranean hovels in a state scarcely preferable to serfdom. The result was general poverty, a high death-rate, and fermenting discontent which occasionally manifested itself in agrarian risings (as in 1888 and 1907) of a very serious character.

It might be thought that these are internal affairs of Rumania and that we ought to abstain from commenting on them. But is that the case? When we see a friend walking towards a precipice it is our duty to warn him, though we may leave him free to heed our warning or not. We understand that the Allies have made certain territorial promises to Rumania, and this alone would be a justification for taking a sympathetic interest in her population; but there is also the danger that the Rumanian soldiers in contact with the Russians who have obtained their freedom, may at any time take matters into their own hands and create a very difficult situation, the consequences of which may be disastrous. Let the Senate learn from the French and Russian revolutions that it is a blunder to withhold from democracy that which it may take any day by sheer force. It is wiser to sell to the people while they are still disposed to buy than to wait for confiscation. The Senators may think themselves secure of the future, because the present system of election by indirect electoral colleges and the law that closes the Senate to any person whose yearly income is under £400—assures them a certain majority; but that system is dying out, and will not survive the war. If they want fair treatment at the hands of the people who will be their masters before the world is much older, they must court its favour by acts of justice like

the Bill they have defeated. If they are royalists, let them give their king a free hand to redeem his solemn pledge; if they are republicans, and we are quite sure that they are not, to whom can they look for support but to the people whom they are exasperating by their ill-timed obstinacy? The Rumanian soldiers will have to reconquer their country overrun by the enemy, and they will fight a hundred times better if they are assured that victory will be made worth their while.

There is a more international question involved which must not be lost sight of. Agriculture (with the exception of salt mining by convict labour and the production of petroleum) is the only industry of Rumania, but it is an industry the development of which has enormous possibilities, and Rumania may, if she wants to, play a very important rôle in the feeding of Europe after the war, when the reduction of tonnage and the dislocation of the labour market in all belligerent countries will render oversea imports as well as home production difficult and costly. The middlemen the Rumanian landlords employ for the management of their estates enjoy only short-term tenancies, and, belonging to the get-quick-rich landgrabber class, they exploit the soil ruthlessly and exhaust it regardless of the future. The consequence is that, though the soil has not its equal in richness, it does not yield returns equal to the sandy plains of Belgium. Why? Because Belgium is essentially the land of peasant-proprietorship; the small-holders of Holland and Denmark are other examples, and there can be no doubt that without her laborious and frugal peasant-farmers Germany's food supply could never have held out as it has done. The introduction of modern methods of agriculture could double and treble Rumania's production; but under the present conditions that would meet with the greatest opposition on the part of the peasants, as it used to in Russia (see Tolstoy's "*Anna Karenina*"), for the employment of the great number of labourers which the archaic methods require is the only barrier which stands between them and starvation. After the war this menace will not exist, for the universal catastrophe has engulfed lives by the millions, and machinery will have to take the place of many human arms which, alas! will guide the plough no more. This will apply in a large scale to countries like England and France, though to a less extent to Rumania. Only the simpler kind of machinery will be within the reach of the peasant, but the essential thing, besides a system of rotation in the crops based on experiments, will be the scientific application of manure, and to spend money on that he must be assured that he and his descendants will profit by the improvements achieved, and not the landlord. As Mr. Jesse Collings said of the British small-holder, his land will become his bank, in which he will invest his savings.

It may seem difficult to educate the Rumanian peasant to such radical changes, considering that only about 40 per cent. of the population are literate in the sense that they can sign their names; but with a naturally intelligent people it is far from being impossible. Here, again, we have to look to Belgium: the method employed there has been a wonderful success. It consists in sending itinerant teachers to village after village to explain to the inhabitants the means by which they can improve and increase the products of their fields. These men are not simply theorists; in preference they are taken themselves from the peasant class, and consequently they have an intimate acquaintance with ordinary village life, with the needs of their audience, and can express themselves in a way which is clear and carries conviction. The meetings are not held in the parish hall or in the school-room, but in the public-house, where the peasants naturally gather, and where they can indulge in their glass of beer and in their pipe while listening to the lecturer. But an essential preliminary to this is the acquisition of the land by the tiller of the soil, and any barrier put to this may spell revolution. It may be time still to act, but delay in passing the Bill is the sure way to ruin.

D. A. Y.

Tea, Oil and Rubber.

A week ago the price of rubber was 2s. 6½d., and standard crêpe has since fallen back to 2s. 5½d., while smoked sheet is quoted no better than 2s. 4½d., after having been slightly lower. On the other hand, forward sales have been made at substantially higher prices, October-December deliveries fetching 2s. 7½d., so that the recent weakness may be merely a seasonal movement. It is very difficult to gauge the probable course of the market in the near future, because several of the most important factors are very uncertain. That applies particularly to the United States consumption, which has been on an enormous scale in the past twelve months; but there are indications that the market there was overstocked, and even cheap motors will not sell like hot cakes for ever and a day. Great expectations are entertained about the demand for rubber by the Central Powers to replenish their stocks after the war, and no doubt they will wish to do so; but it is equally certain that they will be able to pay for all they want? And if not, are they likely to get unlimited credit? We are far from sure, but it is pretty certain that every country engaged in the war will have to economise severely for many years to come, and it is probable that there will not be the same demand for pleasure cars as there has been in the past.

According to the latest available statistics, the Malay Peninsula last year produced 99,100 tons of rubber. The total world's production is put at 201,600 tons, of which 152,600 tons were cultivated and 49,000 tons wild, so that Malaya accounted for very nearly half the total and 65 per cent. of the plantation crop. That is a handsome record, and easily places the Peninsula at the head of the producing list. Moreover, the Government is fully alive to the importance of the industry, and the Department of Agriculture has a large staff of scientists at Kuala Lumpur engaged on research work to determine the best methods of cultivation and the means of combating pests and diseases. In the early days of the industry planters had to grope their way more or less in the dark, but now almost every stage is reduced to a mathematical certainty, to the great advantage of everyone interested.

In the year to March 31 the Bukit Rajah Rubber Co., Ltd., produced 1,064,900 lbs., an increase of 295,600 lbs. over 1915-16, and of 187,900 lbs. over the estimate. As the area in bearing was 290 acres larger at 3,428 acres, the average yield was just over 300 lbs. per acre, and as the estate has been in existence thirteen years, we should think that this could be considerably increased; but with the scarcity of tonnage and other difficulties, we cannot blame the management for nursing the trees until conditions are more settled. Gross profits amounted to £132,000, an increase of £34,000, and, including £1,150 less brought in, the net profits are £21,300 up at £94,890. This allows of the dividend of 100 per cent. being repeated, while £10,000 is placed to reserve and £6,000 to depreciation, against nil last year, while the carry-forward is increased by £5,300 to £12,190. All-in costs were 0.63d. lower at 11.20d., but the average price dropped 1.23d. to 2s. 7.04d. The company paid 150 per cent. in 1909-12 and 125 per cent. in 1912-13, so it has not to worry about excess profits duty. It is moderately capitalised, and no new clearings on the remaining 2,134 acres are contemplated till after the war, but there are great possibilities of further developments.

What Balance Sheets Tell.

SCOTTISH AMERICAN MORTGAGE CO., LTD.

This company is able to report a substantial improvement in net revenue, for although interest on mortgages and British Government securities, and profit on exchange on revenue brought home is £4,590 down at £146,000, and the increase in income-tax and expenses exceeds the saving effected in interest charges by £1,555, depreciation on investments called for £14,070 less. The net revenue amounts to £101,825, and exceeds that of the previous year by £7,925. After providing for the preference dividend, requiring £45,450, the dividend on the ordinary is made up to 12 per cent., as before; this disbursement absorbs £36,000, and leaves a balance which, added to the larger amount brought in, raises the carry forward £22,300 to £50,700. The directors have, in accordance with

the wishes of his Majesty's Treasury, continued to bring home during the year all available collections of principal and interest in the United States, and the amount lent on mortgage at May 31, 1917, shows a decrease compared with the amount at May 31, 1916, of over £415,000.

PARKER'S BURSLEM BREWERY, LTD.

Considering the many changes that have taken place in the economic life of the Potteries district since the war, the earnings of Parker's Burslem Brewery have been maintained at a very satisfactory level. It is impossible to ascertain exactly how the profits for the year ended June last compare with the previous year's, because the balance is struck after providing for excess profits duty for the years 1915-16-17, but we think it may be taken as a reasonable assumption that if the necessary adjustments were made in the previous year's accounts it would be found that the earnings for the year ended June last do not display a falling off. As it is gross profit, after making the provision referred to, is returned at £96,450, a decrease of £2,875, and rent and transfer fees yielding some £900 less, the total profit appears £3,790 down at £111,400. A reduction has been effected, however, in miscellaneous items, so that there is £5,600 more at £56,450 available. The ordinary distribution of 10 per cent. represents an increase of 2 per cent., and it certainly does not look as if the directors anticipated any serious set-back in the near future. Reserve allocations at £22,000 are £3,000 less than previously, but the carry forward is £1,650 up at £11,575. The bank balance is £6,170 more at £57,000, and £47,500 has been invested in War Loan.

BRITISH PORTLAND CEMENT MANUFACTURERS, LTD.

In spite of the stagnation in the building trade, profits in the year to April 30 were only £2,500 less at £254,160, and this was offset by the larger amount brought in. Reserve gets £2,000 at £40,000, and after again paying 4 per cent. on the ordinary shares, the carry forward is practically the same at £73,000. The sum of £5,560 was placed to debenture redemption account, making a total of £62,350, of which £58,750 has been utilised in writing off the debenture stock discount, leaving a balance of £3,600 at the credit of the redemption fund. As in the previous year, production was limited, while costs were higher owing to the dearth of fuel and scarcity of labour. Consequently, capital expenditure was reduced by £24,000 to £16,000, but the financial position was improved by an increase of £44,000 in investments at £1,470,000, and of £21,000 at £258,000. On the other hand, debtors were £27,000 lower at £202,000, and cash is down £10,000 at £56,000. These are normal fluctuations, and it looks as though things would improve when conditions are better.

Answers to Correspondents.

L. N. T.—(1) Good, but not likely to go higher in view of short life. (2) Not worth buying above 7s. or 8s., if at that. Only coal and farms visible so far, and all undeveloped. (3) We see nothing promising here. Leave it alone. (4) Rotten. Will probably have to be reconstructed to keep alive. Do not touch. (5) Has perhaps some chance through its many interests, but we see no immediate prospect of a rise. (6) Swamped by debt. Ore poor. An uninviting speculation. (7) Too near exhaustion to be worth buying. (8) An unattractive gamble, but just because it is it might pay to offer 5s. or 6s. for the shares on the chances. (9) We see nothing attractive in this either, and think the shares dearish at 18. (10) This concern seems to have gone under altogether, so far as any work on it is concerned, and if the shares are kept afloat it is probably as a reconstruction trap. The list altogether is uninviting.

F. P.—(1) An excellent and rich company, but the shares, £2 10s. paid with a liability of £22 10s., are not worth the present figure looking at prospects. Better cut the loss. (2) Here you have a fair profit. Take it, because many things unexpected will happen when the war ends. (3) Here also our advice is secure the profit, and for the same reason. (4) This, too, seems to be at a high price for a £1 share, and Government necessities may lead to further increases in taxation, so take your profit here also. In short, sell all the four.

Juan.—(1) A promising purchase. The State is doing its utmost to keep faith. (2) It depends on what you paid. If you have a profit, take it and be thankful; if a loss, you might as well wait for the terms of the settlement.

D. C. R.—On their yield the shares are too high, but there are rumours of an absorption. If this happens the rise may go on. If you are a holder you might wait a little, but sell if you see market weakening.

Farthing.—(1) Quite good, but we believe it is difficult to buy. Only purchase if you can get it at a moderate price. (2) We hope not. The price may shrink further. You might watch and buy if it goes lower, as there should be some recovery when conditions are more normal.

N. F. M.—The company was reorganised some time ago, and its position was then improved. Thanks to extraordinary trade and smart management profits have been wonderful for the past year. If you hold the shares you might keep them for the present, but we should not recommend a purchase now.

A. W. L.—The company is very strong, and possibly may prove able to pay an increased dividend, but this is only surmise. In your position you would be acting prudently in selling a fair proportion of your holding.

Lexton.—(1) Quite a fair purchase if you do not look for a rapid rise. (2) For the present quite high enough. (3) These appear to be a fair speculative purchase if you are prepared to wait.

COMPANY MEETINGS.

THE UNION BANK OF MANCHESTER.

The eighty-first annual general meeting of the shareholders of the Union Bank of Manchester, Ltd., was held at the head office of the bank, York Street, Manchester, on Friday, July 27, 1917.

The chair was occupied by G. C. Haworth, Esq. (chairman of the bank).

Mr. Peter Forrester read the notice convening the meeting, and also the auditors' certificates attached to the last two balance-sheets.

The Chairman said: In again addressing you from this chair, do I need to apologise for referring to the all-absorbing question of the war, which is still raging throughout Europe. Speaking of it from a financial point of view—and in passing, I would like to remind you that the war expenditure in 1914 was 362 millions—the total up to the present, including the Vote of Credit sanctioned this week, reaches 5,290 millions. Stupendous as this is, the barometer of the financial state of Britain being the Bank rate, and that only 5 per cent., it would appear that our financial strength is still unimpaired. This seems to be confirmed by the rates of exchange, as compared with those of other countries. I will now invite your attention to our half-yearly report, which is in your hands. The first item that attracts attention is the appearance for the first time of the Halifax District Local Board. You will, no doubt, expect me to say a word or two as to the amalgamation; but, as a matter of fact, there is very little of general interest that can be added to what has already appeared publicly. We feel that we have acquired a thoroughly sound business, giving us an opening in several important and thriving towns in a district new to us, thus developing a business which we venture to think will justify the amalgamation of the Halifax Bank. We think it is advantageous that the operations of the Union Bank should include other important trades than that of cotton, and it is all to the good that we now share, to a much greater extent than hitherto, in the woollen industries, the important trade of engineering, and, to a lesser extent, in the great steel and cutlery industries of Sheffield. There are also other trades to which we gain access by this new acquisition. Leeds and Halifax may be taken as outstanding examples of towns which rejoice in a very steady measure of prosperity generally, as a result of the variety of their industries. Few towns show a more progressive record than Huddersfield, in the neighbourhood of which some of the most successful woollen mills operate, and the recent addition of the large works of "British Dyes, Ltd." (and their probable extension in the future) constitutes a noteworthy feature. The world-wide fame of Bradford as the centre of the worsted trade is known to all. I now call your attention more particularly to the figures of our report. You will observe that the gross profits are £138,256, which is a record figure. From this has to be deducted our ordinary expenses, £46,924, and £10,000 for special payments to the staff, which leaves a net profit of £81,332, also a record figure. After adding on the amount brought forward, £25,694, we have £107,026 to be dealt with. The dividend and other appropriations absorb £67,500 of that sum, and we have deducted £18,500 in order to entirely clear off the balance of the cost of the purchase of the Halifax Bank, which leaves £21,026 to be carried forward. I would like to say that the item £10,000 is the cost to the bank of those provisions which we have made to enable those of our employees who have joined his Majesty's Forces, and also those at home, to face the difficulties of the present situation and the very large increased cost of living. This, I am quite sure, will meet with your approval. Permit me to say a word with regard to our net profit. We hear a good deal about war profiteering, and I should just like to say that the increased profits shown in our report and the increased dividends which we are now paying are not in any measure the outcome of the war. For many years the bank has been paying what was a moderate dividend for an old-established bank; but it has been steadily strengthening itself internally and building up a strong position out of earnings, and the satisfactory result which you see before you to-day would have been forthcoming, I venture to say, under normal conditions. Of course, the war has affected the banks in many ways. The high price of money has increased their profits, but against that there has been the terrible shrinkage in the value of investments and a very great increase in working expenses; and until peace is again restored—and perhaps not then—it will be difficult to sum up the effects of the war on the banks. Until that time all we can do is to pursue the careful, watchful course which has hitherto been followed, and we have every reason to hope that the banks of the United Kingdom will emerge from the ordeal stronger than ever. Let us now look at the balance-sheet. Our current, deposit, and other accounts amount to £8,618,133, which is somewhat less than at December last, but exceeds the total of the same item last year by close on a million. Of course, part of that increase is brought about by the Halifax amalgamation. This total would have been considerably larger had it not been for the issue of the 5 per cent. War Loan. The amount of War Loan applied for through this bank exceeded four and a-half millions, and it is believed that the proportion that figure bore to our then total deposits was one of the highest, if not the highest, among the whole of the banks in London and the country, a result which is due in no small measure to the facilities given and the trouble taken to enable our customers and others to participate in the loan. Naturally the great bulk of the sums applied for

through us had to be found by the bank, which caused a very considerable reduction, for the time being, in our deposits. However, this has nearly all come back again, and we have no doubt that by the end of December our deposits will reach a figure much in excess of anything that has ever appeared before; unless, of course, our expectations are interfered with by the issue of a large War Loan or other such event. The total of bills accepted by the bank is smaller than before, mainly as a result of the reduction in shipping tonnage available for mercantile purposes, and owing to certain bills which the bank had accepted on behalf of his Majesty's Government being dispensed with. The latter was a result of the United States of America joining us as Allies. Open credits, &c., are somewhat higher than usual. They consist entirely of contingent liabilities, all of a temporary character, and the item is balanced by a corresponding figure on the other side. On the other side of the balance-sheet we have cash on hand, £1,317,895. This is somewhat less than that shown in our last balance-sheet, but it is rapidly increasing, and before many weeks I have no doubt it will have reached the high-water-mark. British Government securities, £1,603,648, are rather less, as certain investments have been turned into cash under advantageous conditions. Bills of exchange, £565,568, are about the normal figure. Loans and advances to customers, £4,620,006. This is a little more than this time last year, mainly as a result of the high prices of all commodities. Now we come to a new item—advances to take up 5 per cent. War Loan, £983,194. Probably it is known to those in the room that when the 5 per cent. War Loan was issued bankers were requested by the Treasury to give all facilities possible to their customers and others to take up the loan, on certain special terms. This is the amount now owing to us under this arrangement. As a *quid pro quo* the banks were offered certain facilities by the Government in case they required them, on terms that would not involve loss to the banks; fortunately we have not found it necessary to avail ourselves of those facilities. Bank premises, £295,333, which shows an increase of a few thousands, notwithstanding that we have transferred £5,000 to the account from our profits. The increase is entirely accounted for by the premises which we have acquired in Yorkshire.

The foreign exchanges present certain interesting features. The rate on New York has been maintained, with only slight variations, at about 4.76. This has been rendered possible by the Government action in mobilising securities. A fair measure of stability has been attained in the Paris rate, although it is about two francs less than normal. What is more important is the great fall in the Petrograd exchange, which is now 220 roubles to the £10, against the normal rate of 95. British firms have still large sums locked up in Russia. The South American exchanges all show increases over the normal, with the exception of Brazil. These appreciations have been assisted by large British Government purchases of meat and other foods. An unusual movement has recently taken place in the Australasian rates. Instead of being in favour of London, they have swung round notably the other way. The appreciation of silver from the pre-war price of about 30d. per oz. to the present price of 39½d. should assist our exports to the Far East, but the shortage of shipping facilities has neutralised this advantage. The present unsettled situation in China will further operate adversely on our export trade. In turning our attention to the trade of the British Isles, we may congratulate ourselves upon the actual conditions being highly successful and satisfactory, as compared with what, in August, 1914, we anticipated they would be. In the first month of the war one was reminded of the American Civil War and of the Cotton Famine Fund which then came into existence. Soup kitchens were introduced, while 90 per cent. of our mills were closed. Want prevailed in our towns, and there was an exodus of the working class from the cottage to the workhouse; the streets were vegetated. Such was the picture which all of us anticipated would be repeated. But what has happened? Instead of the workhouses being filled, the working people are in receipt of wages which are so high as to be altogether without precedent, and are unequalled in any other country in the world, I may say even the United States. Let me again remind you, as I did 12 months ago, that the prosperity we are now enjoying is, in a measure, owing to the great expenditure which is taking place throughout the country in the production of munitions of war. Thus, the redeeming feature of the high wages now enjoyed by the working class is shown in the successful balance-sheets of our home trade. Owing to the great increase in the price of commodities, the capital now required for carrying on business is at least 80 per cent. more than formerly. This is a serious handicap to the spinner, manufacturer, and merchant. The banker, of course, has to do more than his usual share in helping to carry this burden. The condition of the woollen trade is very much on all fours with that of cotton, the cost of the raw material having reached fictitious prices. We are also informed that the Government have commandeered all wool, and that they are limiting the supply of the raw material to all manufacturers for the home trade to 10 per cent. of their production of 1915 and 1916. Touching upon the large markets of the world, we were led to think that the higher prices of cotton would have a depressing effect upon our exports. Contrary to our expectations, such markets as India, and more particularly China, being bare of goods, high prices do not defer the native merchants, who are extensive purchasers with regard to cost. That increasingly important section of our community, the farmers, are continuing to enjoy a prosperity which has had no parallel in all previous history. The circumstances brought about by the war have shown the

necessity of producing on our own land the foodstuffs for the population of these islands. As you are aware, the Government are now waking up to the need of fostering agriculture. Without touching upon any political controversy—this not being the place or the opportunity for that—we are bound to recognise that the Government have responsibilities. I refer not only to matters pertaining to the land, but to the imperative necessity of considering and rendering assistance to the trade of the country in all its departments.

Mr. W. H. Verdin seconded the resolution, which was carried unanimously.

THE CLERGY MUTUAL ASSURANCE SOCIETY.

THE FINANCIAL STRENGTH OF THE SOCIETY.

The annual general meeting of members was held at the office of the society, 2 and 3, The Sanctuary, Westminster, on Tuesday, July 24, under the presidency of Sir Lewis T. Dibdin, D.C.L.

The Actuary and Manager (Mr. Frank B. Wyatt) having read the notice convening the meeting,

The Chairman, at the outset of his address, expressed great regret at the death since their last meeting of Sir Paget Bowman (the late chairman) and Dr. Purey Cust (the late Dean of York), and at the retirement from the board of Prebendary Harvey, and warmly testified to the value of their services to the society during the long periods in which they had been connected with it. On Sir Paget Bowman's death the directors found it necessary, for the adequate discharge of the board's work, that his place should be promptly filled, and they elected Mr. Francis J. K. Hull. To fill the vacancy caused by Prebendary Harvey's retirement Archdeacon Pearce (Canon of Westminster) would be proposed for election.

THE WAR AND THE PROFESSIONAL CLASSES.

Continuing, the Chairman said: For the third time we are holding our annual meeting under the shadow of the war. The burdens which it lays upon us have not grown lighter during the last year. The assured members of the society are drawn in the main from the clergy and the other professional classes. On them the financial stress of the war has been and is especially severe. With the one exception of the increase in the value of tithe rent charge—affecting as it does a section only of incumbents, and most of them to a very limited extent—the financial effect of the war has been wholly adverse to the professional classes. While the burden of taxation and the expense of living have vastly increased, the voluntary sources of income of the clergy and professional earnings generally have greatly dwindled. What adversely affects these classes must always similarly affect this society, and we see in the diminution of new business the direct result of the war upon it. It has always been our boast that we employ no agents and pay no commissions, and undoubtedly our members gain very solid advantages from the adoption of this principle in the lowness of our premiums and in the devotion of all profits to the benefit of policyholders. But it has this incidental drawback—that we deny ourselves the most obvious means of counteracting the effect of such a universal preoccupation as the war has created. We cannot by increasing the importunity of our appeals to the public, through agents, press into our office the business which in hard times does not flow there of its own accord. A mutual society like ours depends very largely on the voluntary efforts of its own members to make its work known amongst friends. The society has largely benefited in the past by co-operation of this sort, and I venture to press for its active exercise now at a time when, though as I have said the clergy and professional classes are in special difficulty, the need of provision for the future, by life assurance, is at least as great and urgent as ever.

A NEW FORM OF POLICY.

You will have seen from the report that the directors are now prepared to grant a new form of policy which combines ordinary life assurance with provision against ecclesiastical dilapidations. This policy is the outcome of a great deal of consultation between our actuary and manager, Mr. Wyatt, and directors specially conversant with dilapidation business. I think Mr. Wyatt is much to be congratulated on the result as an actuarial achievement, for it is no easy problem to make the terms of a policy adjust themselves to the various contingencies on the happening of any of which dilapidations have to be made good. We believe that this form of policy will meet the needs of a vast number of incumbents who, while reform of dilapidation law is constantly discussed and never accomplished, remain day by day under a burden grievous to be borne—a burden which has often crushed the life out of a good man.

ADVANTAGES OFFERED BY THE SOCIETY.

The advantages which the society has to offer in respect of this, as well as of its other forms of life assurance, are the great financial strength of the society, the lowness of its premiums, and the economy of its management. The aggregate of the funds is slightly less than last year, but that is due in great measure to the exceptionally large amount paid in respect of endowment assurances which have matured during the last year. This has, of course, been accompanied by a corresponding decrease of liability, so that the financial position of the society is not adversely affected. It may safely be said to be as strong as, or even stronger than, it was last year, when it was greatly fortified by writing down Stock Exchange securities to market value. There has, I need not say, been further depreciation in high-class investments during the last 12 months, but in our case it only amounts to 3 per cent. of the aggregate value of the Stock Exchange investments held by us, and would be much more than wiped out by even a moderate recovery in prices. With regard to another great category of investments—mortgages of property—representing just over a million sterling, the directors regard these securities as satisfactory, and there are no arrears of interest in respect of them. The expenses of management, including the cost of the quinquennial valuation of 1916, were at the rate of £7 6s. 2d. per cent. on the premium income—just 1 per cent. lower than in the first year of the previous quinquennium. The mortality has been low—if we exclude deaths due to the war, extraordinarily low. Even including war claims, the total death claims have been £72,000 less than the amount expected by the British offices O M (5) tables.

LIFE OFFICES AND THE INCOME-TAX.

The rate of interest on our investments on May 31, 1917, was £4 14s. 6d. per cent.—a rise of 2s. per cent. over the rate of interest last year. But, as stated in the report, the additional income of about £4,000 thus secured is more than swallowed up in the increased income-tax. I desire to repeat what I said last year as to the unfairness with which life offices are treated in the matter of income-tax assessment. They are assessed on their total revenue from investments, instead of on the profits made in carrying on their business of life assurance. A heavy additional burden is thus thrown on the society and its members, the inequity of which is patent, but Parliament has not yet found opportunity to deal with the matter, and Somerset House is reluctant to forego the large sum involved—a reluctance which is an indication of the extent to which life offices are being wronged by the Revenue.

INVESTMENTS IN THE WAR LOAN.

Substantially all our investments during the year have been in Government funds. We hold £650,000 5 per cent. War Loan and £75,000 Treasury bills. We have also deposited with the Treasury (at their instance) colonial and British railway debenture stock to the amount of more than £300,000 of stock. The society indirectly assisted many of the members to obtain funds for investment in War Loan. It will be observed from the revenue account that the amount paid in surrender of policies was £46,991—an unusually high figure, but just £15,000 of it was paid during a month, and no doubt for the purpose of the War Loan subscription. During the same month the directors lent £37,340 on policies. This sum was largely invested in War Loan. The significance of the amount is obvious when it is mentioned that the amount of loans during the corresponding month of 1916 was £1,420.

Our small staff remains very depleted. Seven members of it have been called to service, and one, Mr. Hawkins, has, I grieve to say, been killed. Another, Mr. Gilbert, has been wounded. On the other hand, it is pleasant to have to record that our actuarial clerk, Mr. Robinson, now a major in the Royal Sussex Regiment, has received the D.S.O. (Hear, hear.) You can imagine the difficulty and overwork which the older members of the staff, working with very little extra assistance, have had to face in keeping things going here, as they have been kept going, at their usual high level of efficiency. The directors are very conscious of the excellent service thus rendered to the society, and they are sure that the members generally will cordially join with them in an expression of their grateful appreciation. (Cheers.) I now formally move the adoption of the report.

The Archdeacon of Durham seconded the motion.

Mr. A. G. Mackenzie made certain suggestions which, he contended, would assist the directors in advancing the interests of the society. He expressed his readiness to confer with them privately on the matters to which he had called attention.

The Rev. E. R. Elliston referred to the number of surrenders, and thought the fact was attributable in some measure to the increased charge for loans on the society's policies. The prospectus of 1907 stated definitely that 4 per cent. was the rate charged for such loans, but when the war broke out the rate was at once increased to 5 per cent.

The Chairman, having replied, put the motion, and declared it carried *nem. con.*

Resolutions were afterwards passed re-electing the retiring directors, Mr. Francis J. K. Hull, Sir Lewis T. Dibdin, and

Dr. Alfred J. Butler, and electing the Ven. Ernest Harold Pearce, Archdeacon of Westminster, a member of the board to fill the vacancy caused by the resignation of the Rev. Prebendary Harvey.

Mr. E. R. Frere, chartered accountant, was afterwards re-appointed auditor to the society.

The proceedings terminated with a cordial vote of thanks to the chairman and the directors.

DORMAN, LONG AND CO., LTD.

The twenty-seventh ordinary general meeting of the shareholders, adjourned from December 12, 1916, was held at the company's registered office, Zetland Road, Middlesbrough, on Tuesday, July 31, 1917, A. J. Dorman, Esq., in the chair.

The Secretary (Mr. R. Jameson) read the notice convening the meeting (a copy of which had been forwarded to each shareholder) and the auditors' report as required by the Companies (Consolidated) Act, 1908.

The Chairman then said: As you are aware, at the ordinary general meeting of the company, which was held on December 12 last and which was adjourned to a date to be fixed by the directors, the accounts were not dealt with for the reasons then given by me, and only the routine business was transacted.

Owing to the difficulties in dealing with the accounts, the directors have delayed fixing the adjourned meeting and issuing their report and balance-sheet in the hope that the confusion created by the numerous and complicated questions raised by the financial legislation of the Government might in some measure be cleared up. We, however, find ourselves, in common with most other large concerns in the country, still facing the same difficult problems. We might have waited until absolutely final accounts could have been presented, but as it is impossible to say when the various outstanding matters will be disposed of, your directors have felt it their duty to inform you as far as they are able of the position of the company. The report and balance-sheet which you have before you must be taken as subject to final adjustment. They represent the best estimate that can be made in the circumstances. The accounts have been framed so as to provide what is believed to be a sufficient sum to meet any possible claims upon the company under the various Acts which the Government have found necessary for the prosecution of the war.

I will now ask you to follow me through the figures of the balance-sheet. The profit for the year is £406,679 18s., which with the £128,654 5s. 5d. brought forward gives us a total of £535,334 3s. 5d., as against £507,220 last year. After paying interest on debentures, a dividend of 8 per cent. and a bonus of 6 per cent. on the ordinary shares, amounting in all to £216,680 8s. 2d., there remains £318,653 15s. 3d., which we propose to deal with in the following manner:—Directors' fees £4,000, redemption of 5 per cent. debentures £20,960, general reserve £100,000—bringing this account up to £361,437—writing off for depreciation £50,000, leaving a balance to carry forward of £143,693 15s. 3d.

The debts due by the company are again large, amounting to £1,052,622 11s. 1d., but this is accounted for by the amount set aside for income-tax and excess profits duty.

On the asset side of the balance-sheet you will observe the cost of the Redcar blast furnaces and Kilton mines—about which I shall have something to say later on—has been added to the capital expenditure account, which now stands at £1,007,654. Our investments remain practically the same as last year, except that the shares in the Channel Collieries Trust, Ltd., have been fully paid up, bringing the total value of the investments to £877,304, which in the aggregate give a very satisfactory return to the company. Stocks on hand, work in progress, stores, loose plant, tools, &c., were valued at £746,307, the debts due to the company were £610,109, we held Treasury bills to the value of £482,369, and had £58,068 cash at bankers and in hand. As I have already said, the accounts are necessarily somewhat indefinite. We had hoped the suspense account would disappear from the balance-sheet. You will observe that this is not the case, but that, on the contrary, we have raised it from £60,459 to £124,855. We have done this in order that we may be able to effect any adjustments which may be necessary when the accounts are finally settled with the Government.

I am sure you will wish to know something of the progress we are making at Redcar. You will remember when we met last year I told you that at the instance of the Government we had entered into an arrangement with them to increase our production of steel, and that we had in consequence decided to build new steel works at Redcar. The scheme consists of a 400-ton mixer, ten large steel furnaces, a cogging mill, and two large plate mills, and the cost will be somewhere in the neighbourhood of two millions, so you will see that it will be a work of considerable magnitude. I am pleased to say that in spite of the great difficulties which are met with in conducting building operations at the present time, good progress is being made with these extensions. Already three furnaces are at work giving good results fully up to our expectations. A fourth will be ready in a week or two, to be followed by others as soon as they can be got ready. When completed these new steel works will produce from 300,000 to 400,000 tons of steel per annum, bringing the total capacity of our combined concerns up to an annual output of one million tons. While the war continues all our resources are at the disposal of the Government. The whole of this large output will be required for war purposes. When it ends we shall be ready for the great developments which it is hoped peace will bring. The Redcar works will fill the gap which up to now has existed in our production by putting us in

a position to add steel plates to our already extensive list of manufactures.

I have already referred to the purchase of the Redcar works. When we acquired the property of Messrs. Walker, Maynard and Co., Ltd., there were at Redcar six blast furnaces and a battery of by-product coke ovens. The furnaces had been blown out some time before. The coke ovens had been recently completed by the Tees Benzol Syndicate under the direction of the Ministry of Munitions, and were producing coke.

Under the instructions of the Ministry certain of the furnaces were at once blown in to make hematite iron for France. They are now producing basic pig-iron, which is being used in the new steel furnaces.

It will not surprise you to hear after what I have just said as regards the probable output of steel at Redcar that in order to produce the whole of the pig-iron required it will be necessary to introduce very great changes at these blast furnaces. The question of how this is to be done is having the earnest attention of your directors, and, in consultation with the advisers of the Ministry of Munitions, plans are being prepared which will give us what we require in this respect.

To accomplish all that we have in view will require the services of a large number of men. We reckon that ultimately something like 5,000 to 6,000 will find employment at these works when the present developments are completed. Housing accommodation will be needed. After very careful consideration we have acquired about 800 acres of land in the immediate proximity of the works. On this we propose building cottages to house our workmen and their families. In determining the position of the cottages, and in settling the general plan of the new town, we have availed ourselves of the advice and have secured the services of some of the most competent experts in town planning in the kingdom. When the building is completed there will be a town of well on to 3,000 houses. Provision has been made in the plans for all other buildings incidental to a place of the importance of our new town. Places of worship, schools, shops, and suitable provision for recreation are included in the plans. A beginning has already been made, and at present upwards of 300 houses are in course of construction.

A good deal is being said and written as to the future relations between Capital and Labour. Many take a gloomy view of what is likely to happen after the war, but personally I am not one of those. I believe if we are allowed to manage our own affairs, employer and employed in conference together will arrive at a happy conclusion. What is the problem to be solved? To my mind, it is this—at what price will the workmen give their best labour free from all restrictions? It must be evident to all thinking men that no high wages can be paid except in return for efficiency and increased output. Given that, a settlement will be an easy matter, for the employer does not ask for increased hours and harder work—improved machinery will do the hard work. What he asks and is prepared to pay for is the willing work of the workmen. Under such conditions, it is possible to pay higher wages, and yet produce at a lower cost. We can assemble our material at less cost than most nations, and have shipping facilities second to none. Our manufacturers have received little or no encouragement to embark in large commercial undertakings, and our machinery has been allowed to become somewhat antiquated; but a new life is springing up within us, and if only a fair understanding can be come to between Capital and Labour, I have no doubt that the new industries that have been brought into being by the far-sighted policy of the Ministry will prove to be a source of great prosperity to this country, and enable us to hold our own in the markets of the world.

There is one other matter to which I must refer before I conclude. I have from time to time explained to the shareholders the position of our investment in the county of Kent. Since the outbreak of war it has not been possible to make any very great progress there. Nevertheless, the directors of the Channel Collieries Trust have not been idle. The conditions under which the property was held were extremely complicated, and, after long deliberations with the persons interested, it was agreed that the two important companies involved should effect a fusion of interests. A scheme for the equitable adjustment of the interests of the various parties was prepared, and has been accepted by all concerned. The two chief companies, namely, the Kent Collieries and the Channel Collieries Trust, have gone into voluntary liquidation, and, with the consent of the Treasury, the whole of your properties in Kent will be represented by a new company, which it is at present proposed to call the Channel Steel Co. It is anticipated that by the time the war is over, certain investigations which are now in progress will be completed, and we shall then be in a position without delay to proceed to the development of our interests in that part of the world. There is a large bed of ironstone on the property, and during the past two years tests have been made with encouraging results for the purpose of ascertaining the most economical method of treatment. I am sanguine enough to hope that before long the result may be the establishment of an important iron industry in the county of Kent.

It will interest you to know that from the Associated Companies 3,825 men have joined the colours. I am very sorry to say that 264 have been killed in action, and considerably more have been wounded, and I am sure we all wish to express our deep sympathy with their relations and friends. Among the honours awarded are one C.M.G. (one of your directors, Colonel Maurice Bell) and three Military Crosses, seven D.C.M.'s, 15 Military Medals, and one D.S.C. At least, these are all that

we have been able to trace so far, although we do our best to keep in touch with our men on active service. It is more than likely that some honours have escaped our notice, but the list I have mentioned shows how well the men have done.

I am pleased also to say that the men at home have contributed a substantial sum to a fund which they themselves have organised, originally for sending out parcels to the men at the front, but now chiefly for helping their relations and dependents at home. The firm also makes a contribution to dependents, which supplements to some extent the workmen's fund, and these funds have proved most useful in a number of deserving cases, and have been appreciated.

During the year considerable progress has been made with the training of our Dorman, Long Battalion (5th North Riding Volunteer Regiment), and 986 officers, N.C.O.'s, and men have enrolled under the new Volunteer Act. The battalion is now equipped with modern rifles, and is quite ready to take its part in defending the country should an invasion be attempted.

In addition to this, the North-Eastern Steel Co. have recently formed two complete Volunteer Fortress Companies R.E., comprising 218 officers and men.

It is usual for me to say something as to prospects. I can only tell you that, for obvious reasons, there is not likely to be any great alteration in our returns during the continuance of the war, but when peace comes, it will doubtless bring with it a large demand for shipbuilding and constructional material, for which we shall be well prepared. I look forward with confidence to the continued success of this important concern.

I have now to propose: "That the directors' report, balance-sheet, and accounts of the company for the year ended September 30, 1916, submitted to this meeting be and the same are hereby approved and adopted."

Sir Hugh Bell seconded the resolution, which was carried.

The Chairman then proposed: "That the dividend of 4 per cent. and bonus of 6 per cent. paid on December 19 to the shareholders registered in the company's books on December 12, 1916, be approved."

Sir Hugh Bell, Bart., seconded the resolution, which was carried.

On the motion of Major W. Fleming, seconded by Mr. Ivor L. Johnson, the thanks of the meeting were accorded to the managing director and staff for their efficient conduct of the company's business during the year.

The Chairman, in acknowledging the vote, said he quite recognised that, without the willing services of the staff, they could not have obtained the results shown. The past year has been a trying and anxious one to all concerned. With a depleted staff, there had been an enormous amount of extra routine work, and, in addition, they had been building entirely new works at Redcar, which required much thought and care, and occupied a great part of the time of their managers. He wished particularly to thank them and the whole of the staff for the good work they had done, which had been not only for the company, but for the country, because the work was of national importance.

The meeting then concluded.

GLOUCESTER RAILWAY CARRIAGE AND WAGON CO., LTD.

THE ANNUAL MEETING.

SIR RICHARD VASSAR-SMITH ON A PROSPEROUS YEAR.

The annual meeting of the Gloucester Railway Carriage and Wagon Co., Limited, was held at the Company's Offices, Bristol Road, Gloucester, on Monday, July 30. Sir Richard V. Vassar-Smith, Bart. (chairman of directors) presided, supported by Mr. E. L. Evan-Thomas, Mr. Ernest K. Little, Mr. M. F. Maclean, and Captain M. F. Colchester-Wemyss (directors), Mr. John J. Macgregor (managing director), Mr. J. H. Beach (secretary), and Mr. H. J. Taynton (solicitor). There was a good attendance of shareholders.

The directors' report stated that the profit on the year's trading, after making the usual provision for depreciation, and payment of war allowances to dependents of employees serving in the Army or Navy, also for contingencies and internal reserves, was £69,856 6s. 4d., and the disposable balance, after deducting the interim dividend paid February 1 last, amounted to £100,566 7s. The directors proposed to transfer £10,000 to reserve, which would then amount to £190,000, and recommended the payment of a dividend for the past half-year at the rate of 10 per cent. per annum (£18,768 10s.), less income-tax, making 10 per cent. for the year, and a bonus of 7s. 6d. for each Class "A" share, and 3s. 10d. for each Class "B" share, free of income-tax (£19,895 7s.); and that the balance of £51,902 10s. be carried forward. The company now repair and maintain 29,075 wagons, including those belonging to the company.

Sir Richard Vassar-Smith, in moving the adoption of the report and accounts, first of all called attention to the fact that recently the managing director, Mr. Steinitz, had changed his surname to that of Macgregor, which was his mother's maiden name. As the managing director was to all intents a Scotsman, having been brought up and trained as such, it

was quite a proper thing that he should wish to change his name. Alluding to changes in the directorate, the chairman expressed regret that Mr. J. A. Matthews had resigned his seat on the board owing to ill-health, and Mr. Stanley Baldwin had resigned his seat on receiving an appointment under the Crown. The vacancies had been filled by the appointment of Captain Charles Bathurst, M.P., and Captain M. F. Colchester-Wemyss.

Turning to the revenue account, the Chairman pointed out that the item under the head of wagon rents and balance of profit and loss account, amounted to £81,321 for the year ended May 31 last, as compared with £78,615 for the previous year; and interest and dividends on investments to £21,209, against £7,524. The large increase in the latter figure was mainly due to the dividend upon the shares which the company held in Baldwins, Limited, and also on the War Loans (£200,000). On the other side of the revenue account, the debenture interest was about the same as in the previous year (£17,474, against £17,535); but the depreciation of buildings, machinery, and of wagons let on hire was about £5,000 less (£12,995, compared with £18,620). That reduction was explained by the fact that the directors had written off the usual depreciation which they considered sufficient in respect of last year, whilst for the previous year they wrote off a special amount so as to be extra cautious, and to bring some of the wagons down to what was really a breaking-up value. The balance carried down on the revenue account was some £22,000 more than a year ago, being £69,856, compared with £47,750. Dealing next with the balance-sheet, the Chairman said the assets were very much what they had been in former years, less the depreciation they had been in the habit of writing off. The stock-in-trade and work in progress was considerably higher than was the case in the previous year, being nearly £367,000, against £245,000. After pointing out that the company were largely employed on Government work, and that necessarily the accounts fluctuated from time to time, Sir Richard proceeded to call attention to the company's investments, which totalled £312,790, compared with £245,716 in the previous year. The registered capital had been increased by the decision of the directors to call up the remaining £3 10s. on the Class "B" shares. That had been done because the value of those shares was always depreciated by reason of that liability, which prevented the holders getting the proper market value for them; and also, and chiefly, because the company wanted additional capital in the business. They had to look rather to post-war arrangements, and the directors wanted the company to be equipped in such a way that they would be better prepared to meet the volume of business which they expected after the war. (Hear, hear.) Of course, some of the shareholders objected to the call being made in respect of those shares now, on the ground that the time was not opportune; but it was very difficult to find an opportune time for the payment of money. (Laughter.) He (Sir Richard) had had a certain amount of experience in money matters, and although he did not pretend to prophesy as to what was going to happen, he rather thought that the present time might be more opportune for this purpose than the period after the war. The directors thought it better that the call should be made at the present time than later, and their decision entailed no hardship upon the holders of the "B" shares, because they were now appreciated in the market, and it was not difficult for them to find the money with which to pay up the call; they had an opportunity of selling part of the shares at a profit, and of re-investing the money at par by paying the calls on the remainder. The amount of the debenture loans was £374,907, as against £389,172 a year ago. Of course, it was a matter of difficulty now to renew their debenture loans—money had increased very much in value, and the company had had to advance the rate of interest which they paid to the debenture holders; but the debentures were being renewed fairly well, and the credit of the company was very good. After the war, if they took contracts on deferred payments, and they had to finance the wagons supplied, it would be necessary to take up more debentures to enable them to do so. The amount in respect of sundry creditors and credit balances was £295,740, compared with £217,036. The company owed Lloyds Bank, Limited, £81,000 in respect of a loan to enable them to take up an extra amount in the War Loan. The reserve had been increased by £10,000, being £190,000, against £180,000 a year ago. Sir Richard added, in reference to the accounts, that the figures in the revenue account showed the increase in the prosperity of the company, the disposable balance, after deducting the interim dividend, amounting to £100,566, compared with £77,498 a year ago, or an increase of £23,068. (Hear, hear.)

CAPITAL AND LABOUR.

The Chairman recalled that a year ago he mentioned the formation of a Federation of British Industries, which the company joined in the beginning, and stated that during the 12 months it had grown very largely. It now consisted of some 500 federated members—associations and individual firms—and it had become really a power in the industrial administration of the country. The Government recognised the federation as such a power, and submitted to it certain detailed questions in connection with labour and other matters. He hoped that before another year had passed the federation would have grown still further, and have doubled its membership, because when, as was now the case, there were so many problems affecting capital and labour to be faced—and which he trusted might all be arranged satisfactorily before peace arrived—

it was absolutely necessary to have organisations both of employers and of labour, so that those matters might be properly discussed, with a view to whatever arrangements were come to being effectively carried out. With a large number of manufacturers working alone, or of men working outside the ordinary trade union, it was very difficult to make such arrangements and to have them kept, and he looked upon it as absolutely essential that those organisations should be made as complete as possible. (Hear, hear.) In connection with that federation, there had been a National Alliance of Employers and Employed formed for the purpose of discussing those questions which were agitating both employers and employed. It was going on very smoothly and harmoniously, both employers and employed meeting and sharing the expenses of doing so; and he thought there was a very strong intention on both sides that matters should be arranged so that work would go on afterwards more amicably than it had done in the past. With regard to the question of co-partnership as between Capital and Labour, a very interesting report had just been published by a sub-committee of the Reconstruction Committee, who had as its chairman Mr. Whitley. That report was being considered very attentively by the Federation of British Industries; they were given time to think it out, and before August 10 they would be able to submit to the Minister of Labour their views. He hoped that in that matter a decision might be come to which would be for the common good. (Applause.)

Mr. Evan-Thomas seconded the motion for the adoption of the report and accounts, which was unanimously agreed to.

Messrs. E. L. Evan-Thomas and E. K. Little were re-elected directors.

In making the proposition, Sir James Bruton (Mayor of Gloucester) remarked that he was with a large party of men of high standing in the commercial world a few days ago when the conversation turned on the Gloucester Railway Carriage and Wagon Co. One who was present—a large user of wagons—said: "The Gloucester Wagon Co. turn out better work than any firm I know; I speak from experience." (Hear, hear.)

The Chairman tendered a cordial expression of thanks to the managing director, secretary, and the staff for their loyal co-operation during the year, Mr. Macgregor making suitable acknowledgment.

Upon the proposition of Mr. J. M. Collett, seconded by Mr. Morgan Matthews, a hearty vote of thanks was accorded the chairman and his co-directors, the opportunity being taken to congratulate Sir Richard Vassar-Smith upon the honour conferred upon him by the King.

The Chairman, in reply, said he looked forward to the increased prosperity of the company after the war. The accounts now showed a reserve power, which should enable the company to weather a bad time, should one, unfortunately, have to be encountered, but of which he saw no prospect at present. (Hear, hear.)

FURNESS, WITHY AND CO.

The twenty-sixth annual meeting of Furness, Withy and Co., Ltd., was held at the registered office, Royal Liver Building, Liverpool, on Saturday, July 28.

The Right Hon. Lord Furness presided, and was supported by the directors of the company. A considerable number of shareholders were also present.

The Secretary having read the notice convening the meeting, Mr. W. T. Walton, of Messrs. W. T. Walton and Son, read the auditors' report.

The Right Hon. Lord Furness, in moving the adoption of the report and accounts, said: Since we last met the shipping industry has passed through an eventful year, and the directors have now to place before you the accounts for the year ended April 30, 1917. It will be seen that the profits, including the balance brought forward, and after providing for excess profits duty, amount to £1,182,845 1s. 5d. The usual half-yearly dividend on the preference shares was paid on November 1, 1916, and three quarterly dividends on the ordinary shares at 10 per cent. per annum, free of income-tax, have also been distributed, leaving an available balance of £1,004,720 1s. 5d. Of this balance, you will notice that we have transferred £350,000 to depreciation account, and have augmented the trades contingencies fund by £200,000, bringing this special reserve to £700,000, and the total reserves of the company to £1,500,000. Your directors recommend the payment of a bonus of 10 per cent., free of income-tax, on the ordinary share capital for the past 12 months, representing a total distribution for the year of 20 per cent. free of income-tax. It will be observed that we propose appropriating a further £40,000 for division amongst the masters, officers, and engineers of the fleet on the termination of the war, making the total appropriation during the past three years for this purpose £70,000. In view of the losses we and our associated companies have sustained during the past 12 months through enemy causes, and recognising the extreme importance of being in a position to fully maintain our regular services, which have taken so many years to build up, we have considered it prudent to take steps to secure the replacement of these losses. Notwithstanding the high prices demanded for tonnage, we have acquired some up-to-date steamers, and have also contracted for others for forward delivery, which we hope will enable us to satisfy the requirements of our various services on the resumption of normal conditions. Since the close of our

last financial year we have disposed of our entire interest in Irvine's Shipbuilding and Dry Docks Co., Ltd., West Hartlepool. During the year we have acquired the controlling interest in the old-established and world-renowned Prince Line, Ltd. These various lines are served by a fleet of high-class steamers, and we have welcomed this opportunity of an extension of the company's business to quarters of the globe in which we had not hitherto been directly interested. Early in the year 1916 your directors placed the organisation of Furness, Withy and Co., Ltd., unreservedly at the disposal of the authorities for the carrying out of certain work directly connected with the war. In the course of the past year the shipping industry has been subjected to very drastic changes, and I hesitate, in the existing state of affairs, to make any forecast as to the future, but I can with confidence state that, whatever the future may have in store, the cautious policy hitherto followed by this company will stand in good stead.

Mr. F. W. Lewis, in seconding the motion, said:—I assume we have represented here to-day two classes of shareholders. One class—and I know there are some—who think that the dividend distribution should be larger, and to them your directors would say that we should be acting contrary to the interests of the future of the mercantile marine of this country if we did not keep our accumulations available for the replacement of our lost tonnage, and the carrying out of the forward building programme to which, as the chairman has already informed you, we are committed. In the meantime, the greater part of the funds has gone to swell the £100,000,000 invested by the shipowning community in the last War Loan, and which, incidentally, I believe is the largest contribution made by any particular industry. The other class of shareholder to which I refer as being possibly present here to-day is he who, influenced by the extravagant campaign against shipowners, is appalled at the enormity of his offence at being a shareholder in any shipowning company. Well, I think sufficient has been said to-day to calm the fears of any such apprehensive individuals. As I stated at our last meeting, it should be a matter for congratulation that an important industry should be able to earn good profits and consequently financially assist in no small degree towards the successful prosecution of the war, always assuming that undue profits are not made out of the necessities of the nation, which I most emphatically assert has not been the case with shipowners.

The resolution was carried unanimously.

UNION BANK OF AUSTRALIA.

The annual general meeting of the Union Bank of Australia, Ltd., was held on Monday, at 71, Cornhill, E.C., Mr. Henry P. Sturgis (the chairman) presiding.

The Manager (Mr. A. C. Willis) read the notice and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, said that as the war continued varying circumstances arose directly or indirectly affecting the bank's business. Governments were from time to time constrained, in the public interest and welfare, to take exceptional action, and at present almost the whole of the exchange business as represented by the exports of Australia and New Zealand was in Government hands. It would be seen, therefore, that banks' operations in reciprocal exchange were by force of circumstances much restricted. Advance business was also restricted, partly owing to some of the foregoing causes, and also as a measure of precaution. The directors, however, did not anticipate any difficulty in satisfactorily extending advances when the time arrived to do so. Trade had been very active owing to the good seasons and good prices, and had been further affected by the large sums circulating on account of war expenditure. The season throughout Australia had been satisfactory, good rains arriving at the right time for winter grass, as also for agriculturists. The 1916-17 Australian wheat crop was estimated to have yielded 140,000,000 bushels, which was 20,000,000 more than the amount previously estimated. A telegram received from the general manager a few days ago read as follows:—"Present pastoral, agricultural conditions favourable generally throughout Australia, and season's prospects promising. Chief exception Darling Downs, where good rains required. Conditions New Zealand good." An outstanding feature of the last six months had been the issue in Australia of a fourth War Loan, which resulted in subscriptions reaching £21,500,000. In common with the other banks, the Union Bank of Australia had subscribed thereto, as they had done in the case of the earlier War Loans. It was probable that further local loans would be needed at an early date, and they must look forward to further taxation both in Australia and New Zealand. They must also be prepared for a war-time profits tax. It was, therefore, necessary for the bank to exercise great caution in the conduct of its business and to keep its resources as liquid as possible. Dealing with the balance-sheet, he pointed out that the liquid assets of the bank amounted to 9s. in the £ of their total liabilities to the public. He thought the proprietors might be well pleased with the very satisfactory results of the half-year under review. In addition to paying their usual dividend and bonus, equal to 14 per cent. per annum, free of income-tax, the directors had felt justified in adding £20,000 to the reserve fund, bringing it up to £1,980,000. Another very agreeable feature was that for the first time for many half-years it had not been necessary to provide anything to cover depreciation on the investments, which stood in the books at below present market prices.

The Hon. A. R. Mills, M.P., seconded the motion, which was carried unanimously.

SPILLERS AND BAKERS, LTD.

The 30th annual general meeting of Spillers and Bakers, Ltd., was held on Saturday at Cardiff, Mr. Wm. Edgar Nicholls presiding.

The Chairman, in moving the adoption of the report and accounts, regretted that the annual meeting had had to be postponed.

Of the matters dealt with in the previous report of the company, several had already been disposed of. The £10 preference shares of the company had duly been converted into £1 shares, the new articles of association had been duly confirmed, the executive staff had been transferred to London, and the staff co-partnership scheme finally launched. There were already 229 of the company's staff members of this scheme, and a new body, the departmental managers' council, had been called into existence to deal with such details of the business as the directors might delegate to them.

The effect of the excess profits duty and a higher income-tax were felt both by the shareholders and the company. As an interesting example of the incidence of these taxes, the Chairman submitted calculations of the results of a company making a profit before the war of £100,000 per annum, and £200,000 per annum at the present day. In the pre-war period, with a 1s. 3d. income-tax, the company would have netted £93,750, whereas with double the profit at the present day the nett result of the year's work would leave them only £90,000.

A brief sketch of the events of the last nine months as they affected the business of the company, including the appointments of the Royal Commission on Wheat Supplies (to whose ability special tribute was paid), and the Food Controller, and the issue from time to time of the various milling orders, followed. The difficulties of the scientific miller at the present day were increasing, and the case of the baker and the housekeeper, who had to convert the constantly changing compounds which the miller had to issue under Government orders as flour, were no better off.

The complaints of "rope" in the present-day war bread were numerous, and this disease was directly traceable to certain bacteria mostly resident in the finer offals which were not under normal conditions included in the flour sack.

As a result of the voluntary rationing system, and notwithstanding the large number of soldiers from the overseas dominions who had to be fed from our own resources, the consumption of wheaten flour had decreased enormously. The normal consumption of the population was about 40 million sacks of flour per annum, and if the scale of rationing laid down were fully respected this consumption could be reduced to about 18½ million sacks per annum, taking into consideration the dilution by the products of other cereals.

The company had anticipated the Government authorities by as much as 27 months in introducing a "straight-run" flour in September, 1914, and although severely handicapped by all the difficulties indicated, the company was satisfying its extensive *clientèle* in regard to quality.

In the same connection he said that the number of German prisoners in our hands was already large, and likely to become larger as our fighting line advanced, and he suggested that a number of these should be trans-shipped to the food producing countries across the Atlantic, using as means of transport the tramp steamers proceeding there in ballast. This plan would have the double effect of relieving to some extent the strain on our food supplies, and also perhaps give pause to the U-boats.

After some interesting comparisons between the prices of wheat and bread at the times of Waterloo and the Crimea and to-day, the Chairman proceeded to review the question of the world's crops, and expressed the earnest hope that the American Continent would be able to produce a bumper crop in 1917 in view of the short sea passage from America compared with that from Australia, a most essential factor under present conditions of shortage of tonnage.

No satisfactory result of repeated applications to the Treasury Committee on fresh issues for permission to issue the new capital authorised by the shareholders more than two years ago has yet materialised. For the present no further effort is being made in respect of the ordinary shares, but emphatic protest was recorded at the refusal to sanction the issue even of the 4,000 preference shares required for the co-partnership scheme. It appeared that while the Government was anxious for employers and employed to co-operate to the utmost, this Committee was content to thwart practical efforts in this direction in an incomprehensible and vexatious way.

In order to carry out the desires of the Ministry of Food in regard to control of the flour milling business of the company, it had been decided that this business should be floated as a separate subsidiary company with a nominal capital. The name of the new company would be Spillers' Flour Mills, Ltd., and would be created on similar lines to those of the other subsidiary companies.

Of the company's employees, 1,158 had joined H.M. forces, 51 had lost their lives, and the other casualties number 90. He paid a tribute to the sacrifice of these men, and extended the meeting's sympathy to the relatives of the bereaved.

Notwithstanding the depletion in their numbers, both the staff and workpeople had faced their necessarily increased responsibilities in a splendid way, and in placing this on record he did them the barest justice.

He dealt briefly with Lord Rhondda's pronouncement in the House of Lords on Thursday. The idea of the Treasury making good a deficiency between the cost and price of bread

had been mentioned in his (the chairman's) address to the shareholders of the company in May, 1915. He estimated the annual cost to the Treasury would be between 7½ and 16 million pounds for every penny of reduction in the price of the loaf.

In conclusion, a large amount of time of the company's officials had been freely given to the several Government departments, and he assumed that it was the shareholders' desire that there should be a continuation of this policy.

The usual formal business concluded the meeting.

BURMA CORPORATION.

The annual general meeting of the Burma Corporation, Ltd., was held on Wednesday, at River Plate House, Sir Trevredyn R. Wynne, K.C.S.I., K.C.I.E., chairman of the company, presiding.

The Secretary (Mr. D. Anderson, F.C.I.S.) having read the notice convening the meeting and the certificate of the auditors,

The Chairman, in moving the adoption of the report, said he felt justified in saying that the operations in Burma during the year had shown very marked progress. With regard to the accounts, they were able this year to present a profit and loss account, and after writing off the whole of the expenditure to the end of 1916, they carried forward the sum of £39,266 os. 6d. The ore reserves in the Chinaman ore body, on January 1, 1917, had been increased by almost 60 per cent., the proved ore being 89 per cent. of the total, as against 76 per cent. for the previous year. From a telegram just received, the ore reserves at the end of June were estimated at 3,793,000 tons, of which only 9¼ per cent. was probable, the remaining 90¼ per cent. being proved ore. The increase in their ore reserves in the Chinaman ore body to date, as compared with the tonnage at the end of 1915, was thus 65 per cent. The Tiger Tunnel had been completed double-track width to the internal shaft, a length of 7,333 ft., and was now being pushed on to the vertical shaft, a further 1,500 ft., of which 744 ft. had been completed up to the 26th ult. The output of lead had been won largely from first-rate lead ore, as against rich slags during the previous period. The production of silver was about 3½ times that of the previous period, and at the present time one month's silver production almost equalled the entire 1915 production, when slags with small silver contents were smelted. The production of refined lead was 60 per cent. greater, and the refinery capacity should shortly be able to convert into refined lead, refined silver, and the by-products, copper and antimony, the entire work lead or hard lead production, which, for the past six months, averaged about 1,600 tons per month. The silver refinery had been in operation since December last, and its output was gradually on the increase. During the month of June, 1917, the production was 60 per cent. of the silver in their output of work lead. The silver refinery should from now onwards produce 100,000 ozs. to 125,000 ozs. monthly. Their refined silver was 996 to 998 fine, and was marketed in India. It was obvious that their present production of lead and silver was governed by the exigencies of war, which hampered operations by shortage of stores and supplies, but the lead and silver production position was distinctly sound for the future. Their ironstone situation, which at one time gave anxiety, was now assured, the reserves at June 30 last being now estimated at half a million tons, and lignite and sub-bituminous coal areas near the property were now being investigated and prospected. During the next dry season, that was, from December to June, the company would maintain about four geological parties in the field, and it was hoped that such research would lead to valuable mineral discoveries. This, briefly, was a statement of progress made during the year, and as intimated, that progress had been made under considerable difficulties owing to the war. Dealing with Mr. Kuehn's report, the Chairman said that the ore reserves at January 1, 1917, in the Chinaman ore body were estimated at 3,644,000 tons, assaying 25.2 ozs. silver, 27.4 per cent. lead, 20.3 per cent. zinc, and 0.5 per cent. copper. The probable ore at the end of June, 1917, totalled 9¼ per cent. of the total, as against 11 per cent. in December. The average showed ½ oz. more in silver, ½ per cent. more in lead, and 0.2 per cent. less zinc per ton than at the beginning of the year. The increase in total ore reserves since January 1 was 65 per cent. The smelting plant had been remodelled and added to in the face of difficulties in procuring materials and stores. The capacity of the lead refinery had been doubled, and with new furnaces under construction would be further increased. The silver refinery had been increased, and would shortly be able to turn the whole of their silver production into fine silver. In the milling department they were purchasing equipment for the two units of crushing, regrinding, and jiggling sections of the new mill, giving a capacity of 700 to 800 tons a day. They were also conducting research work. The railway department had been entirely reorganised, and was now capable of carrying all the tonnage required. It was being improved in order to cope with the future large increase of traffic. The year had been one of progress, the direction being in the increase of ore reserves, improvement of plant, and enlarged production. They had also been equipping the mine to produce a maximum output, extending the lead smelting capacity at a suitable site, and paying attention to the important question of dealing with their zinc ore and concentrates under the new conditions which the war would certainly create. They were supplying a large tonnage of lead to the Government for war purposes, and the company had the full confidence of the Government of India, who relied upon them for the lead required for war purposes.

Mr. F. A. Govett seconded the resolution, which was unanimously adopted.

THRELFALL'S BREWERY.

The thirtieth annual general meeting of Threlfall's Brewery Company, Limited, was held on Thursday at the Cannon Street Hotel, E.C.4. Mr. Charles Threlfall (the chairman) presiding.

The Secretary (Mr. C. W. Sheppard) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—I presume I may consider that you have all received a copy of the report and balance-sheet for the current year, and that I may take the same as read. I have now the pleasure, at this our thirtieth annual general meeting, of asking you to adopt the directors' report and statement of accounts for the year ended June 30, 1917, which I am sure you will consider highly satisfactory. The gross trading profit for the year amounts to £304,774 8s. 3d., against £218,896 17s. 7d. last year, being an increase of £85,877 10s. 8d. We have written off for depreciation the sum of £31,074 10s. 11d. We have placed £30,000 to reserve and £10,000 to pension insurance fund, and have added £1,000 to employees' insurance fund under the Workmen's Compensation Act, 1906, and carried forward £121,582 16s. 10d. This sum is subject to excess profits duty, the amount of which has not yet been ascertained. The directors trust that, if the Government take up the question of State purchase they will remember that the liquor trade have been their agents for the collection of a very large amount of revenue, and that they will treat everybody connected with this trade fairly and justly. During the year to June 30 we have paid £3,470 16s. to the dependents of the 223 men who have joined the Colours, making a total of £8,426 7s. 5d. to dependents since the commencement of the war. I much regret to say that out of this number of men five have been killed and 32 wounded. Eight of the latter have been incapacitated from following their military career and have been discharged from the Army; seven of these have been reinstated in the company's service, suitable light work having been found for them, and it is the intention of your directors to treat others similarly if occasion should arise. I now beg to move the adoption of the report and accounts, and that dividends be paid at the rate of 6 per cent. per annum on the preference shares and at the rate of 20 per cent. per annum on the ordinary shares for the half-year ended June 30, which, with the interim dividend at the rate of 10 per cent. per annum makes 15 per cent. for the year.

Mr. P. J. Feeny, J.P. (assistant managing director), seconded the resolution.

Mr. John Hedges expressed great satisfaction at the result of the past year's working, and hoped that the Government would treat the trade a little better than they had done in the past.

The resolution was unanimously carried, and the retiring

directors, Mr. Thomas Barker and Mr. W. Basil Feeny, and the auditors, Messrs. Broads, Paterson, and Co., were re-elected.

Mr. Buszard, K.C., in proposing a vote of thanks to the chairman, directors, and employees, referred to the question of State purchase, and expressed his belief that if an honest proposition in the interest of the country were brought forward no one would object to it. If, however, it were put forward as a sop to those who were using the speedy legislation which went on during the war for their own private ends, and for the purpose of leading up to prohibition, he would most strenuously object to it, and he was perfectly certain that any such steps would be disastrous to the country.

The vote was unanimously accorded, and a brief acknowledgment having been made by the Chairman the proceedings terminated.

OILFIELDS ITEMS.

Baku Russian.—Production week ended July 14, 82,100 poods, and week ended July 21, 83,000 poods.

Bibi Eibat.—Production week ended July 22, 905 tons.

Russian Petroleum.—Production week ended July 14, 40,800 poods, and week ended July 21, 44,200 poods.

United British of Trinidad.—Production week ended July 25, 711 tons.

*Eat less
Bread*

THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.

(Registered in the Transvaal.)

(With which are Incorporated the Bank of Africa, Ltd., Established 1879, the National Bank of the Orange River Colony, Ltd., Established 1877, and the Natal Bank, Limited, Established 1854.)

Bankers to the Union Government in the Transvaal, the Orange Free State, and Natal, and to the Imperial Government.

Subscribed Capital £2,850,000 Paid-up Capital £2,850,000
With power to increase to £4,000,000 Reserve Fund £525,000, increased on 22nd June, 1917, to £700,000

HEAD OFFICE PRETORIA.

London Offices: Circus Place, London Wall, E.C.2.; 18, St. Swithin's Lane, E.C.4. New York Office: 10, Wall Street, New York.

BALANCE SHEET, 31st March, 1917.

LIABILITIES.			ASSETS.		
	£	s d		£	s d
Subscribed Capital	2,850,000	0 0	By Cash on hand and with Bankers, £4,314,812 10s 3d; Remittances in Transit, £1,343,567 4s 5d; Native Gold on hand and in Transit, £144,030 18s 6d	5,802,410	13 3
285,000 Shares of £10 each (fully paid)	2,850,000	0 0	Money in London at call and short notice against securities	1,675,433	16 9
Reserve Fund	525,000	0 0	British and Colonial Government and other Securities (including Stock lodged with the Government of the Union of South Africa), written down to 31st March, 1917, quotations	3,292,030	2 10
Notes in Circulation	1,783,387	0 0	Bills of Exchange	5,357,202	11 6
Deposits, Current and other Accounts	27,246,501	2 5	Bank Premises and other properties in South Africa	789,771	12 3
Drafts issued on Branches and Agents, and Acceptances outstanding at date	1,399,153	1 6	Bills Discounted, Loans, etc.	17,158,663	10 0
Rebate on Bills not yet due	44,835	10 0	Bank Furniture and Fittings, Stationery and Stamps	113,998	10 8
Bills Receivable on Account of Customers	4,229,615	14 0	Bills for Collection	4,229,615	14 0
Profit and Loss Account—Balance undivided at 31st March, 1916, £44,293 17s 3d; Net Profit year ended 31st March, 1917, £374,340 6s 0d.—£418,634 3s 3d; Less Interim Dividend declared 27th November, 1916, £84,000 0s 0d.	334,634	3 3			
Contingent liability in respect of Loans guaranteed and secured	199,227	3 4	Loans guaranteed and secured (as per contra)	199,227	3 4
	£38,618,353	14 6		£38,618,353	14 6

PROFIT AND LOSS ACCOUNT.

	£	s d		£	s d
To Rebate on Bills not yet due	44,835	10 0	By Gross Profits (including Balance undivided at 31st March, 1916, p. £44,293 17s 3d), after deducting Interest due on Fixed Deposits, Income Tax, Duty on Note Circulation, other Government Taxes, Appropriation to Bank Premises, Furniture and Fittings, and Stationery, making provision for losses and contingencies, and depreciation in the value of Investment Securities.	1,034,924	0 2
Expenditure, including Rents, Rates, Salaries, Remuneration to Directors and Auditors, and all other expenses at Head Office and Branches	571,454	6 11			
Balance carried forward	418,634	3 3			
	£1,034,924	0 2		£1,034,924	0 2

We hereby certify that all our requirements as Auditors have been complied with and that we have examined the above Balance Sheet and have found same correct according to the Head Office Books and the certified Returns received from the Branches and Agencies of the Bank. We have also examined certified statements showing the securities representing the Investments of the Bank, and find that they agree with the Balance Sheet. We are of opinion that the above is a full and fair Balance Sheet properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs as shown by the said Books and returns.

Pretoria, 15th June, 1917.

ROBERT BAIKIE, Incorporated Accountant } Auditors.
JOHN DOUGALL, Incorporated Accountant }

APPROPRIATION.

	£	s d		£	s d
To Dividend of 6 per cent. (of which the Interim Dividend paid for the 6 months ended 30th September, 1916, absorbed £84,000)	169,500	0 0	By Balance of Profit and Loss Account	418,634	3 3
Reserve Fund (raising it to £700,000)	175,000	0 0			
Pension Fund	25,000	0 0			
Balance to be carried forward	49,134	3 3			
	£418,634	3 3		£418,634	3 3

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CONTENTS.

Passing Events:—Revenue — Admiralty Changes — Corn Production Bill — Lord Rhondda — Australasian Banking Statistics — Hudson's Bay — Watney, Combe, Reid — Home Railway Dividends — Whitbread — Indo-European Telegraph — Mercantile Marine — Lanarkshire Steel — Neuchatel Asphalte — Bantjes Consolidated Mines (pp. 147-51).

Leading Articles:—No "Next Time!" — The Fellowship of the Free Nations — Royal Dutch Petroleum Co. — By-the-Way War Notes (pp. 151-4 and 161-2).

Insurance News:—Absorption of the Provident Accident and Guarantee Co. — Fire Prevention Committee's Circular — Marine Business in the United States — City Underwriters, Ltd. (pp. 154-5).

Mining News:—Transvaal Gold Mining Estates — Rhodesian Copper and General Exploration — Wanderer (Selukwe) Gold — Mining Corporation of Canada — Durban Navigation Collieries (p. 155).

Money and Credit Notes:—Impending Banking Changes — Bank Return — Paris Bankers' Clearing House — Scandinavian Exchanges — Russian Regulation of Capital Exports — Central Argentine Railway Notes — Silver (pp. 156-8).

The Week in Mines (p. 155).

American Business Notes:—Better Crop Prospects — Mr. Hoover, Food Controller — War Taxation — Federal Reserve Law Amendments — Fears of Currency Inflation — Improved Relations with Japan — Joint Action in China — Japanese Finances (pp. 162-4).

Tea, Oil, and Rubber:—Rubber Market — Port Dickson-Lukut (F.M.S.) Rubber Estates — Perak Rubber Plantations — Prye Rubber and Coconut Plantations (p. 164).

What Balance Sheets Tell:—Commercial Gas Co. — Investment Corporation of Canada, Ltd. — York Street Flax Spinning Co., Ltd. — Wm. Hancock and Co. — Forest Hill Brewery Co., Ltd. — Thomas Adams, Ltd. (pp. 164-5).

Company Meetings:—Farrow's Bank, Limited — Marconi's Wireless Telegraph Co. — Bukit Cloh Rubber (pp. 166-7).

The Week's Stock Markets (p. 159).

London Produce Markets (p. 160).

Answers to Correspondents (p. 160).

Books Received (p. 160).

Public Income and Expenditure (p. 165).

Dividends Announced (p. 167).

Traffic Returns (p. 168).

CANADA.

THE DOMINION BANK.

Head Office, TORONTO.

Total Assets - - \$92,860,000.

SIR EDMUND B. OSLER, M.P. (Canada), President.

W. D. MATTHEWS, Vice-President.

C. A. BOGERT, General Manager.

London Branch, 73, CORNHILL, E.C. 3.

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.
General Banking business transacted. Information furnished regarding Canadian matters.

BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, Queen Victoria Street, London, E.C. 4.

AUTHORISED CAPITAL .. £5,500,000
SUBSCRIBED CAPITAL.

Four per Cent. Guaranteed Stock .. £529,988
"A" Preference Shares issued to New Zealand Government .. 500,000
"B" Preference Shares issued to New Zealand Government .. 250,000
Ordinary Shares .. 1,500,000
£2,779,988

Reserve Fund and Undivided Profits .. £2,246,59

Negotiates and collects Bills of Exchange.
Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

SCOTTISH AMICABLE

LIFE ASSURANCE SOCIETY.

(Established 1826.)

A MUTUAL PROFIT-SHARING OFFICE.
COMPOUND BONUSES.

Bonus Declared at Latest Investigation £1 15s.
per cent. to £4 12s. per cent. according to duration.

Head Office: 35, ST. VINCENT PLACE, GLASGOW.
London Office: 1, THREADNEEDLE STREET, E.C. 2.

THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial
Japanese Government, 1899.

HEAD OFFICE - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital .. £4,000,000
Paid-up Capital .. 1,800,000
Reserve Fund .. 2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILE—Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office—38, Lombard Street, E.C. 3.

Subscribed Capital .. £1,078,875 0 0
Paid-up Capital .. 539,437 10 0
Further Liability of Proprietors .. 539,437 10 0
Reserve Fund .. 450,000 0 0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION, Manager.

BANKS.

STANDARD BANK OF SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province, to the Imperial Government in South Africa, and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL	£6,194,100
PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

BOARD OF DIRECTORS.

Wm. Relerson Arbuthnot, Esq.	Horace Peel, Esq.
Sir David Miller Barbour, K.C.S.I.,	William Smart, Esq.
K.C.M.G.	Right Hon. Lord Sydenham, G.C.S.I.,
Robert E. Dickinson, Esq.	G.C.M.G., G.C.I.E.
James Fairbairn Finlay, Esq., C.S.I.	H. L. M. Tritton, Esq.

HEAD OFFICE: 10, CLEMENTS LANE, LOMBARD ST., LONDON, E.C. 4.

New York Agency: 55, WALL STREET.

OVER 250 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, South-West Africa Protectorate and the Belgian Congo, and with the Bank's Agencies in New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms. DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application. BILLS NEGOTIATED AND COLLECTED.

MAIL and TELEGRAPHIC REMITTANCES made. LETTERS OF CREDIT AND DRAFTS granted on the Branches and Agencies of the Bank. THE BANK issues CIRCULAR LETTERS OF CREDIT available in all parts of the world. COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE and SALE of Stocks and Shares effected. DIVIDENDS, ANNUITIES, Etc., received. EXECUTOR and TRUSTEE BUSINESS undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers. FRANCIS SHIPTON, London Manager.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	£1,500,000
Capital Issued	1,125,000
Capital Paid Up	562,500
Reserve Fund	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS, CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837. LIMITED. INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,980,000; together £3,980,000

Reserve Liability of Proprietors 4,000,000

Total Capital and Reserves £7,980,000

HEAD OFFICE - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital - £1,000,000. Subscribed Capital - £225,000

Paid-up Capital £500,000

Reserve Fund 540,000

Uncalled Capital £1,040,000

Reserve Liability of Shareholders 125,000

£1,790,000

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager

THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71 Old Broad Street, E.C. 2.

Subscribed Capital £1,276,747 10 0

Paid up Capital 669,670 0 0

Reserve Fund and Undivided Profits .. 375,680 11 8

Reserve Liability of Proprietors 806,962 10 0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon

Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

BANKS.

BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital	£3,705,320
Reserve Fund	2,725,000
Reserve Liability of Proprietors	3,705,320
	£10,135,640

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.

H. L. M. TRITTON, Esq.

WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager.

J. S. CAMPBELL, Secretary.

HALKERSTONE MELDRUM,

DAVID GEDDIE,

Assistant Manager.

Accountant.

The Bank has 339 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	Yen 48,000,000
Capital Paid Up	Yen 36,000,000
Reserve Fund	Yen 21,300,000

Head Office: YOKOHAMA.

Branches and Agencies at

Antung-Hsien.	Harbin.	Nagasaki.	Shanghai.
Bombay.	Honolulu.	Newchang.	Singapore.
Calcutta.	Hong Kong.	New York.	Sydney.
Changchun.	Kobe.	Osaka.	Tientsin.
Dairen (Dalny).	Liaoyang.	Peking.	Tokyo.
Fengtien (Mukden).	Los Angeles.	Ryojun (Port Arthur).	Tsinanfu.
Hankow.	Lyons.	San Francisco.	Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

THE WESTERN AUSTRALIAN BANK.

Established 1841.

Paid-up Capital .. £250,000 0 0 25,000 Shares of £10 each.

Reserve Fund .. £680,000 0 0 Reserve Profits .. £29,979

Reserved Liability of Shareholders £250,000.

Drafts issued, Remittances cabled, Bills negotiated or collected, Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents, The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

CAPITAL PAID UP £2,000,000

REST & UNDIVIDED PROFITS £800,986

Head Office: ST. ANDREW SQUARE, EDINBURGH.

A. K. WRIGHT, Cashier and General Manager

J. B. ADSHEAD, Secretary.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager.

166 Branch Offices throughout Scotland.

Banking Business of every description transacted. Accounts opened for Foreign and Colonial Correspondents. Bills, Cheques, and other documents collected Deposit received at interest repayable at call or at notice.

DON'T SELL YOUR VICTORY LOAN.

Write at once to The Prudential Assurance Co., 142, Holborn Bars, E.C. 1, or to any of its Agents.

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PUBLISHER'S NOTICES.

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Passing Events.

Expenditure last week on supply absorbed £57,345,000, and £838,000 was disbursed under miscellaneous heads, making the total outgoings of the week £58,183,000, or £8,312,000 a day. In addition, £32,581,000 of supply Treasury bills falling due were paid off and £10,000,000 of temporary advances were cancelled by means of fresh borrowings to the extent of £61,223,000 on supply Treasury bills, £23,500,000 on temporary advances, £3,683,000 received from the sale of Exchequer bonds, and £500,000 in new money from Savings Certificates, besides another £550,000 from the 4 and 5 per cent. War Loans. All these amounts, together with the revenue from taxation and State monopolies of £11,763,000, made a total of £101,219,000, of which £455,000, all that was left unspent, was transferred to the Exchequer balances, raising them to £22,546,000, as compared with £26,744,000 at this date last year. The mere recital of these expedients for raising money shows us how the pressure of war finance is causing the credit market to become more laboured, and something more than the expedients now in use will have to be resorted to soon if serious embarrassment is to be avoided later in the year. Of the revenue from taxation, &c., £11,763,000, £5,583,000, or well on to half, came from income-tax and excess profits duty. Up to date £172,771,000 has been cashed under all heads. With the small sum of £550,000 which came in last week the total amount provided by the 4 and 5 per cent. War Loans is now brought up to £946,927,000. The floating debt in Treasury bills was increased by £28,920,000, and now stands at £757,977,000. How much in all the War Savings Certificates have produced to date we cannot say, but the total outstanding of the present series of Exchequer bonds was, at the close of last week, £62,649,000, the week's product having been £998,000 better than that of the week before.

What the changes now being made at the Admiralty mean we do not know. Those who profess to be well informed want us to regard the new men as proof that new measures have been introduced whereby economy and efficiency will at last make their appearance in that most wasteful of public departments, and soon become an all-prevailing force. We are not confident, but

of one thing we are perfectly sure, that unless the reorganisation of the department is revolutionary in extent and thoroughness it will not be long before the waste goes on precisely as before, and the failure which always attends waste may follow, one day must follow. Take one concrete fact as an illustration of what goes on more or less all through the Navy. For weeks, nay for months past, one of the largest ships in control of the Admiralty has been kept lying in a dangerous open roadstead where it is necessary for the captain to keep his boilers constantly in steam, at a cost of 200 tons of coal per diem, in order that he may be in a position to save his ship from being dashed on the rocks should a sudden gale spring up. Just imagine the utter carelessness, the inconceivable neglect that must prevail in an office which permits a scandal of that kind to exhibit itself every day of the week and all day long in the presence of the busy population of a great port. And what about ships altered, and altered back again at a cost of many thousands of pounds; of orders given and executed for articles useless or obsolete, or simply "not wanted"? Is there an official in the Admiralty or in any Government department who can behave towards his fellow officials in the same way as a responsible manager can to his staff? There is not one, and the offices swarm with the idle and incapable still, and all are swathed in red tape and smothered beneath heaps of paper. Is Sir Eric Geddes going to "get a move on"? He will be greater than Hercules if he does; but we'll worry through.

As was to be expected, the House of Lords gave its blessing to the Corn Production Bill on its second reading, and although there were one or two minor criticisms of details, it is evident that their lordships on the whole are well pleased with the measure. As we have said before, it is conceived entirely in the interests of the landlords, and the fixing of a minimum wage for agricultural labourers is merely a sop to make the guarantees more palatable. Some anxiety was expressed lest the guarantees might be dropped and the minimum wage remain in force. Certainly it will be impossible for agricultural wages to fall back to their present starvation level, and it is a great pity that the two questions—which are quite independent of each other—were ever mixed up, but that cannot be helped now. The present Bill is bound to pass

practically in its present form, but long before the guarantees expire a drastic revision of the land tenure system may loom much larger on the political horizon than it does at the moment.

Lord Rhondda is gradually getting to grips with the all-important questions of regulating food prices and the equitable distribution of the available supplies. Everyone would be glad if these matters could be left in the hands of the ordinary agencies and the operation of the laws of supply and demand, but unfortunately this is impossible when there is any danger of a serious shortage of such things as bread, meat, and sugar. Then the profiteer steps in and raises prices to an unconscionable extent, with the result that while the rich may suffer some inconvenience the poor are likely to starve, or at least go very short. And in spite of better employment and higher wages, large numbers of the population have felt the pinch very severely. There cannot be a doubt that this is one of the main causes of labour unrest and discontent, while there is a great deal of real hardship which does not find vocal expression. The sugar queues particularly have been a crying scandal for a long time, and the problem ought to have been vigorously tackled months ago. Lord Rhondda proposes, with the aid of local authorities, to issue sugar cards which will insure each household getting its proper proportion, but they will not be ready till October, and the whole scheme cannot be in working order till the end of the year. In the meantime, until the organisation is complete, we are inclined to think that it would be wise to repeal the order making it illegal for dealers to insist on a certain amount of other purchases along with sugar. It was not an ideal method by any means, and may often have created hardship, but at any rate it had the merit of curtailing the temptation to hoard, and the distribution was effected with much less friction than has been the case since Lord Devonport's well-intentioned order came into force. At any rate, almost anything would be preferable to the painful scrambles that now take place in the poorer neighbourhoods, and we can only hope that the card system will be introduced as rapidly as possible, and that it will be found to work smoothly in practice.

With regard to the decision to introduce the 9d. loaf, there have been various calculations—some of them very wild—as to what it is likely to cost the State. Of course, everything depends on the price at which supplies can be obtained, but with the co-operation of the United States which is now assured, the first call on Indian, Canadian, and Australian supplies, there is reason to hope that if any loss at all occurs it will be comparatively trifling, and a certain amount of State subsidising is justifiable in the circumstances. In the case of meat, we are glad to see that Lord Rhondda is sticking to his guns, and not giving in to the clamour which has arisen on the part of certain sections of farmers. If the profiteering of middlemen is effectually eliminated as proposed, the farmer will find that he is getting quite a reasonable price for his beasts, even allowing for the increased cost of feeding materials and other expenses. But it is a tangled business altogether, and we can heartily wish that the necessity for regulation could be avoided.

For the sake of keeping a record of banking progress in Australia we subjoin here a summary of their statistics taken from the *Australasian Insurance and Banking Record*. The first table subjoined shows the position of the ordinary banks of Australia and New Zealand at March 31 last, and the second the totals for same banks, but including therewith the figures of the Commonwealth Bank of Australia. The changes do not call for much remark, because no violent movements have taken place. Compared, however, with a year ago the deposit liabilities of the Australian banks are down £4,946,000, at the same time that their

advances are £3,970,000 up. During the last three years the increase in advances by these banks has been £12,254,000 greater than the increase in the deposits—that is to say, deposits have expanded only £2,048,000, while advances have risen £14,302,000. It is otherwise in New Zealand, where the increase in deposits has been £15,012,000, while the expansion in advances has been only £8,266,000. In Australia, moreover, it was the deposits not bearing interest which rose, compared with three years ago, viz., by £2,505,000 compared with an actual decrease of £457,000 in the deposits bearing interest; whereas in New Zealand the two classes rose almost equally, deposits not bearing interest being up by £7,495,000 and deposits bearing interest by £7,517,000. Along with the expansion in advances and deposits there has been a diminution in the coin and bullion held, but it is not a large diminution. To

SUMMARY CONDENSED EXHIBIT OF THE 22 BANKS IN AUSTRALIA AND NEW ZEALAND.

	Australia.	N. Zealand	Total.
LIABILITIES.	£	£	£
Deposits.....	156,080,108	41,713,657	197,793,765
Perpetual inscribed stocks of the E., S. and A. Bank	1,952,250	—	1,952,250
Notes in circulation.....	248,838	4,637,451	4,886,289
Bills in circulation	1,506,548	129,846	1,636,394
Balances due to other banks..	3,572,169	92,252	3,664,421
Total liabilities.....	163,359,913	46,573,206	209,933,119
ASSETS.			
Coin and bullion and legal tender notes	40,273,652	8,685,088	48,958,740
Notes and bills of other banks	780,035	315,762	1,095,797
Balances due from other banks	1,929,511	112,364	2,041,875
Advances, &c.	131,873,956	33,683,821	165,557,777
Landed property, &c.....	4,969,755	604,666	5,574,421
Total assets	179,826,909	43,401,701	223,228,610
Excess of assets (capital, reserves, &c.)	16,466,996	*	13,295,491
Ditto, a year previously	18,590,968	†	13,269,655

* Excess of liabilities, £3,171,505. † Excess of liabilities, £5,321,313.

A similar table showing increases and decreases, and including the figures of the Commonwealth Bank of Australia :—

	March Quarter, 1916.	March Quarter, 1917.	Movement.
LIABILITIES.	£	£	£
Deposits—			
Not bearing interest	106,248,716	118,003,728	+ 11,755,012
Bearing interest	104,210,730	109,500,172	+ 5,289,433
	210,459,455	227,503,900	+ 17,044,445
Savings Bank deposits (Commonwealth Bank)	8,138,019	10,605,198	+ 2,467,179
Perp. inscribed stock (E., S. and A. Bank)	1,968,999	1,952,250	— 16,749
Notes in circulation	3,432,744	4,886,289	+ 1,453,545
Bills in circulation	1,294,813	1,740,212	+ 445,399
Balances due to other banks	3,943,574	4,049,478	+ 105,904
Total liabilities.....	229,237,604	250,737,327	+ 21,499,723
ASSETS.			
Coin and bullion and legal tender notes	64,939,805	62,976,903	— 1,962,902
Notes & bills of other banks	2,014,294	2,143,004	+ 128,710
Bals. due from other banks	4,885,311	5,071,368	+ 186,057
Advances, &c.	158,242,120	172,820,649	+ 14,578,529
Government and municipal securities (C'wealth Bk.)	7,240,142	11,248,056	+ 4,007,914
Landed property, &c.....	5,753,046	5,905,978	+ 152,932
Total assets	243,074,718	260,165,958	+ 17,091,240

* Including Government and municipal securities, except those held by the Commonwealth Bank, which are shown separately in the next line.

be sure, the ordinary banks show about £10,000,000 less gold in reserve last end of March than at the same date in 1915, but the Commonwealth Bank has increased its total by over £800,000, and the gold in the National Treasury held against its paper money has, within the same period, risen from £9,700,000 to £16,200,000, consequently the total stock of coin and bullion was at March 31 last only about £2,700,000 less than at the same date in 1915. But it now has a larger note circulation to cover and sustain than it had then. Owing, also, to the increase in the liabilities on deposits, notes and bills in circulation, the ratio of coin and bullion and legal tender notes taken together has fallen from 28.89 per cent. at March 31, 1915, to

26.89 per cent. at the same date in the current year. It is not quite fair to include the legal tender notes in arriving at this ratio. On the same basis for comparison, but on a gold reserve basis alone, the ratio would be barely 20 per cent. In Australia the note circulation is now almost exclusively in the form of legal tender Government paper, for at the end of March last the Australian joint stock banks had only £248,838 of their notes still unredeemed. In contrast the note circulation of the New Zealand banks has risen within the single year ended March 31 from £3,172,000 to £4,637,000, no great bulge, perhaps, when the circumstances are taken into account. Yet New Zealand has no light obligation upon it if it is to meet all its engagements.

Rather mixed experiences fell to the lot of the Hudson's Bay Co. in the year to May 31. The fur trade proved very satisfactory, and the profit on it rose £14,000 to £37,550, whereas only two years ago there was a loss of £33,500. General store business, on the other hand, was not quite so good, the profits being £33,000 lower at £214,430, but last year there was a phenomenal increase of £184,000, so it is not surprising that there has been some reaction. Miscellaneous receipts were rather larger, and the total trading revenue is only £10,000 down at £323,370. However, income-tax, which required £23,800 last year, now disappears, and the net profit is £13,000 up at £279,700. But it is in the land department that the most remarkable progress has been made. Sales amounted to 254,940 acres, compared with 79,310 acres, and the value was £870,050 against £261,600, while the average worked out at £3 8s. 3d. per acre against £3 5s. 11d. This is doubtless due to the stimulus given to wheat growing by European necessities and high prices, but the record is none the less surprising in view of the virtual cessation of immigration and the large numbers of young men who have joined the Colours. Town lots were not in much better demand, but sales were £5,000 larger at £9,700. Altogether receipts from land amounted to £388,460, an increase of £155,000, while taxes, surveys, &c., accounted for £247,680, an increase of £40,000. Including £25,000 less brought forward, the balance at the credit of the land account is £90,000 higher at £170,050, and this allows of the dividend being raised from 5 per cent. to 15 per cent., on which no income-tax is payable. The dividend from trading is again 15 per cent., less tax, making a total distribution for the year of 30 per cent. against 20 per cent. On trading account £30,000 more at £168,000 is carried forward, while the land account balance is reduced by £9,000 to £20,050. Unsold lands in the possession of the company now amount to 3,861,500 acres, a nett decrease since last year of 213,000 acres. Several important changes are shown in the balance-sheet. Amounts owing by stores, &c., have increased by £1,070,000 to £2,515,000, and sundry creditors have risen from £15,000 to £244,000. Funds employed in the fur trade have risen £73,000 to £681,000, and those in the salesshops, &c., £830,000 to £4,700,000. In the latter department cash balances have increased £160,000 to £324,000, sundry debtors £733,000 to £2,233,000, buildings and sites £350,000 to £1,041,000, and advances to next outfit £109,000 to £179,000, while goods and livestock have fallen £300,000 to £664,000 and building sites £320,000 to £259,000. Sundry investments have risen from £60,000 to £772,000, while loans against security in London have dropped £350,000 to £263,000. These figures indicate that the financing of the extensive business which the company now controls must have required a great deal of skilful handling, but it has plenty of liquid resources, and its trading enterprises have been established on a firm basis.

Watney, Combe, Reid and Co., Limited, like most other breweries, did much better in the year to June 30 than in the previous twelve months, notwith-

standing the stringent restrictions as to output. Profit on trading amounted to £837,000, an increase of £190,000, and the total revenue, including rents, interest, &c., was £216,000 higher at £1,113,000. General expenses were not much heavier—indeed, there was a saving of £9,000 on compensation fund levy and licence duties, but rates and taxes took £37,000 more at £77,600, and £24,000 more, at £171,000, was allowed for repairs and depreciation of freehold and leasehold properties. In addition, £27,800 appears as depreciation and loss on sale of investments, with the result that the nett profit comes out at £516,640, an increase of £130,600. Moreover, the balance brought forward was £15,000 larger, and as debenture interest and dividend on the 5 per cent. cumulative preference stock required less, the amount available for distribution is £152,000 higher at £280,670. This allows of the full dividend of 4 per cent. being paid on the preferred ordinary stock, against 2½ per cent. for the previous year, and the directors also recommend a dividend of 8 per cent. on the deferred stock, leaving £89,540, or £41,000 more, to be carried forward. Nothing is said about excess profits duty, and possibly the question does not arise, but if there is any liability it will doubtless be covered by the increased carry forward. It is stated that the company brewed and sold the whole of the permitted quantity, the demand for beer throughout the year being in excess of the supply. The better results were mainly due to the fact that the company held a large stock of barley, bought during 1915-16 at a comparatively low figure, and, in addition, larger sums have been realised from the sale of by-products (dried grains, &c.), owing to the adoption of improved methods of putting them on the market as feeding materials. During the year, £125,685 debenture stock was redeemed, and £122,170 of 5 per cent. preference stock was bought and cancelled, leaving a balance of £65,400 at the credit of reserve for the redemption of capital. Naturally the balance-sheet reflects the improved position of the company. Creditors are £12,000 lower at £246,000, and buildings, plants, &c., have been written down £157,000 to £9,996,000. Loans and customers' accounts are £70,000 lower at £645,000, stocks have been reduced £110,000 to £384,000, and trade investments £65,000 to £81,750. On the other hand, cash has increased £212,000 to £303,000, and general investments are £30,000 up at £285,000. It is not surprising, therefore, that the company's securities have advanced very substantially of late. We may mention that the last time the full preferred ordinary dividend was paid was for the year 1907-8, and nothing has been paid on the deferred since 1906-7, when the distribution was 3 per cent. The dividend now recommended is equivalent to 2 per cent. on the original stock.

All the principal Home Railways have now declared their dividends for the first half of the year, and it cannot be said that the results have been very exciting. In only one important case has any change been made in the rate of distribution as compared with the corresponding period. The Hull and Barnsley pays at the rate of 2 per cent. per annum, against 1½ per cent. a year ago, but the directors are careful to explain that the increase is made with the view of more nearly equalising the payments for the two half-years, and an advance in the return for the whole 12 months is not anticipated. All the same, it is a policy that might very well be followed by some other companies, especially in existing circumstances, and it would probably be a great boon to the majority of holders. Needless to say, the announcements which, with the exception mentioned, were quite in accordance with anticipations, scarcely caused a ripple in the market. On the face of it, the return on the leading stocks looks very attractive, and some approximation to the old basis of values might be confidently expected in the more or less distant future. But the outlook is very obscure. We feel

fairly certain that the Government will have to take over the whole railway system, but the terms may be difficult to arrange, and in any case there is sure to be considerable delay. In the meantime, wages cannot return to their old level, and other expenses will tend to increase. What would be the position of the companies if Government support were suddenly withdrawn at the end of the war? We do not think that either directors or shareholders would be particularly pleased with the prospect. Little information has been furnished to show how matters have been progressing since the first half of 1914. It has been stated that the Government is well pleased with the arrangement made at the beginning of the war, but it is paying the bulk of the increase in the wages bill, and maintenance has been cut down to the barest possible limits. There will be a great deal of leeway to make up in this respect when conditions are more favourable, and when ordinary revenue has to bear the full weight of increased wages the margin of profit may look very different to what it was in the old days. There are plenty of people who will set up a howl at any proposal to nationalise the railways, but the proprietors may be glad to sell on any reasonable terms.

Another addition to the long list of encouraging brewery exhibits has come to hand in the shape of the annual report of Whitbread and Co. Profits show an increase of 20 per cent. and the ordinary dividend is raised from 2 per cent. to 7 per cent. But we doubt if this is fully indicative of the increased prosperity of the company, for very substantial provision for depreciation seems to have been made before striking the profit. At all events, profit, before providing for debenture interest, comes out at £198,350, an increase of £33,500, and after providing for debenture interest, which absorbs £68,500, and dividends on the preference, preferred ordinary, and Crawshay ordinary, which call for £49,100, there remains £80,750 for the dividend on the ordinary shares, which requires £67,710. The amount brought in from the previous year is £25,730 larger, so that the carry forward comes out £13,000 up at £92,400. There are many changes in the balance-sheet. The brewery in Chiswell Street appears at £524,800, a reduction of £61,000 on the previous year's figure, freehold and leasehold licensed houses are returned £122,900 less at £1,496,500, while freehold and leasehold bottling stores, malt-houses, plant at brewery together aggregate £529,000, compared with £491,000. Loans and interest, customers' accounts, &c., have come down £182,000 to £426,200, and beer in cask and stock of malt and hops total £118,350 less at £233,600. Cash and investments are up £420,000 at £725,000, and current liabilities, including dividend disbursements, total £26,500 less.

For many years the Indo-European Telegraph Company has been able to provide a substantial proportion of its dividend out of interest on investments, and this circumstance is standing it in particularly good stead at the present time. The company's communications through Germany remain, of course, severed, the main route is not in operation, and the company is largely dependent for its message revenue upon arrangements with other telegraph administrations. Yet, in spite of this, it is able to maintain the distribution on the ordinary shares at 13 per cent., free of income-tax, and to set aside a substantial sum to investment fluctuations, an eloquent testimony to the cautious policy of the administration in times past. In 1915 the company's message revenue was maintained at a high level, owing to a prolongation of old working arrangements, and this time a severe shrinkage has taken place. Message and other receipts are down £42,000 to £162,300, and the saving in expenses being more than offset by the increase in income-tax, the available profit shows a diminution of £42,600 at £59,100. Out of the £101,700 available in 1915, £35,000 was set aside as provision for investment fluctuations, £15,000 for excess profits duty, and £10,000 for technical development work;

the distribution of 13 per cent. was met as to 10 per cent. out of the balance, and as to 3 per cent. out of interest on investments. This time £40,000 is set aside as provision for investment fluctuations, and the balance, together with £10,635 from the amount brought in, goes to pay a dividend of 7 per cent., the remaining 6 per cent. coming from interest on investments. In the balance-sheet, investments, by the operation of the fluctuation fund, have been reduced £49,500 to £624,150, and cash and sundry debtors together exhibit an increase of £51,800. The company is, we understand, by virtue of various arrangements entered into, assured of sufficient receipts to provide a dividend of 7 per cent. upon the capital until one year after the war, and for the balance of dividend there is, in addition to the source of income which has been of such service during the past year, if need be, an equalisation of dividend fund of £79,770 to fall back upon.

An extremely interesting review of the work of the Mercantile Marine during the war has been supplied to the Press, and it gives a very useful outline of the sacrifices the shipping industry has been called upon to make owing to the disorganisation of trade which it has taken many years and vast expenditure to build up. Space does not permit of our giving even a brief résumé of the facts brought out, but we may quote some interesting figures with regard to the volume of our overseas trade. It is stated that before the war we were importing at the rate of about 58,000,000 tons a year. In 1916 imports fell to 43,000,000 tons, and this year they will be considerably less. On the pre-war basis imports of foodstuffs represented less than one-quarter of the total, the rest being practically all employed or consumed in promoting the industries and commerce of peace. Last year, however, two-thirds of all our supplies consisted of foodstuffs, munitions, and materials for the manufacture of munitions. In 1913 the value of imports was 769 millions; in 1916 the smaller quantities cost 949 millions, and if they could have been purchased at the prices of 1913 they would have cost 800 millions. Exports in the pre-war year were valued at 525 millions, and last year at 506 millions, but at pre-war prices they would have amounted to only 386 millions, or in other words, we have sacrificed 26 per cent. of our export trade. It is useless to bewail the facts; we can only continue to hope that the long agony is drawing to a close, and that British enterprise will again reassert itself.

The Lanarkshire Steel Co. is, in common with most iron and steel undertakings, securing excellent results, but the board are pursuing a wise and cautious policy, and putting back a substantial proportion of the available profit into the undertaking in the form of extensions and improvements. Thus for the last two years only 10 per cent. has been distributed on the ordinary shares, although the profit available has been sufficient to pay a much larger sum. It is stated in the report that the extensions to the works have been making fair progress, and that it is expected that they will be sufficiently advanced during the latter half of the current calendar year to enable a substantially increased output of steel to be dealt with. An additional 123 acres of land have been acquired, so that the company may be in a position to carry out any further extensions or improvements that may be found advisable. The profit from working accounts, less allowances for depreciation and excess profits, fees, &c., comes out at £28,700, a reduction of £13,430, but interests yield £15,700 more, so that total profit at £46,700 represents an increase of £2,290. After providing for preference and ordinary dividends, there remains a surplus of £15,700, which, added to the amount brought in, raises the carry forward £16,000 to £38,300. The extension programme being pursued is reflected in the balance-sheet. Creditors are up £330,000, capital expenditure is £49,000 more at £322,800, and cash and investments and sundry debtors show increases of £254,200 and £70,000 respectively. Stock is £26,600 lower at £134,760.

The continuation of the war has brought municipal expenditure upon asphalted roadways almost to a standstill, and owing to the conditions of labour and transport what work has been done has only been carried out with great difficulty. In the circumstances, the report of the Neuchatel Asphalt Company could not be expected to make anything approaching a favourable showing; the surprising thing is that the company is able to show as large a gross profit as it does, particularly when it is borne in mind that before striking the balance the company set aside a substantial sum to reserve for maintenance of streets. In 1915 there was a gross profit of £49,630, but this was reduced by a loss on exchange of £42,400 to £7,190. The company has again had depreciated exchanges to contend with in some of the countries in which it operates, but this time losses have been much smaller, and it has been possible to meet them out of past credits. The profit now announced, therefore, represents quite a substantial improvement. Unfortunately income-tax takes £2,150 more, with the result that the amount required to meet the debenture service and bank interest is short earned by £1,030. This and the preference dividend, which absorbed £10,000, are taken from the amount brought in from the previous year, and leave the carry forward £8,960 down at £4,930. The company has during the year spent £5,670 more on plant, machinery, landed property, buildings, &c., stocks are £15,600 up at £96,750, and sundry debit balances and caution money deposited are down £26,450 and £7,100 respectively. Municipal loan issues accepted in payment of work executed are, however, £4,800 more at £15,700, and cash exhibits an increase of £6,550 at £100,750. The overdraft from bankers has been increased £2,940 to £59,000, but sundry credit balances have been reduced £8,100 to £57,200. The item sundry debit balances includes, presumably, sums immobilised in enemy countries, and it is impossible to say what proportion can be regarded as liquid, but the item cash at bankers, bills receivable, and municipal bonds totals £325,000, and current liabilities £204,200. The reserve for maintenance of streets now stands at £128,800, compared with £110,850, and the general reserve account is £126,600. Altogether the position of the company cannot be described as being financially weak, and it should be able to keep going until after the war, when it should find a ready market for its product at remunerative prices.

A telegram has been received from the head office in Johannesburg of the Bantjes Consolidated Mines, foreshadowing the closing down of the mines in the next few months. Shareholders have been prepared for such a development from the reports which have been issued from time to time within the past year. It will be remembered that two months ago the board made arrangements for financing the company to enable a more vigorous policy to be pursued, but these arrangements were contingent upon development results in the near future proving satisfactory. However, the results have not been satisfactory. On the contrary, the leader drives in the new areas now being opened up, which were previously developing payable ore, have nearly all become unpayable, not only in the vicinity of the incline shaft, but also in other parts of the mine. In the past three months development operations have been most disappointing, and the ore reserves are gradually becoming very much depleted. If at the end of three more months no improvement in values occurs, development work will be stopped. Milling operations will be continued as long as it is profitable to do so, after which the mine will be closed down. The company has had a very disappointing career, in spite of the fact that it has been under the care of one of the principal controlling groups. It has paid only 23½ per cent. in dividends in 30 years, and 75 per cent. of the capital was written off in 1908. Shareholders of the Knight Central recently received an intimation in similar terms, and it looks as if the East Rand shareholders will also receive the same sort of communication before very long, unless mining conditions improve.

No "Next Time!"

A very fine speech was the Prime Minister's, delivered on Saturday last at the meeting held on the third anniversary of the declaration of war, in the Queen's Hall. Mr. George is never more effective than on occasions like these, and he had a representative audience, most stimulative to his eloquence, to communicate its enthusiasm to him. And his words have obviously struck home with no small effect in Germany, if we may guess from the comments of the German newspapers—although there is really no knowing from them what Germany thinks. The Press there is not allowed to express genuine opinions, its business is to shepherd the tamed people along the slave gangway their military tyrants want them to tread unendingly. This is what makes the struggle we are engaged in all the more difficult to bring to a conclusion, and we have long ceased to try to guess when this war will end—*are inclined indeed sometimes to say bluntly, "it will end when the last male German capable of bearing arms has been either killed or locked up."* An infatuation possesses the Teutonic mind, and it is so primitive, so rudimentary, in its construction, and so unfamiliar with the ideas and actualities of individual freedom which obtain elsewhere, that it has been converted into a mute, or at least a servile, dupe and docile instrument of the ruling caste. Any plausible lie—and many that are unblushingly brazen—seems to be accepted still by the German masses as the truth. Consequently, when the Kaiser tells them that they are defending their own country from the wicked Allies who have invaded it, they believe, although, as the Prime Minister pointed out, nothing can be more false.

None of the Allies, not even France, ever had the slightest intention of invading Germany. But the phrase has another purpose than merely to confirm the Germans in their obedience to the Prussian land-stealing slave-driver; it covers a false assumption in regard to what is Germany. Where is the "German soil" that needs to be defended against us? Does it exist? It is assuredly nowhere on the left bank of the Rhine, and until quite modern days did not by many a league touch that stream on the right bank. But in the intention of the Prussian phrase-makers "Germany" means Prussia, although Prussia is no more "Germany" to-day than Swabia was in the days when Frederick Barbarossa was Holy Roman Emperor, or than Alsace was when much of its soil was owned by the Habsburgs and other Austrian land-grabbers. But because the Prussians contrived to give the broader meaning of the word, and to make Prussia synonymous with "Germany" in current speech, the German people confound the two, and allow themselves to be driven to the slaughter, apparently with less reluctance than

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Paid-up Capital	-	-	-	4,780,792
Reserve Fund	-	-	-	4,000,000

Deposits	(26th July, 1917)	-	£182,517,486
Cash Reserve	(Ditto)	-	42,075,526

Clients of this Bank applied for
£93,000,000 of the last War Loan.

the droves of bees show when wending their circumscribed way to death in the cattle yards of Chicago.

Hence the reluctance of the Prussians to say anything about "restoration." They have taught their German slaves to regard Belgium as German territory. Stolen Alsace and Lorraine are likewise, the same victims of a loathsome ambition are fully convinced, indissolubly a part of the mushroom Germanic empire, and because this perversion seems to be universal it is useless to talk of peace, and the treacherous agitation of suborned and beguiled intriguers is just waste of wind and cash. For us there can be no alternative; we must continue to slay until this false conception of Germany's rights and position is thrashed out of the Teutons. Mr. Lloyd George, quoting a man "in a very high and powerful position in Germany," vividly reminded his hearers of the fixity of purpose displayed by the Junker clan—"there are three things," said this high-placed individual, "that we ought to have foreseen. We ought to have had plenty of food stored in Germany—*Next time!* Then we shall see to it that there is plenty of copper, plenty of cotton. Then we made a mistake about submarines. Instead of having two or three hundred, we ought to have had at least two or three thousand—*Next time!*" There must be no *next time*," declared the Prime Minister, in a phrase to 'remember and hold by, and that is why we fight on. The world could not stand a "next time." It might as well give up and petition high heaven to put an end to this globe and all that is therein, so as to save mankind at once from unutterable misery. When will our pacifists, genuine and the otherwise, our moralists without heart, and our intriguers of simious activities like that Belgian Morel, realise this?

The Allies could not stop the war now, however much they wished to. There is no common basis upon which even a semblance of durable peace could be founded. On the one hand we have the covetous Teuton, stimulated by the false teaching of two generations of drilled professors—"false prophets" the Hebrews would have called them—into a conception of their capacities and their right to dominate all other nations which renders them enemies of liberty everywhere—enemies of mankind, in fact—and on the other stand ravaged Belgium, expatriated Serbia, overrun Rumania, the suppressed nationalities in Austria-Hungary, and the Armenians and the Arabs and other tormented races in Asia Minor, oppressed nationalities on every side, waiting or striving to be set free. And the great free Powers of the world are united to put an end to the restless, inhuman greed, to this ambition to be supreme over all men, not merely in material wealth and in industrial energy, but in matters of inmost thought and conscience, which has brought upon mankind this consuming war. The world must fight until this race become abominable, these assassins of liberty wherever they go, are deprived of all further power to work evil among men.

We are glad that so unmistakably cordial a welcome was given to Baron Sydney Sonnino, the Italian Minister of Foreign Affairs, who attended and spoke at the meeting, for Italy has of late been a little restive and apprehensive about our intentions—quite on a mistaken conception of the way things happen here. She feels nervous lest her claims to the hegemony of the Adriatic and to a master voice in the settling of Balkan affairs should be ignored or slighted. So when Mr. Balfour recently made no mention of Italy in a speech intended to effect quite another definite purpose, the Press in Italy, by grumbling a little, revealed the nervousness of the Italian people. There was never ground for any fears, and Baron Sonnino will be able to reassure his countrymen when he goes home that all is well. The United Kingdom is not going to betray any of the Allies, least of all Italy and France, and enlightened minds here, whether politicians or mere private citizens, have come to understand fully that a completed and united Italy cannot fail to exercise a civilising and beneficent influence all over Eastern Europe. Upon Italy more than on Russia or Greece must depend for many a day the liberties of the Balkan peoples.

The Fellowship of the Free Nations.

We often make attempts to reckon up what the war will have cost the Allies should it last another year, and always the effort has to be given up. It is impossible to say within many hundreds of millions what the cost has been up to now. So many things have to be reckoned in which cannot be expressed by arithmetic, and so little is known of the tax-distilling capacity of the Powers engaged in defending liberty against Prussian tyranny that it is almost useless to compile statistics. At best they can only illustrate the character of the problem without giving definite, reliable data on which to found guesses at its solution. At a venture we hazard the estimate that should the war continue until this time next year the cost of it to the Allies, including the United States, cannot be far short of twenty thousand millions sterling—say £18,000,000,000 to £20,000,000,000. Whichever amount the aggregate may attain, the mind fails wholly to grasp what the meaning of it all must be to the peoples who have each to shoulder their share. Here in Britain at the present rate of expenditure we shall have laid out by this time next year between seven and eight thousand millions on all counts, including those directly and indirectly due to the war, and of that amount nearly two thousand millions will have been provided by taxation and State monopolies; but with this we are at an end of anything approaching definiteness. It is certain, however, that we—we, *i.e.*, and our colonies and assisted nationalities—will have to provide for the service of a debt amounting to at least five, and it might be of six thousand millions if the war lasts another year. These are moderate estimates, too.

And the debt of France will also be about five thousand millions sterling a year hence, should the war last till then. Italy, too, will have probably one thousand five hundred million pounds sterling added to her debt. As for Russia, no man can say where she will stand, although we hope and believe still that she will work clear of her chaos and be able to retrieve herself; but that very chaos is bound materially to add to the cost of her redemption, and we may put down her war expenditure unprovided for out of revenue at, perhaps, another three thousand million pounds sterling. Then the United States is spending at a speed greater than our own was until well on in the war, and there also the public debt, in spite of vigorous increases in taxation, will probably be augmented by perhaps two and a-half thousand million pounds sterling by this time next year.

How are the nations concerned going to deal with this inconceivably monstrous increase in their public burdens without falling to pieces, tumbling back into barbarism? That is the problem, and on the way it is tackled and solved all our future depends. Debts of this magnitude mean self-denial of a character and systematic intensity never before exercised by any nation, seldom by individuals in any nation. Therefore, it also means that the old rivalries between nations—and the old ambitions—must give place to sympathy, co-operation, helpfulness, and trust. M. Gabriel Hanotaux has been writing a good deal lately in advocacy of the institution of what may be called an international council or Parliament of Peace, and undoubtedly something of that kind will have to be created, and become a permanent institution. We already see the beginnings of it in these frequent conferences between the leading statesmen of the *Entente*, and the latest, the two recently held in Paris and London, point the way to what must be done more systematically when peace returns. Representatives from small nations and large assembled at these two conferences, where all were equal and had equal rights in the discussions, and voting, if any. It is to such a body, regularly chosen and authoritatively organised, that the international affairs of the great Powers of the *Entente*, and of the small countries rescued and set on their feet by them, must be confided. Not only their mutual relations with each other, but, along

certain lines, their domestic concerns as well, will have to be supervised by this new assembly of the free nations. Old conceptions of how to conduct international trade will have to give place to the ordering of each country's trade with a view to its own interests first, and next to its proper development in the exchange of its goods with the products of other countries. It is conceivable enough that the system of private enterprise will have to be given up in the future—or at any rate put under restrictions—and the energies of all "captains of industry," inventors, of great merchants and controllers of shipping, devoted to the public good first and their own fortunes afterwards in a most secondary degree. For the trade of all the Allies will have to be carried on primarily with a view to giving employment to their people on remunerative terms, and secondly, with the utmost economy in order that means may be provided with which interest on their debts may be regularly met and surpluses provided for the repayment of the capital. In this way, the International Parliament would come to have its representative sub-committees dealing with the production and distribution of raw materials in every country, with the various kinds of manufactures, with foods and drinks, with minerals and so forth, and by this means a co-ordinated energy would be infused into the work of every nation, great or small. The weak would be helped, the ignorant instructed, and the foundations of a new and better civilisation thus would gradually be laid. As a consequence there should be no further need of nations in arms and, as we said almost at the very outset of the war, such fighting forces as might be necessary for keeping order, for restraining the debased elements everywhere, would have to be provided by a voluntary service, just as much of the civil administration will henceforth have to be. In this abolition of militarism lies the greatest future hope of mankind, not from its effects in relieving nations from a cruel and exhausting blood tax, but because it should save almost as much of the revenues as would meet the interest charge imposed by the costs of the war.

But where will the baffled and defeated German and Austrian come in under this ideal? They cannot come in at all until they have disciplined themselves into a state of civilisation which will make them the equals of the surrounding nations henceforth to be banded together in a great brotherhood of humanity. A racial boycott has already begun to be the outcome of German aggression, German abominations of every description, German neglect of every consideration of humanity in the conduct of war. It is a boycott becoming more emphatic with each month that passes wherein the fighting goes on. We see its effects everywhere, and most recently in the determination of the great majority of genuine working men in the United Kingdom to have nothing to do with this pretended "International" Congress of Socialists in Stockholm. Probably, so far as France and the United Kingdom are concerned, no harm of a serious kind could have come of any Socialist babblement in Sweden, because the delegates going there from these two countries would have been totally without power to bind the Governments of either country. They could have concluded no valid agreement with either Russian Socialists or German, supposing these two bodies to be swayed, as is probable, by the same delusive formulæ. Prussian spies and bureaucrats are so clumsily adept in fabricating, all unconscious that their guile is visible to all who are honest in looking. The deception would have been seen through here and in France and in Italy, aye, even amongst enlightened Russians, of which there is a greater number perhaps than we give credit for, so that in the end the Prussian horde would have been no nearer the sneak triumph of a false peace than before. But it is enough to the British working man that he should be asked to meet men of the race that has sunk his hospital ships, drowned without remorse, nay, amid mockery and jeers, the unarmed sailor, the women and children in passenger ships, the trapped crews so easily sent to the bottom. Men who

have systematically razed the towns and villages they have been forced to evacuate in France and Belgium, and who from the day of their first obtrusion on soil not their own have distinguished themselves by bestialities and deeds of cruelty no horror of the darkest ages of European history has ever surpassed. With men who have made themselves thus objects of dread and loathing there can be no intercourse. In regard to such men an instinctive shrinking has now taken the place of all desire for intercourse. To call a German "comrade" has henceforth become impossible among honest men. That is the kind of "victory" the Prussians have won, and the longer they resist their doom in the field, on the sea, the greater will be their punishment. No formal resolution is required now to prevent either Habsburg or Hohenzollern empire from obtaining a place in the civilised comity of nations. They will be outside, and in their exclusion will lie the power of the Allies to compel them to make restitution and reparation. Treaties with such a degraded race there can be none; it must just be shut out and left alone in its misery until the people come to their senses, recognise their crimes, and declare their readiness to redeem themselves by paying the damages.

In Germany great projects are being drawn up for a resumption of trade activity overseas immediately the war ends, and the Government is being asked, as we stated here some weeks ago, to subsidise merchant shipping to the extent of 75 million pounds or more. The Austrians also apparently dream of getting back to the old condition of things on the sea when the war is over, for a violent speculation has been going on in Austrian shipping shares, sending them up in price. The dream is as vain as the dream of European conquest and world hegemony. In the commercial life that is to emerge after this war there will be no room for German and Austrian merchant ships unless and until atonement has been made. None should be allowed to enter the ports of any of the Powers now united in the fight against the Prussian ruffians until restitution and reparation have been made. Therein lies the power of the Allies; while they hold the mastery on the ocean they also hold the force that compels submission and obedience. Whatever successes in fighting the German war machine may secure on land are valueless; in all essentials of victory the war has long ago been lost, and every day that the slaughter continues the position of the crime-begrimed Central Powers grows more hopeless. But the beginning of their punishment lies just in this: that fight they must until exhaustion makes the after labours of the Allied Powers easy.

Royal Dutch Petroleum Co.

Translated into English the full title of this great oil combine is the "Royal Dutch Co. for the Working of Petroleum Wells in Netherlands India," but the scope of its operations is now far more extensive than the name would imply, and in conjunction with allied ventures its interests are practically worldwide. It is a holding rather than an operating company, and derives most of its income from subsidiaries, the principal of which, the Bataafsche Petroleum Co., itself controls half a dozen other ventures. Last year, like the previous one, was a period of considerable difficulty, mainly owing to the lack of sufficient transport facilities and the extension of the war area. It is remarked in connection with the Astra Romana in Rumania that the result of years of work and energy was destroyed in a few days, and the company's fleet of steamers was considerably reduced as a result of the submarine campaign. The scarcity of tonnage was largely increased by these losses, while the longer routes, necessary as a consequence of the dangers of certain waters, curtailed the usefulness of the tonnage available. It was only by the greatest efforts that the overseas trade could be maintained on the same scale as in the previous year, while exports from Mexico entirely ceased and those from California were confined to a few cargoes. On the other hand, the company was

able to secure a stronger hold in the American market, and increased its production of crude oil both in California and in the mid-continental fields. In the years 1913 to 1915 the Royal Dutch group obtained 15 to 19 per cent. of their total output in the United States, whereas last year the proportion rose to over 25 per cent., and it is steadily increasing.

Total nett revenue in 1916 amounted to 32,630,000 fl., an increase of 3,200,000 fl. Of this 20,400,000 fl., or 600,000 fl. less, was derived from the Bataafsche Co. Accounts have not been completed by the Anglo-Saxon Petroleum Co., but on a conservative estimate the dividend to be received will amount to 5,560,000 fl., an increase of 1,530,000 fl., and owing to the increased holding in the Shell Transport Co. the revenue from that source rose 1,050,000 fl. to 1,968,000 fl. Interest and difference on exchange brought in 1,200,000 fl. more at 1,916,000 fl., but various companies yielded 740,000 fl. less at 2,324,000 fl., and sundry revenues were 73,000 fl. lower at 616,000 fl. In spite of the increased profit the dividend is reduced from 49 per cent. to 38 per cent., but this payment requires nearly 2,000,000 fl. more at 29,688,000 fl., owing to the increased capital on which it has to be paid, and the balance forward is reduced by 95,000 fl. to 107,000 fl. During the year the nominal capital of the company was raised from 100,000,000 to 150,000,000 fl., and in May, 1916, an issue of 18,882,000 fl. was offered to the shareholders at par. It is frankly stated that the issue price was fixed at par principally to remove at least to some extent the disproportion existing between the nominal amount of the share capital and the much larger amounts actually invested in the company, in consequence of which the dividends seem larger in proportion to the capital than they really are. In view of the fact that many shareholders, owing to the abnormal conditions, might not be able to exercise their right to subscribe for their proportion of the new shares in time, provision is made that they may set off the final dividend of 1915 and subsequent coupons against payment, an arrangement which will doubtless be agreeable to many holders. In order to create a market for the shares in America a block of 74,000 sub-shares was sold to Kuhn, Loeb and Co. on satisfactory terms, but as the deal was not completed till January 2, 1917, it does not appear in last year's accounts.

Investments now stand at 162,400,000 fl., an increase of 8,000,000 fl. This is after writing off 49,138,000 fl. (an increase in the year of 1,400,000 fl.) as a reserve for difference between par and book value, which gives an ample margin for contingencies. The principal changes in the list of holdings are an increase of 3,000,000 fl. in Shell Transport shares, and of 3,700,000 fl. in the Société Mazout, the respective totals being 5,805,000 fl. and 11,145,000 fl. Shares in the Bataafsche Co. remain at 84,000,000 fl., and in the Anglo-Saxon Co. at 57,600,000. General reserve stands at 53,220,000 fl., and cash in hand at 32,306,000 fl., while against sundry creditors for 30,469,000 fl. there are debtors for 33,987,000 fl., so that the financial position is a very strong one. Production in Netherlands India amounted to 1,679,000 tons, an increase of 84,000 tons. In Sarawak it was 22,000 tons larger at 89,000 tons, and in Suez the Anglo-Egyptian Oilfields also obtained an increase of 22,000 tons at 56,800 tons. In Russia the companies controlled by the Royal Dutch had an output of 1,539,000 tons, an increase of 19,000 tons, a falling off in the Apscheron peninsula being more than offset by an improvement in the Caucasus. Expenses, however, were very high, wages alone having to be raised in some cases by 100 per cent., and there was little or no margin of profit on the fixed maximum price of 45 copecks per pood, but the Government has now agreed to allow the price to be raised to 60 copecks. In Rumania the Astra Romana produced 366,000 tons, an increase of 55,000 tons, up to the time of the German invasion, but no exact information can be given as to the extent of the damage since inflicted on the property. The Roxana Company in Okla-

homa raised its output from 1,784,000 barrels to 4,684,000 barrels, and the Shell Company of California got 4,809,400 barrels, against 3,186,000 barrels in 1915. Mexican production was curtailed owing to export difficulties, but the company has considerably extended its interests in the country, and developments will take place rapidly when conditions are more settled. Arrangements have been made to provide storage for 3,500,000 barrels. As to the outlook generally, nearly everything depends on the course of the war, and the improvement in shipping facilities. The company has lost vessels with a capacity of 23,000 tons, and it is now almost impossible to get new ships built. The cost of a tanker of about 5,000 tons loading capacity was about 700,000 fl. before the war, and it is now estimated at about 3,000,000 fl. Purchase or construction of vessels within a reasonable time is almost impossible, and the indemnification payable by insurance companies will not compensate for years to come the losses sustained by the lack of urgently required tonnage. However there is nothing for it but to endure for the time being, and the company has been fortunate in making such progress as it has under very difficult circumstances.

Insurance News.

Amalgamations of insurance companies have been frequent of late, and the Provident Accident and Guarantee Co., it appears, is now to lose its identity, the directors having received an offer from a first-class tariff office for the purchase of the shares at a price which they have agreed to recommend their shareholders to accept, and which they feel will be satisfactory. As soon as the terms of the provisional agreement have been arranged full particulars of the scheme will be announced. There has been a considerable rise in the shares of the company lately, and presumably the object the directors had in mind in issuing the bare communication was to prevent shareholders from parting with their holdings in ignorance of what is going on. The company, which transacts various kinds of insurance business, was registered in 1865 as the Provident Clerks' and General Guarantee Association, the name of the company being changed to the more suitable one of Provident Accident and Guarantee in March last. Its capital is £400,000, in £10 shares, of which £208,620 is issued and £85,000 paid up. The recent dividend record is a good one, 22½ per cent. having been paid for 1916, and the current quotation of the shares £4 paid is £21, which contrasts with 14½, the pre-war price.

Having regard to the increased importance during the war that the loss by fire of grain, forage, and farm produce generally should be reduced to a minimum, the British Fire Prevention Committee is issuing a special small poster for public use, setting forth the precautions that should be taken to avoid such loss. Copies are being supplied gratuitously to any estate owner or farmer who applies to 8, Waterloo Place, S.W., and all interested in the conservation of foodstuffs are strongly recommended to obtain copies, and to act thereon as far as local conditions and circumstances permit.

A return for 1916 of all the principal companies doing fire and marine business in the United States shows that the nett premium income came to £80,388,100, an increase of £9,606,000 when compared with 1915, the total income being £11,985,000 more at £88,557,000. Claims amounted to £42,771,000, an increase of £4,068,000, the ratio of losses to premiums being 53.26 per cent., as against 54.68 per cent. for 1915. By an addition of £13,477,800, the total assets were raised to £153,579,000, the nett surplus being £2,296,300 higher at £48,560,000. As was the case in this country, a considerable share of the increase in premiums was contributed by offices transacting both fire and marine business, and probably much of the gain was due to the marine side of the business.

Under the title of City Underwriters, Ltd., a new

company has been formed, with a nominal capital of £50,000, for the purpose of acting as managers, underwriters, and secretaries to insurance companies. The company will not write for its own account, nor act as insurance brokers, but will confine its attention to the managerial side of the business, and will begin operations on September 1, starting with marine business, in which branch it will represent the Employers' Liability Assurance Corporation and the Century Insurance Co., of Edinburgh. The company will act for insurance companies in much the same way as underwriters at Lloyd's act for underwriting syndicates. It is a new departure for the Employers' Liability Corporation to undertake the business of marine risks. Up till now all kinds of business, except life and marine, have been undertaken, but at the last meeting the directors obtained powers to engage in marine risks. The difficulty to obtaining the services of experienced marine underwriters evidently has led to the formation of the new company to underwrite marine risks for the Employers' Liability and Century.

The Week in Mines.

The tone of the Mining markets this week has been rather more cheerful, except in the South African market, where some depression was caused by an official announcement foreshadowing the closing down of the Bantjes mine, and by another big decrease in the monthly profit of the East Rand Proprietary. Although silver reached the highest level touched in the past quarter of a century, Silver shares have been dull, Broken Hills being neglected owing to the railway strike in New South Wales. Nigerian Tin shares have developed considerable activity.

SOUTH AND WEST AFRICANS.

The South African market showed an upward tendency until the issue of the Bantjes statement, followed by the East Rand monthly return showing a drop of £4,000 on the profit to £6,400, or less than a third of the proportionate amount required to meet the debenture service and taxation. Bantjes shares fell 2s. to 4s., and East Rands 9d. to 6s. 6d. On the other hand, Brakpans have improved to 5½ on the July profit proving to be a fresh record, and Springs are ¼ higher at 3 5-32. Dagga-fonteins at 16s., City Deep at 4 5-32, and Van Ryn Deep at 3 13-32 were also firmer. Among Diamond descriptions, De Beers prefs. rose ¼ to 13½, but Premier prefs. fell ¼ to 7½. In the Rhodesian section, British Central Africas have been in good request, and are 9d. higher at 6s. 3d., while Lonely Reefs on a good development cable rose to 25s. Wanderers at 2s. 6d. were firmer on the increased dividend. Transvaal and Rhodesians were supported at 2s. on the reorganisation scheme. The only feature in the West African market has been an inquiry for Gold Coast Amalgamateds at 15s. 6d.

COPPER AND MISCELLANEOUS.

Copper shares have undergone little change this week, but the Tin group, especially Nigerian descriptions, have been unusually active and strong. It is reported that Mr. Letilla, of Rhodesian fame, has taken an interest in the metal, and is forming a Nigerian tin trust. Rayfields have been the centre of the activity, and are 1s. 6d. higher at 10s., while Naragutas have risen 1s. to 14s., Nigerian Corporations 2s. to 15s. 3d., Ropps 1s. 6d. to 17s., Jos Tins 9d. to 5s. 6d., and Anglo-Continental 1s. 3d. to 11s. 9d. Silver shares have not been affected much by the rise in the metal. Casey Cobalts have recovered 1s. 3d. to 10s. 3d., but Mining Corporation of Canada shares are unaltered at 16s. 6d. Broken Hills have been fairly steady, but the rise in silver was offset by the railway strike. Russian shares have been on offer, owing to the news from Petrograd and the fall in exchange. Russo-Asiatics have declined ¾ to 4½. Waihis at 36s. 6d. have been in demand, while Burmas have eased to 3 29-32.

MINING NEWS.

TRANSVAAL GOLD MINING ESTATES.—The report for the year ended March 31 shows that the tonnage milled was slightly larger at 154,450. Production of gold amounted to £400,501, or 41s. 3d. per ton, against £352,396. Working costs averaged 23s. 9d. per ton, and the mine profit was £169,788, or 17s. 6d. per ton, as compared with £136,972, or 16s. 8d. per ton. The net profit on working, however, declined from £167,327 to £138,677; the dividend is cut down from 20 to 12½ per cent., but the carry forward is raised from £83,552 to £124,018. No extension of the rich pay-chutes has yet been discovered in the Central Mines area, and yet, although 154,450 tons were milled, the reserves as estimated at March 31 show only some 27,000 tons less than reported at the end of the last financial year, while the grade is about ¼ dwt. higher than a year ago. Tonnage unavailable is estimated at 148,670 tons, valued at 11.73 dwts. per ton, and the available ore is estimated at 230,373 tons, valued at 8.72 dwts. per ton.

RHODESIAN COPPER AND GENERAL EXPLORATION.—Income derived from investments in the year ended May 31 amounted to £8,110, against £7,943. Sundry receipts brought the credit

balance in profit and loss up to £6,496, against £6,216. A dividend of 1d. per share of 4s. 6d. each, tax free, is proposed, against 1½d. per share last year, and £1,696 is carried forward.

WANDERER (SELUKWE) GOLD.—The report for the year ended April 30 states that 164,700 tons were crushed, as against 146,257 tons in the previous year, while the working costs show a further reduction from 6s. 10d. to 5s. 9d. per ton. The yield of gold was £71,052, as against £60,898. Net profits come out at £17,350, as against £3,162. A dividend of 1s. per share, or 33½ per cent., less tax, is recommended, and £4,777 against £17,427 is carried forward. This is the third dividend to be paid, the last being 8½ per cent. on account of 1915-16. Reserves of ore amount to 60,000 tons.

MINING CORPORATION OF CANADA.—In 1916 the output of silver declined from 4,563,957 ozs. to 4,457,440 ozs., but, owing to the high price realised, the net profits were \$1,895,583, as compared with \$1,193,395. The price realised averaged 73.10 cents per oz., against 52.63 cents in 1915. After paying the dividends and war profits tax, the amount carried forward is \$1,280,206, making a total at the credit of profit and loss \$2,447,582. Exploration and development work amounted to 14,789 ft., and the ore reserves have been fairly well maintained. The total is 3,235,000 ozs., against 3,938,000 ozs. The financial position is a strong one.

DURBAN NAVIGATION COLLIERIES.—After providing for depreciation, the net profits for 1916 were £25,475. In addition to the guaranteed 8 per cent. dividend, a dividend of 10 per cent. has been paid, and £31,021, against £34,017, is carried forward.

Commercial Review of South Africa.—At the Cape Town Chamber of Commerce the retiring president, Mr. Duncan Baxter, delivered an address on the Commercial Review of South Africa. After referring to the import and export returns, Mr. Baxter said that a broad deduction from the figures was that 1916 was barely on a par with the last normal year before the war (1913), which, however, was a year of great prosperity. It was a matter for general congratulation that 1916 showed up so well, and almost equalled 1913. This was due to the extremely high prices received for produce, the revival of the diamond industry, and the continued increase in output of gold. Dealing with the position of Cape Town, Mr. Baxter pointed out they enjoyed considerable prosperity in 1916, the contributing causes being that Cape Town's hinterland had increased, and the use of the harbour by shipping, the arrivals in 1916 being 1,777, against 1,210 in 1915; while the bunkering figures were 605,658 tons, against 365,717 in 1915. Other causes were the expenditure of large sums on military equipment and stores, and the increasing popularity of Cape Town as a health and holiday resort. The imports in 1916 totalled £9,814,151, against £8,589,132 in 1915.

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from $5\frac{1}{2}$ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

In the City's people's minds are much more exercised over changes believed to be impending in what may be called the structure of our banking system than in the variations of current business. There is, indeed, nothing in the money market position to occupy people's thoughts beyond the mountain of credit which has been created by the Government in order that the war may be prosecuted to a successful conclusion. Discount rates are the same to-day as they were a week ago, or a fortnight ago, and money rates move nearly as little. There may be a passing flush of unattached credits one hour or one day and something distantly resembling scarcity next. The flush is expressed in a lower rate for afternoon balances, but seven-day money keeps steady all the time at $4\frac{1}{2}$ per cent. Once or twice, however, this week the demand for short usance Treasury bills has been keen enough to send the rate on them down towards $4\frac{3}{8}$ per cent.

The Bank return is quite pleasant in one respect. The reserve has risen £1,048,000 to £31,478,000, and all except £110,000 of the increase is due to gold, the coin and bullion having risen £938,000 to £53,394,000. But as at the same time the liabilities have risen both on public deposits, which are up £2,654,000, and on other deposits, £1,679,000 larger, the proportion of the reserve to these liabilities is only $\frac{1}{2}$ per cent. up at $17\frac{1}{2}$ per cent., and is still $9\frac{1}{2}$ per cent. below that of a year ago. The Government has added £6,119,000 to its borrowings on other securities, which now stand at £56,559,000, and apparently the money has partly gone to swell the public and market deposits and partly to reduce the other securities which are now £2,707,000 less than last week.

Last month witnessed the inauguration of a new bankers' clearing house in Paris, which may prove the

forerunner of a similar reform in this country. The *Chambre de Compensation*, as the old clearing-house was called, was a close corporation, into which it was difficult to obtain admission. A movement was set on foot by outside institutions to break down this exclusiveness on the ground that it was not conducive to the best interests of banking. Several institutions applied for admission, but were refused, whereupon the outside institutions intimated their intention to form a second clearing house, to be called the *Caisse de Compensation*. Before, however, this proposal was put into effect the old Chamber approached the new, and it was agreed to amalgamate both institutions. A new *Chambre* was accordingly formed, and began business last month at 2, Rue des Italiens. All the important banking houses in Paris belong to the new institution, which has a membership of 29, as compared with 11 of the old. The restricted membership of the London Clearing House has often been adversely commented upon by bankers outside the circle, owing to the need upon them of keeping accounts with clearing agents, and the fact that the Bank of England gives preferential treatment in some matters to the clearing banks.

The low level of the Scandinavian and other neutral exchanges is having the effect of steadily increasing the amount of neutral credits employed in this country. It does not seem that much buying of sterling has been effected with the object of making a profit when the exchanges recover, but a large amount of sterling credits, received in payment of freight, and goods on bills drawn on London, have been accumulated here. At the present level of the exchanges, Scandinavian sterling credits cannot be converted into kronor except at a loss of 10 to 15 per cent. Consequently, the money is being retained here and invested in some cases in Treasury bills. What is true of Scandinavian credits is also true of Australian and Canadian sterling credits. In fact, the amount of Australian money employed here is larger than it has ever been owing to the less attractive rate of remittance to Australasia. Thus by refraining from taking any steps to restore adverse exchanges, we are actually obtaining the same result that was aimed at in the policy of maintaining money rates at a comparatively high level. The object of this policy was to attract neutral credits here, and thus to produce a firmer tendency of the exchanges. It is now being attained by a cheaper and more effective method. Had the above policy succeeded in restoring the exchange, it would have defeated the more important object of retaining neutral money for employment here, for it would have reduced the loss on exchange, and thus encouraged remittances.

Details have now been received here of the new Russian law which was promulgated on June 29 for restricting the export of capital. British banks and firms, we may explain, are quite free to dispose of any rouble balances already to their credit in Russia before its publication, without special authorisation, but funds received after that date must not be transferred abroad except by special permission of the Russian Ministry of Finance. This prohibition does not apply to transfers or payments from one foreign account to another. A special exchange committee has been constituted, and no exchange operations of any kind will be permitted except through the agency of such banking institutions as are included in a list approved by the Ministry of Finance. The object of the new law is to control the market for exchange, and to prevent speculative transactions or unjustifiable transfers of roubles abroad. The exchange has so far failed to benefit from the establishment of this control, but that is due mainly to the unsatisfactory military reports.

The Central Argentine Railway has, it is understood, this week placed privately £500,000 of 6 per cent. five-year notes. Issues for foreign companies are rare operations in these days, but no doubt special reasons made this issue necessary.

SILVER.

Silver has been quite an interesting market all week, and the price to-day is almost $1\frac{1}{2}$ d. higher than it was

a week ago. Silver, in fact, is now harder if not dearer than it has been at any time since the Germans, in the arrogance of their military pride, demonetised the metal and started the downward sweep in prices which, other influences contributing, in the end brought the metal down to less than 2s. an oz. To-day it is 42½d. per oz., and it has been rising mostly every day all week. The United States is now a large buyer, mopping up supplies and accentuating the scarcity on our market. It is estimated that the Washington Government is buying 500,000 ozs. a week, and as both the British and French Governments are consuming the metal in unusual quantities while supplies are smaller, the rise in price is not to be wondered at, especially when we remember that the confusion in Mexico, as Messrs. Samuel Montagu and Co. point out in their circular, has interfered disastrously with the output of Mexican mines. The *Mining Age* of New York estimates that the supply of Mexican silver has fallen from 70,000,000 ozs. to 7,000,000 ozs., comparing the pre-civil war period with the present time, and the increase in the United States production, although it has gone up 20,443,000 ozs. from 52,441,000 ozs. in 1908, to 72,884,000 in 1916, has really done little to fill the gap. This year's American production is expected to be about 75,000,000 ozs., but the world wants much more than that, and the total supply of new metal for 1917 is guessed at no more than 200,000,000 ozs. Should that figure be reached, however, it will show great progress, for in 1914 the output of the world's silver mines was only 160,626,000 ozs., the smallest since 1897.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, August 8, 1917.

ISSUE DEPARTMENT.

Notes Issued	£	Government Debt..	£
.. .. 69,259,250		.. .. 11,015,100	
		Other Securities	7,434,900
		Gold Coin and Bullion ..	59,809,250
		Silver Bullion	—
	£69,259,250		£69,259,250

BANKING DEPARTMENT.

Proprietors' Capital	£	Government Securities	£
.. .. 14,553,000		.. .. 56,558,628	
Res 3,510,654		Other Securities	107,947,718
Public Deposits (including		Notes	28,892,940
Exchequer, Savings		Gold and Silver Coin ..	2,584,998
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	47,465,392		
Other Deposits	130,423,683		
Seven Day and other Bills	31,555		
	£195,984,284		£195,984,284

Dated August 9, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year, August 9.	August 1, 1917.	August 8, 1917.	Increase.	Decrease.
£	£	£	£	£
3,484,719	3,399,004	3,510,654	111,650	—
54,625,309	44,811,739	47,465,392	2,653,653	—
88,089,712	128,744,196	130,423,683	1,679,487	—
31,506	16,167	31,555	15,388	—
			Decrease.	Increase.
42,188,110	Gov. Securities.	50,439,661	56,558,628	—
80,642,144	Other do.	110,654,852	107,947,718	2,707,134
38,853,992	Total Reserve ..	30,429,593	31,477,938	—
			7,167,312	7,167,312
			Increase.	Decrease.
36,116,815	Note Circulation	40,476,410	40,366,310	110,100
56,550,807	Coin and Bullion	52,456,003	53,394,248	938,245
27 p.c.	Proportion ..	17½ p.c.	17½ p.c.	—
6 "	Bank Rate	5 "	5 "	—

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,415,416,000	363,290,000	—
June	1,486,612,000	1,147,630,000	339,182,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August 1	336,410,000	290,541,000	45,869,000	—
" 8	306,218,000	281,203,000	25,015,000	—
Total ..	11,604,288,000	9,348,492,000	3,044,461,000	—

PUBLIC INCOME AND EXPENDITURE.
(For 7 days ended July 28.)

REVENUE.	EXPENDITURE.
£	£
Customs 1,226,000	National Debt Service .. 817,005
Excise 248,000	Interest, etc., on War Debt
Estate, &c., Duties .. 477,000	Development & Road Impvt
Stamps 123,000	Payments to Local Taxation
Land Tax and House Duty	Other Consolidated Fund
Property and Income Tax	Charges 10,167
Excess Profits Tax .. 3,357,000	Supply Services 57,345,200
Land Values —	Bullion Advances —
Post Office 100,000	For Advance for Interest
Crown Lands —	on Exchequer Bonds under
Sundry Loans —	Capital Expenditure
Miscellaneous 4,006	(Money) Act, 1904 —
Bullion advances repaid ..	For Treasury Bills 32,581,000
For Treasury Bills for Supply	For Exchequer Bonds issued
5% Exchequer Bonds, 1919..	under the War Loan Re-
5% Exchequer Bonds, 1922..	demption Act, 1916 —
6% Exchequer Bonds, 1920..	Expenditure Certificates
War Expenditure Certificates	under War Loan Act, 1916
War Savings Certificates .. 500,000	Other Debt under War Loan
4% War Loan, 1929-1942 ..	Acts, 1914-16 —
5% War Loan, 1929-1947 ..	For Exchequer Bonds under
Other Debts created under	Section 61 of Finance Act,
War Loan Act, 1915, and	1916 —
Finance Act, 1916 —	Under Telegraph (Money)
Telegraph Money Act, 1913	Act, 1913 —
Under Post Office Rly. Act,	Under Post Office (Lon-
1913 —	don) Railway Act, 1913 ..
Under Military Works Acts,	Under Military Works Act ..
1897-1903 —	Under Housing Act, 1914 ..
Under Public Buildings ..	Public Buildings Expendi-
Under Housing Act —	ture Act, 1903 —
Repayment of Advance for	Old Sinking Fund, 1907-8 ..
Interest on Exchequer	Old Sinking Fund, 1910-11 ..
Bonds, 1904 —	China Indemnity —
China Indemnity —	East African Protectorate
East African Protectorate	Loan repayment —
Loan repayment —	Suez Canal Drawn Shares ..
Suez Canal Drawn Shares ..	Temporary Advances repaid
Ways and Means Advances 23,500,000	Increase in Exchequer
Decrease in Exchequer	balances —
balances 455,171	
£10,176,829	£100,763,829

CURRENCY NOTES.

Return of Currency Notes for the week ended August 8, 1917.

	Issued.	Cancelled.	Outstanding.
£1 notes	£4,915,715	£1,912,530	£124,195,810
10s. notes	1,372,052	900,435	32,420,527
Note certificates	—	520,000	14,800,000
Previous total	668,997,698	500,456,162	—
	675,287,465	503,789,128	171,496,337

Ratio of gold held against notes, this week, 18.19 p.c.; last week, 18.02 p.c.

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	July 13, 1917.	July 6, 1917.	June 29, 1917.
	£	£	£
Gold coin and certificates ..	94,298,400	94,071,800	96,852,800
Gold Settlement Fund ..	77,670,600	74,276,000	69,169,000
Gold with foreign agencies ..	10,500,200	10,500,200	10,472,400
Total gold held by banks	182,469,200	178,848,000	176,494,200
Gold with Federal Res. Agent	85,667,600	82,743,000	80,538,600
Gold Redemption Fund ..	2,537,400	1,949,600	1,880,400
Total gold reserves ..	270,674,200	263,540,000	258,913,200
Legal tender notes, silver, &c.	9,500,000	7,662,800	7,968,000
Total reserves ..	280,183,200	271,203,400	266,881,200
Bills discounted—Members' ..	28,634,600	25,970,600	39,448,400
Bills bought in open market	3,987,400	40,332,800	40,454,000
Total bills on hand ..	67,020,000	65,303,400	79,902,400
U.S. Gov. long-term sec. ..	8,792,200	8,587,000	7,283,200
U.S. Gov. short term sec. ..	6,071,800	5,731,800	6,860,400
Municipal warrants ..	488,200	488,400	469,200
Loans on gold coin and bullion	—	—	4,370,000
Total earning assets ..	82,372,200	81,110,600	98,907,200
Due fm other Fed Res bank—n.	1,401,000	3,893,000	289,600
Uncollected items ..	50,834,400	50,274,800	44,341,000
Total deducts fm gross dep.	52,235,400	54,167,800	44,630,600
5% Red. Fund ag Fed. Res. bknts	100,000	100,000	100,000
All other resources ..	157,200	170,200	159,800
Total resources ..	415,048,000	406,752,000	410,678,800
Capital paid in ..	11,530,200	11,531,400	11,435,200
Government deposits ..	60,174,400	58,725,200	60,193,200
Due to membs—Res. account	203,934,400	222,469,400	205,692,000
Due to non-membs—clearing ac.	1,369,400	1,000,000	—
Members' bank deposits—nett	—	—	—
Collection items ..	30,762,600	32,917,600	20,905,400
Total gross deposits ..	296,240,600	285,112,200	296,790,000
F.R. notes in actual circulat'n	105,501,600	105,491,800	101,761,400
F.R. bk nts in circn—nett liab.	392,000	235,000	186,800
All other liab. in for Gov crdts	377,400	4,381,600	504,800
Total liabilities ..	415,048,000	406,752,000	410,678,800
Gold res ag nett deposit liab.	74.7%	76.1%	69.9%
Gold & lawful money reserve	73.6%	79.5%	73.1%
against nett deposit liabilities	—	—	—
Gold res ag F.R. nts in act circ	82.8%	80.3%	81.0%

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Aug. 4, 1917	July 28, 1917	July 21, 1917	Aug. 5, 1916
	£	£	£	£
Loans	750,550,000	754,336,000	761,452,000	643,452,000
Reserve held in own Vaults ..	27,094,000	30,344,000	27,158,000	85,205,000
Reserve held in Fed. Res. Bk.	90,688,000	82,345,000	70,620,000	33,038,000
Cash in own Vaults ..	19,044,000	19,921,000	19,493,000	—
Reserve held in Other Depos.	14,045,000	13,164,000	13,146,000	10,154,000
Net Demand Deposits ..	717,761,000	713,476,000	701,550,000	618,352,000
Net Time Deposits ..	4,914,000	40,124,000	40,102,000	47,074,000
Circulation ..	6,652,000	6,018,000	5,972,000	6,250,000
Excess Lawful Reserve	31,778,000	26,408,000	17,030,000	21,800,000
Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.				

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Aug. 4, 1917.	July 28, 1917.	July 21, 1917.	Aug. 5, 1916.
Loans	£166,682,000	£169,536,000	£168,262,000	£141,876,000
Specie	12,046,000	12,394,000	12,288,000	11,986,000
Deposits	176,524,000	169,344,000	169,934,000	149,792,000
Legal Tenders ..	2,384,000	3,470,000	1,978,000	1,752,000

BANK OF FRANCE (25 francs to the £).

	Aug. 9, 1917.	Aug. 2, 1917.	July 26, 1917.	Aug. 10, 1916.
Gold in hand ..	£130,723,760	£130,619,680	£130,543,600	£191,933,840
Silver in hand ..	10,429,240	10,452,920	10,448,700	13,538,440
Bills discounted ..	24,888,040	26,200,280	22,007,000	17,128,360
Advances	44,541,080	44,562,200	45,177,560	47,471,240
Note circulation ..	817,384,960	812,499,920	808,069,680	653,196,920
Public deposits ..	1,598,000	2,421,240	1,786,560	5,500,160
Private deposits ..	103,200,560	105,773,440	103,529,520	85,173,200
Foreign Bills ..	82,120	54,800	67,480	65,680

Proportion between bullion and circulation 27.23 per cent., against 27.39 per cent. last week. Advances to the State £436,000,000, increase £4,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £20,936,880, decrease £118,480, and at the branches £26,118,760, decrease £682,400.

IMPERIAL BANK OF RUSSIA (10 roubles to the £).

	July 29, 1917.	July 21, 1917.	July 14, 1917.	July 29, 1916.
Notes in reserve ..	£14,690,000	£14,980,000	£15,960,000	£11,180,000
Gold	129,160,000	147,870,000	148,140,000	154,740,000
Gold in reserve abroad ..	230,800,000	211,900,000	211,900,000	186,800,000
Loans and Discounts, including Treasury Bonds ..	1,308,360,000	1,258,090,000	1,118,220,000	376,220,000
Circulation note issue ..	1,364,600,000	1,332,820,000	1,305,530,000	675,370,000
Deposits, including Treasury deposits ..	327,450,000	315,900,000	307,280,000	21,000,000

SWISS NATIONAL BANK (25 francs to the £).

	July 31, 1917.	July 23, 1917.	July 15, 1917.	July 31, 1916.
Gold and silver ..	£15,676,092	£15,718,508	£15,697,568	£13,304,188
Bills	8,327,188	6,353,600	8,038,100	6,147,092
Note circulation ..	21,379,228	20,254,808	20,622,040	17,022,928
Current and deposit accounts ..	5,303,604	4,194,772	5,091,676	4,522,408

IMPERIAL BANK OF GERMANY (20 marks to the £).

	July 31, 1917.	July 23, 1917.	July 14, 1917.	July 31, 1916.
Total Coin & Bullion ..	£123,900,050	£123,769,550	£126,218,500	£124,852,200
Treasury Notes ..	26,262,200	25,330,450	22,263,150	20,804,130
Bills discounted ..	556,391,000	529,482,700	521,681,200	347,100,053
Advances	483,730	471,550	466,550	636,550
Note circulation ..	442,636,850	431,477,950	432,037,100	351,228,200
Deposits	292,398,550	274,122,510	266,749,350	119,779,750

Clearing House return during July, £358,972,790.

BANK OF SPAIN (25 pesetas to the £).

	July 28, 1917.	July 21, 1917.	July 14, 1917.	July 29, 1916.
Gold	£66,448,199	£65,372,975	£64,418,090	£43,692,687
Silver	29,995,769	29,919,868	29,878,830	30,612,301
Foreign Bills ..	3,752,838	3,785,816	3,799,608	3,836,301
Discounts and Short Bills ..	29,764,625	30,253,385	30,940,611	23,312,826
Treasury Account, &c. ..	25,800,332	25,668,792	25,721,953	30,291,188
Notes in Circulation ..	102,107,112	101,968,211	101,960,412	88,485,166
Current Accounts, Deposits ..	33,194,113	32,609,162	32,312,151	30,879,670
Dividends, Interests, &c. ..	1,967,970	1,587,329	2,040,044	1,852,460
Government Securities ..	7,766,876	7,660,779	7,572,646	912,084

BANK OF ITALY (25 lire to the £).

	June 30, 1917.	June 20, 1917.	June 10, 1917.	June 30, 1916.
Total cash	£39,742,560	£39,517,960	£39,482,080	£45,005,320
Inland Bills	21,252,560	20,765,960	19,844,800	17,957,920
Foreign Bills	832,720	832,760	834,560	833,720
Advances	16,933,680	14,931,010	13,044,560	8,421,880
Government securities ..	8,790,880	8,809,040	8,796,680	8,439,960
Circulation	178,670,600	169,139,080	166,180,080	135,162,600
Deposits at notice ..	30,843,920	22,185,600	19,009,360	17,933,640
Current accounts ..	12,178,080	12,707,480	12,395,480	15,386,800

BANK OF SWEDEN.

	July 21, 1917.	July 14, 1917.	July 7, 1917.	July 22, 1916.
Gold	£11,368,000	£11,257,000	£11,259,000	£9,218,000
Balance abroad and Foreign Bills ..	7,237,000	7,199,000	7,409,000	8,862,000
Swedish and Foreign Govt. Securities ..	3,872,000	3,897,000	5,025,000	3,848,000
Discounts and Loans ..	9,639,000	8,781,000	8,259,000	3,145,000
Notes in circulation ..	23,920,000	24,132,000	24,695,000	17,349,000
Deposits at notice ..	8,359,000	7,988,000	7,425,000	6,624,000

NETHERLANDS BANK (12 Florins to the £).

	Aug. 4, 1917.	July 28, 1917.	July 27, 1917.	Aug. 3, 1916.
Gold and Silver ..	£54,508,416	£53,379,250	£52,377,583	£49,825,166
Bills and Advances ..	11,336,166	11,703,916	11,988,583	12,659,833
Note circulation ..	65,197,333	64,143,166	63,594,416	55,833,333
Deposits	4,544,416	4,658,583	4,391,916	9,505,166

BANK OF NORWAY.

	July 23, 1917.	July 16, 1917.	July 7, 1917.	July 22, 1916.
Gold	£7,154,000	£7,154,000	£7,155,000	£6,326,000
Balance abroad and Foreign Bills ..	4,725,000	4,696,000	4,834,000	6,156,000
Gov't Securities ..	705,200	705,000	705,000	767,000
Discounts & Loans ..	15,189,000	15,735,000	14,966,000	5,020,000
Notes in Circulation ..	16,150,000	16,444,000	16,618,000	11,807,000
Deposits at notice ..	7,921,000	8,212,000	7,332,000	3,992,000

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Aug. 2, 1917.		Aug. 9, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	11.37	11.45	11.28	11.32
Paris	Three months' bills ..	11.55	11.60	11.45	11.50
.. ..	Cable transfers ..	27.40	27.43	27.45	27.50
.. ..	Three months' bills ..	27.73	27.83	27.85	27.90
.. ..	Three months' bills ..	27.78	27.83	27.85	27.90
.. ..	Cable transfers ..	21.35	21.45	20.75	20.85
.. ..	Three months' bills ..	21.70	21.80	21.10	21.20
Petrograd ..	Cable transfers ..	219	222	221	223
Genoa, &c. ..	Cable transfers ..	34.37	34.47	35.45	35.65
Spain	Cable transfers ..	20.73	20.83	20.83	20.93
.. ..	Three months' bills ..	55 1/2	56 1/2	55	56
Lisbon and Oporto ..	Cable transfers ..	31 1/2	32 1/2	31 1/2	32 1/2
Copenhagen ..	Cable transfers ..	15.75	15.85	15.73	15.83
Christiania ..	Cable transfers ..	15.40	15.55	15.50	15.65
Stockholm ..	Cable transfers ..	13.85	13.95	14.35	14.50

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22 1/2	27.40	27.51
Amsterdam, cheques ..	Florins to £1 ..	12.107	11.29 1/2	11.31
Italy, sight ..	Lire to £1 ..	25.22 1/2	34.42	35.35
Madrid, sight ..	Pesetas to £1 ..	25.22 1/2	20.77 1/2	20.75
Lisbon, sight ..	Pence to milreis ..	53 1/2	32 1/2	32 1/2
Switzerland, sight ..	Francs to £1 ..	25.22 1/2	21.40	20.85
Christiania, sight ..	Kroner to £1 ..	18.159	15.52 1/2	15.57 1/2
Stockholm, sight ..	Kroner to £1 ..	18.159	14.10	14.45
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.80	15.80
Petrograd, sight ..	Roubles to £100 ..	94.57	219	222
Alexandria, sight ..	Piastres to £1 ..	97 1/2	97 1/2	97 1/2
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Hong Kong, T.T. ..	Sterling to dollar ..	—	2/7 1/2	2/8
Shanghai, T.T. ..	Sterling to tael ..	—	3/11 1/2	4/0 1/2
Singapore, T.T. ..	Sterling to dollar ..	—	2/4 1/2	2/4 1/2
Yokohama, T.T. ..	Sterling to yen ..	24.58d.	2/18	2/18
New York, cable ..	Dollars to £1 ..	4.86 1/2	4.76 1/2	4.76 1/2
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	49 1/2	49 1/2
Valparaiso, 90 days ..	Pence to peso ..	—	12 1/2	12 1/2
Montevideo, T.T. ..	Pence to dollar ..	51d.	53 1/2	53 1/2
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13 1/2	13 1/2

OPEN MARKET DISCOUNT.

	Last week.	This week.
Thirty and sixty day remitted ..	Per cent. 4 1/2	Per cent. 4 1/2
Three months ..	4 1/2	4 1/2
Four months ..	4 1/2	4 1/2
Six months ..	4 1/2	4 1/2
Three months fine inland bills ..	5 1/2	5 1/2
Four months ..	5 1/2	5 1/2
Six months ..	5 1/2	5 1/2

BANK AND DEPOSIT RATES.

	Last week.	This week.
Bank of England minimum discount rate ..	Per cent. 5	Per cent. 5
.. .. short loan rates ..	—	—
Bankers' rate on deposits ..	4	4
Bill brokers' deposit rate (call) ..	4	4
.. .. 7 and 14 days' notice ..	4 1/2	4 1/2
Current rates for 7 day loans ..	4 1/2	4 1/2
.. .. for call loans ..	3 1/2—4	3 1/2—4

We are advised by the London office of the Yokohama Specie Bank that the City of Tokyo announce that the operation of the Sinking Fund for the year 1917 has been carried out by way of purchases on the market, and that bonds for £65,000 (nominal) have been so purchased, and are now cancelled.

STOCK EXCHANGES' TEN-YEAR RECORD.—This valuable compilation, published by Fredc. C. Mathieson and Sons, has reached its eleventh year of issue, and it forms an indispensable adjunct to other financial reference books. It concerns itself merely with quotations and dividends for the past ten years, but as it gives the principal stocks dealt in on provincial Exchanges, and sets out the particulars in the most convenient manner for ready reference, it serves a purpose entirely its own. The volume now runs to 500 pages, and is published at 10s.

RUBBER PRODUCING COMPANIES, 1917.—This is the official guide of the Mincing Lane Tea and Rubber Share Brokers' Association, Ltd., and is published by the *Financial Times* at the price of 3s. 6d. nett. Rubber shares have become such a popular medium for speculative investment that this handbook is certain to be widely appreciated, and, indeed, it is almost indispensable to the investor who takes even a moderate interest in the industry. The information given is brought as far as possible right up to date, and includes acreage, purchase price, analysis of production, costs, nett profits and dividends during the past six years, together with particulars of forward sales, excess profits duty (where available), highest and lowest prices, crop estimates, and other information useful to the investor. There is also a list of directors and secretaries. It will be seen that the work is of a comprehensive character, and the information given is admirably arranged for easy reference.

The Week's Stock Markets.

It took the Stock Exchange a day or two to shake off the holiday feeling, and as the war news was not particularly stimulating, the tone in most departments

	Last Week	This Week		Last Week	This Week
Consols.....	55½	56	N.S.W. 4½% 5 yr. bds.....	98½	98½
War Loan 3½%.....	86½	87½	" 4½%, 1922-7.....	91	91
" 4½%.....	95½	96½	" 5%, 1921-3.....	96	96
" 5%, 1929-47.....	94½	94½	" 5½%, 1920-3.....	98½	98½
" 4%, 1929-47.....	102½	102½	New Zealand 4%, 1929.....	86	86
India 3%.....	57	57	Queensland 4%.....	80	80
" 3½%.....	67	67	" 4½%, 1920-5.....	93½	93½
Australian 5½%, 1920-22.....	99½	100	Union of S. Africa 4½%.....	92	92
Canada 4%, 1940-60.....	81½	82½	1920-5.....	92	92
" 4½%, 1920-5.....	93½	93½	Victoria 4½%, 1920-5.....	93½	93½
N.S.W. 4%, 1933.....	82½	82½	Westn. Aus. 4%.....	81	81
Argentine 4%, 1900.....	65	65	French War Loan, 5%.....	80½	80½
Belgian 3%.....	62	60x	Japan 4½% (1st), 1905.....	97	97
Brazil, 1913.....	71	71	" 5%, 1907.....	93½	93½
" 5%, 1914.....	81	80x	Mexican 5%, 1909.....	59	59
Chinese 1896.....	93	93	Russia 4%.....	56	55½
" 1912.....	78	78	" 4½%.....	63	63
Egypt Unified 4%.....	84	84	" 5%, 1906.....	72½	72
Caledonian defd.....	8½	8½	London and N.-W.....	95½	95½
Gt. Central prd.....	13½	13½	London and S.-W. dfd.....	22	22
" dfd.....	6½	6½	Do red. pf. 1914.....	92x	92x
Gt. Eastern.....	35½	35½	Metropolitan.....	22½x	22½x
Gt. Northern dfd.....	38½	38½	Do. 5% pf.....	90	90
Gt. Western.....	88½	88	Met. District.....	15½	15½
Lancs. and Yorks.....	65x	65x	Midland dfd.....	57x	57x
London Brighton dfd.....	58½	58½	Nth. British dfd.....	13½	13½
London Chatham ord.....	88	88	Nth.-Eastern.....	101	101
Canadian Pacific.....	180	180x	Sth.-Eastern dfd.....	26½	26½
E. Indian Guar. 4½% debts.....	86	86	Erie.....	28½	28½
Grand Trunk ord.....	10½	10½	Milwaukee.....	86½	86½
Do. 1st pf.....	64	66	N. Y. Central.....	100x	100x
Do. 3rd pf.....	24½	26½	Southern.....	29	30
Atchison.....	107½	107½	Southern Pacific.....	97½	97½
Baltimore.....	79½	79½	Union Pacific.....	142½	142½
Chesapeake.....	63	63	U. S. Steel.....	116½	116½
Antofagasta dfd.....	126½	127	Cent. Argentine ord.....	65	63½
Brazil Common.....	5½	5½	Leopoldina.....	39	38½
B. A. & Pacific.....	41	41	Mexican ord.....	17	17
B. A. Gt. Southern.....	78	77½	San Paulo (Brazilian).....	188½	188
B. A. Western.....	77	76	United of Havana.....	81	80½
Anglo-South American.....	6½	5½	London & S.W.....	12½	12½
Bank of Australasia.....	118	118	London City & Midland.....	78	78x
Bank of N.S. Wales.....	34½	34½	London County & West.....	14½x	14½x
Barclay & Co. "A".....	78	78x	London Joint Stock.....	22½	22½
Do. "B".....	11x	11x	Nat. Prov. of Eng. (£104 pf).....	27	26½
Capital & Counties.....	23	23	Do. (£12 pf).....	30½	30
Chartered of India.....	63	63½	Parr's.....	30	30
Hongkong & Shanghai.....	82	82	Standard of S.A.....	10½	10½
Lloyds.....	24	24	Union Discount.....	10½	10½
London & Provincial.....	15	15	Union & Smiths.....	23½	23½
London & Brazilian.....	23½	23½	Kynochs.....	32/	32/6
Armstrong, Whitworth.....	39/6	39/6	Mond Nickel ord.....	3½	3½
Birmingham Small Arms.....	49/6	49/6	South Durham Steel.....	34/9	35/6
Cammell-Laird.....	58	58	Thornycroft.....	36/	36/
Cargo Fleet.....	22/	22/	Vickers.....	38/9	38/9
Dorman, Long.....	38/3	38/6	Pine Cotton Spinners.....	30/	30/
Associated Cement.....	3½	3½	Forestral Land.....	45/6	45/6
Borax dfd.....	37/	37/6	Furness, Withy.....	48/9	49/
Bovril.....	19/	19/	Harrods Stores.....	2½	2½
Brazil Traction.....	50	49	Hudson's Bay.....	7½	7½
British Amer. Tobacco.....	18/9	18/9	Imperial Tobacco "C" pf.....	34/6	34/6
British Aluminium.....	30/	30/6	Lever Bros. "C" pf.....	20/0	20/
British Oil & Cake.....	29/9	30/	Lyons, J.....	3½	4
Brunner, Mond.....	4½	4½	Marconi.....	3½	3½
Castner-Kellner.....	3½	3½	Maypole Dairy dfd.....	24/6	24/6
Coats.....	6½	6½	National Steam Car.....	19/9	19/9
Courtaulds.....	7½x	7½	Pears, A. & F.....	18½	18
Cunard.....	4	3½	P. & O. dfd.....	329½	322½
Dennis Bros.....	34/	34/	Royal Mail.....	114½	113½
Eastern Telegraph.....	143½	143½	Underground Inc. Bds.....	81	81½
Eastmans.....	7/	7/3	North Caucasian.....	1½	24/
English Sewing Cotton.....	48/6x	48/1x	Romanian Cons.....	11/6	11/6
Anglo-Egyptian "B".....	15/3	16/6	Royal Dutch (100 gulden).....	47	48
Baku (10s.).....	2/6	2/9	Shell.....	55½	5½
Burmah.....	6	6	Spies (10/-).....	12/9	11/9
Lobitos.....	42/6	2½	Ural Caspian.....	1½	1½
Maikop Pipeline.....	3/	3/	Merlimau 2/-.....	6/1½	6/1½
Mexican Eagle pf.....	60/	3½	Pataling 2/-.....	42/3	42/3
Anglo-Java Rub. (2/-).....	7/1½	7/1½	Port Dickson 2/-.....	4/	4/½
Anglo-Malay 2/-.....	14/9	14/10½	Rubber Trust £1.....	28/	28/3
Ayer Kuning £1.....	52/	51/6	Sapumalkande £1.....	26/6	26/6
Bukit Mertajam £1.....	5/	5/1½	Selangor.....	34/6	34/6
Bukit Sembawang 2/-.....	3/4½	3/4½	Sialang £1.....	78/9	78/9
Carey United £1.....	48/	47/6	Singapore Para 2/-.....	4/6	4/6
Chersonese.....	3/8½	3/8	Singapore United 2/-.....	3/2	3/1½
Gula Kalumpang £1.....	37/	36/3	Taipung 2/-.....	4/6	4/6
Highlands £1.....	58/6	59/6	Tandjong £1.....	87/6	87/6
Java Para £1.....	34/ x	33/9	Tandjong Malim £1.....	34/3	35/
Johore Rubber Lands £1.....	37/	36/9	Tebrau £1.....	71/9	73/6
Langen Java £1.....	46/6x	46/6x	United Serdang 2/-.....	11/9	11/10½
Linggi 2/-.....	28/9	30/	Valambrosa 2/-.....	24/10½	25/6
London Asiatic 2/-.....	8/10½	8/11	Gt. Boulder (2/-).....	12/	12/
Malacca £1.....	5½	5½	Kyshtim.....	2	1½
Malayalam £1.....	38/	38/	Mashonaland Agency.....	5/	5/
Abbotiakoona (10/-).....	4/9	4/9	Meyer & Charlton.....	5½	5½
Bechuanaland Exp.....	6/	6/	Modder "B".....	7½	7½
Brakpan.....	5½	5½	Do. Deep.....	7½	7½
Broken Hill Prop. (8/-).....	48/	47/6	Mysore.....	3½	3½x
Cam & Motor.....	10/	10/	Rand Mines (5/-).....	3½	3½
Central Mining (£12).....	6½	6½	Rio Tinto (£5).....	62	62
Chartered.....	13/1½	13/1½	Russo-Asiatic.....	4½	4½
City Deep.....	4½	4½	Spring Mines.....	3½	3½
Cons. Gold Fields.....	1½	1½	Tanganyika.....	3½	3½
Cons. Langlaagte.....	24/	24/	Taualyk.....	1½	1½
Crown Mines (10/-).....	2½	2½	Van Kyn Deep.....	3½	3½
De Beers dfd. (£2 10s.).....	13½	13½			
East Rand.....	7/3	7/3			
Geduld.....	40/	39/9			
Gov. Areas Mod.....	3½	3½			

* Treasury prices.

was inclined to be flat. Russian weakness in Galicia was emphasised by a renewed fall in the value of the rouble, although unofficial messages certainly indicate that the situation is improving. But there is a

tendency in some quarters to be nervily impatient, without giving due weight to the terrible difficulties that have still to be encountered, and ignoring the fact that under the most favourable circumstances the new Government must have a reasonable time to evolve order out of chaos. Perhaps, however, the principal incident of the week has been the marked strength of the 4½ per cent War Loan, which has advanced very sharply on the more immediate prospect that the conversion rights will again become valuable. There has been talk in some quarters that the next loan, which has just been sanctioned by Parliament, may be issued in October, but the balance of opinion is against the issue being made at such an early date, which does not give time for the last loan to be properly digested. There is a good deal of pure speculation in the dealings in 4½ per cents., and that is not to be wondered at, for it will be remembered that while the option to convert into Fours or Fives was open the price rose to close on par, and immediately afterwards dropped 10 points. We should think few holders will risk a similar experience a second time. Elsewhere business was quiet enough, and only in a few specialities was any particular interest displayed.

Although the Stock Exchange was closed from Friday till Tuesday morning, only a very poor show of orders accumulated—all told, they did not reach 3,000 markings, a poor enough average for a single day. On the whole, such news as there was read favourably, and in spite of the scarcity of business the feeling was cheerful wherever it was put to the test of actual dealing. The 4½ per cent. War Loan easily took the most prominent place on the view that another big loan cannot be very long delayed, although the powers sought for its issue are merely a precautionary measure. Of course, when it does make its appearance, the conversion rights of the 4½ per cents. will again become valuable, and as there was little floating stock to be had, the price rose smartly. Consols and the 3½ per cents. followed timidly, and Bank stock improved, but Indian issues were rather weak. Colonials were firm, as a rule, but scarcely mentioned. In the Foreign market Russians were dull on a rise in the exchange, and Brazilians were offered. Cuban Ports had a smart rise, and Greeks were in favour, but most of the usual favourites, like Japanese, Chinese, and Argentines, were neglected.

Home Railways opened fairly well, but they became stagnant later, and a good many of them shed a fraction. It meant nothing particular, except that there were a few—we may say a very few—selling orders on an unwilling market. American Rails were utterly idle as a rule. Canadian Pacific gained a fraction, and Grand Trunks showed decided strength on more hopeful views about the attitude of the Dominion Government, but they closed below the best, in spite of a very good traffic return. Mexicans did not budge, and Argentines were flat partly in connection with poor traffics, but mainly owing to the unexpected Central Argentine issue of £500,000 6 per cent. five-year notes. Consequently the news that the labour difficulties had been settled was ignored. Most other things in this section were dull and neglected.

Bank shares, as a rule, were firm, especially Colonial and Foreign descriptions, but National Provincial lost a fraction. Breweries continued to advance, City of London, Allsopp preference, Guinness, and Meux debentures being particularly favoured, but Watney, Combes fell back a little on profit-taking. Iron and Steel shares gained a nimble sixpence here and there, and that was about the extent of their movements. In the Land group, Hudson's Bay advanced a fraction on the report, and there was some demand for British North Borneo, Duff Development, and Pahang. Shipping shares generally were steady, but P. and O. deferred gave way rather sharply, and Royal Mails also declined. Among Telegraphs, Marconis eased off on the suspension of the Transatlantic service, but they recovered a trifle as the result of the meeting. Brazilian Tractions were weak, and there was scarcely anything doing in Miscellaneous Industrials.

Oil shares came in for more support, and many of the leading shares put on a fraction, Royal Dutch, Shells, Mexican Eagles, Anglo-Egyptian, Trinidad Leaseholds, and others, showing marked strength, but the movement does not seem to have a great deal of push behind it. Rubber shares were firm, owing to the recovery in the price of the material, but dealings were very quiet, and the changes as a rule quite insignificant. There is little supply of floating stock; consequently offers of shares are quickly snapped up and buying orders are a matter of negotiation, except in the few cases where there is a comparatively free market.

Marconi's Wireless Telegraph Co., Ltd., announces that, in conformity with instructions received from the Government, on the 4th instant, the transatlantic service, both eastbound and westbound, will be discontinued until further notice. The closing of this service is in no sense brought about by any fault of the Marconi Company, either here or in Canada, but is purely a necessary war measure.

LONDON PRODUCE MARKETS.

General quietness governed the various produce markets, a holiday feeling prevailing, and auctions in most instances were held over.

SUGAR in good demand, and pieces other than white were raised to 44s. 6d. per cwt.; granulated and all other white sugars, 46s. 9d.; cubes, crushed, &c., 53s. 9d.

COFFEE.—Spot quiet, but firm for all suitable qualities. The terminal market is quite inactive.

COCOA and TEA.—No public sales were held this week.

SPICE.—Pepper met with quiet support, but rates moved steadily. Singapore black, July-September, value 10½d.; Muntok, ditto, 10½d., c.f. and i. terms. Cloves quiet, steady. Zanzibar 0½d.

CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING AUGUST 10, 1917.

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt.	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
duty 14½, 98% polarisation			Australian		
Tate's Cubes ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Crushed	2 13 9	2 13 9	Scoured Cr'ssbr'd	nom.	nom.
Granulated .. .	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Crossbred	nom.	nom.
Foreign granulated, first marks			New Zealand (scoured) Merino	nom.	nom.
f.o.b., spot	nom.	nom.	Greasy Crossbred	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Cape snow white	nom.	nom.
French Cube			Indiarubber p. lb.		
prompt	nom.	nom.	Plantation, Spot		
Crystallised, West			Crepe	0 2 5½	0 2 6½
India	nom.	2 6 9	Coal —per ton		
Beet, 88% f.o.b.	nom.	nom.	Durham, best ..	nom.	nom.
Tea —per lb., duty 1½ lb.	s. d. s. d.	s. d. s. d.	Seconds	nom.	nom.
Indian Pekoe ..	11-1 6	11-1 6	East Hartlepool ..	nom.	nom.
Broken	1 0-2 0	1 0-2 0	Seconds	nom.	nom.
Orange	11-2 6½	11-2 6½	Seconds	nom.	nom.
Broken	1 3-3 1½	1 3-3 1½	Steamers, best ..	30 0	30 0
Pekoe Souchong ..	11-1 5	11-1 5	Seconds	27 0	27 0
Ceylon Pekoe ..	11-1 8½	11-1 8½	Lead —per ton.	£ s. d.	£ s. d.
Broken	1 3-1 10½	1 3-1 10½	English Pig	nom.	nom.
Orange	11-1 5	11-1 5	Foreign soft .. .	£30½-£29½	£30½-29½
Broken	1 0-1 11½	1 0-1 11½	Quicksilver —per bottle firsthand	nom.	nom.
Pekoe Souchong ..	11-1 0	11-1 0	Tin —per ton		
Cocoa —per cwt.	s. s.	s. s.	English Ingots ..	£242-245	£243-244
duty 6½, per lb.			Do. bars	£243-246	£244-245
Trinidad—per cwt.	82 0-87 0	82 0-87 0	Standard cash ..	£245½-246	£244½-244½
Grenada	66 0-81 6	66 0-81 6	Tin Plates, per box	nom.	nom.
West Africa .. .	55 0-65 0	55 0-65 0	Copper —per ton.		
Ceylon Plantation	70 0-85 0	70 0-85 0	English, Tough, per ton	nom.	nom.
Guayaquil Ariba ..	92 0-98 0	92 0-98 0	Best Selected ..	£135-£131	£135-131
Coffee —per cwt.			Sheets	£160	£160
duty 4½, per cwt.			Standard	£125-125½	£125-125½
East India	75 103 0	75 0-13 0	Jute —per ton.		
Jamaica	66-120 0	66 0-120 0	Native firsts for shipment	nom.	nom.
Costa Rica	75 100 0	75 0-100 0	Oils —		
Provisions —			Linseed, per ton ..	£58-£63	£58-£63
Butter, per cwt.			Rape, refined	£71	£71
Australian finest	nom.	206/-209/-	crude	£66	£66
Irish Creameries	nom.	206/-211/-	Cott'n Seed, crude ..	£60	£60
Dutch ditto .. .	204/-212/-	220/-	Ditto, refined .. .	£67-£95	£67-£95
Russian finest ..	nom.	nom.	Petroleum Oil, per 8 lbs.	1/3½	1/3½
Normandy baskets	nom.	nom.	Water White .. .	1/4½	1/4½
Danish finest ..	230/-240/-	230/-240/-	Oil Seeds, Linseed		
Brittany rolls ..	nom.	22/6-24/-	Calcutta—per ton		
doz. lb.	nom.		Spot	30 0 0	30 0 0
Bacon —per cwt.			Rape	30 0 0	30 0 0
Irish	155/-157/-	155/-157/-	Iron —per ton		
Continental .. .	150/-157/-	150/-157/-	Cleveland Cash ..	nom.	nom.
Canadian	148/-150/-	153/-	Tobacco —duty, unmanufactured		
American	143/-150/-	140/-150/-	7/4 to 8/0 per lb.		
Hams —per cwt.			Maryland & Ohio		
Irish	150/-154/-	170/-	per lb. bond ..	nom.	nom.
Canadian	nom.	138/-142/-	Virginia leaf .. .	0 8-2 1	0 8-2 1
American	110/-135/-	110/-137/-	Kentucky leaf ..	0 7-0 11	0 7-0 11
Cheese —per cwt.			Latakia	2 0-5 0	2 0-5 0
Dutch	104/-126/-	112/-126/-	Havana	1 6-6 6	1 6-6 6
Canadian	nom.	nom.	Manila	nom.	nom.
English Cheddar	132/-	132/-	Cigars, duty 10/6 per lb. ..	2/ upds.	2/ upds.
Wilts loaf .. .	nom.	nom.	Timber —Wood.		
New Zealand ..	nom.	nom.	Pitch Pine	300/-400/-	300/-400/-
Rice —per cwt.	d. s. d.	s. d. s. d.	Indian Teak .. .	380/-700/-	380/-700/-
Japan	29 6	29 6	Turpentine —		
Rangoon 2 stars ..	26 3	26 3	American Spot ..	2 15 9	2 16 6
Eggs —per 120.			Copra —per ton	46 0 0	46 0 0
English	26 0-27 0	26 6-27 6			
Irish	23 6-25 0	23 0-25 6			
Danish	23 0-25 0	23 0-25 6			
Spelter —					
G.O.B. as to position	£54-£50	£54-£50			
Flour —per sack.					
Country Straight					
Runs ex Mill ..	58/6-61/-	58/6-61/-			

fair quality, spot, 1s. 3d. Tapioca quite idle. Fair flake, spot, 6d.; Penang seed pearl, 54s.

RICE.—Market without new feature with only limited trading. Beans and peas quiet, unchanged.

HEMP.—Very slow, but steady for New Zealand, and fair quality, July-September, quoted £89, c.f. and i.

SHELLAC.—Market firmer. Fair T.N., spot, sold, 226s. to 230s. For future delivery, October, sold, 226s. 6d. to 232s.

GAMBIER dull of sale. Block, July-August, 50s., ex quay, Liverpool.

RUBBER market firm, but trade moved quietly. Plantation spot crepe, sold, 2s. 6d. to 2s. 6½d., and October-December, 2s 7½d. to 2s. 8d.; ribbed smoked sheet, spot, sold, 2s. 5½d. Fine hard

Para spot, value, 3s. 2½d.; soft fine, 2s. 10d.; and Caucho ball, 1s. 10d.

COPRA market quietly firm. Ceylon, July-August, London, buyers, £46. F.M.S., Singapore, £45 15s.; and F.M. Straits, £45 10s.

CORN (Mark Lane).—Only a small amount of business has been in progress since the re opening of the market this week, quotations remaining mostly unaltered since last report. Wheat: Native grain remains in short supply, both whites and reds ruling at 74s. to 78s. per qr., 480 lbs. Imported No. 4 Manitoba, 81s. 3d., ex ship; No. 5, in similar position, 77s. 3d.; Canadian feed, 71s., ex quay. Flour: Country straight runs, 58s. 6d. to 61s., according to quality, ex mill. Oats: American white clipped No. 2, 60s. 6d., ex ship; 61s. 6d., landed. Barley: English, 65s. Maize: Plate, 81s.; and flat white South African, 83s. 6d., both quay terms.

COTTON (from our Manchester correspondent).—The market during the past week has presented a quiet appearance. Local holidays have somewhat affected business negotiations. Limited operations have transpired in all quarters, and there has been a general lack of enterprise on the part of buyers. At the time of writing no definite announcement has been made by the Control Board with regard to curtailment of production, but it is said that an official statement will be published during the next few days. The feeling is growing that the stoppage of machinery may not be necessary in view of the promise of the Government to facilitate freer imports of raw cotton from the United States. The inquiry in piece goods for export has run on small lots. India, on the whole, has given very little support, but light fabrics continue to attract more attention than grey shirtings. For China a fair demand has been dealt with, but shippers are not so eager to place orders of weight as a little time ago. Goods suitable for printing and dyeing have been in moderate request for South America. Rather less activity continues to show itself for Egypt. In view of the uncertainty as to the extent of production during the next few months, more manufacturers are refusing to commit themselves to definite deliveries. American yarns for home consumption have tended to harden in quotation, in sympathy with the upward movement in raw cotton rates. Demand has not been at all active, and some spinners have lost ground. Some fair lots have again been put through in bundle yarns for India. The Egyptian yarn market continues very unsettled, and restricted operations have occurred, especially in coarse counts.

Answers to Correspondents.

*: A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.

Deposits against future queries may be lodged with the Publisher.

Sims.—(1) Yes; if you can get them at that. (2) Yes, also. The preference have many advantages to the mere investor.

Elm Tree.—We are afraid not. The whole market is buoyed up through the war to a most unhealthy extent. Keep clear of it.

Much Poorer.—We are disposed to say, "Clear out and be thankful." The company has large interests, but is also smothered in debt.

M. R. M.—There is no objection to a further purchase if you can buy at about the price you name. We believe the company is doing very well.

L. D. N.—Write to the local surveyor and ask him for a form. Follow the instructions carefully, fill it up, and forward it as instructed by him.

C. R. T.—The traffics show fair increases, and the shares are a moderately attractive speculation, but we do not think there is any very important rise in them.

Skipper.—Prospects certainly seem brighter. The company owns a large property, and we think you might hold on for the present.

A. J. C.—No; leave them alone, and burn the paper.

Catford.—(1) Are at a fair premium, but has prospects. (2) Should not recommend these. (3) Premium high, but company has large property and is doing well. (4) Also has a good property and premium comparatively moderate. (5) Quite good, but look fully priced. (6) Do not touch.

D. L. G.—The interest is safe, and we see no objection to a purchase, but we cannot say that the stock will not go lower. That depends entirely on how the value of money moves after the war.

BOOKS RECEIVED.

Chambers's Income-Tax Guide. By John Burns, W.S. 1s. 6d. nett. Publishers: W. and R. Chambers, Ltd., Edinburgh.

Rubber Producing Companies—1917. Official Guide for Investors in Rubber Shares. Issued by Mincing Lane Tea and Rubber Share Brokers' Association, Ltd., 6, Mincing Lane, London, E.C. 3. Published by Financial Times, Ltd.

Stock Exchanges' Ten-Year Record of Prices and Dividends. Compiled by Fredc. C. Mathieson and Sons, 16, Copthall Avenue, E.C.

By-the-Way War Notes.

Nervousness is visibly on the increase amongst Germans of all classes whose articulate expressions are allowed to emerge from the gloom. The very boasting is now feverishly eager, and as for the lying, it becomes more grotesque than ever. We are getting suggestive illustrations daily of the misguided assiduity with which all classes of Germans in a position to direct the public mind lie; but it is not now so certain that those who become cognisant of the lies absorb them with the readiness displayed when the war broke out and for long after. Twice within the last fortnight a rumour has got into print that German regiments are mutinying. A Prussian regiment or battalion was said to have struck work first, and this week came a similar tale about some discontented Bavarians. We must put no weight upon tales of that kind any more than upon the utterances of puppet Chancellors or of histrionic "Kaisers," mummers "by divine right." They and the peoples they prey upon and devour are nearing the edge of the pit.

The mention of Kaisers reminds us of the interesting revelation made in the *Daily Telegraph* this week regarding William Hohenzollern's attempt to bamboozle President Wilson at the beginning of the war. The *Daily Telegraph*, in conjunction with the Public Ledger Co. of the United States, has secured the right to reproduce Mr. Ambassador J. W. Gerard's story of his "four years in Germany," and the first instalment, published last Monday, contained the text of a telegram to President Wilson which Mr. Gerard saw the Kaiser write out in English with his own hand as he sat under a large sunshade umbrella in a little garden of the palace in Berlin. It throws a most curious light upon William's mentality, and we are not surprised that its publication now has excited universal interest. The lies about King George and Sir Edward Grey are almost dementedly absurd.

There was a whine in the mendacity even at this early stage. The man's conscience was plainly ill at ease; for though he has let loose ruffianism indescribable on the world, the chief of the Hohenzollerns himself seemed not yet wholly debased; he was only a presumptuous fool whose vanity and self-assertiveness are such as to make him an easy captive of men abler than himself. He drives us to marvel more and more how any people conceiving itself enlightened and civilised could have tolerated such a man's mountebank career in the character of God's representative on earth for the long time the Germans have done. But even this communication which he asked Mr. Gerard to telegraph direct to President Wilson, and for publication—which his officials prevented—betrays a consciousness that he was lying beyond even the license of the Prussian code of morals. As first drafted, he told the President that the German Government already had knowledge of the violation of Belgian territory by France. He altered the word "knowledge" to the word "news." It did not change the lie, but made it a trifle less brazen-looking. It was a deliberate lie, and so was all the story about what our King George had agreed with Prince Henry of Prussia. This is why the effusion is so valuable now.

We shall continue to read Mr. Gerard's story with the utmost interest and attention, for it is placidly written and full of interesting sidelights on the German quality of mind and the, perhaps unconsciously, dishonest character of German officials. They revealed themselves, as it were, to be blackguards without being conscious of their degradation. Nay, they think ruffianism a merit, and act always as men emancipated by their superior force from all restraints whatsoever. They are full of rage, therefore, when the world declines to submit to their insolence, like that be-trinketed grand duke who bawled threats of vengeance at Mr. Gerard because the United States was allowing arms and ammunition to be exported to France and Britain. And now at this present hour, when their fate is imminent, their energies in tortuous knavery of every description has become more imposingly brazen than ever.

Russian affairs are probably improving, but still far from satisfactory; but great though the disappointment of the Allies is at the Russian retreat in Galicia, and anxious though they all may be about the position of Rumania, threatened now from the Carpathians, the Russian armies have not run away altogether. In many instances they have rallied, fought, and are now fighting and rallying to fight so well that the mixed hordes of Germans, Austrians, Bulgars, Turks, and heaven—or the other place—knows what else, composing the Teutonic armies sent against them have had to pause and sometimes to give ground. The task of the despots is growing harder, too, the further they penetrate into Russia, permitting us to hope that Korniloff and his generals may yet eat up the swarms. To look, however, at the German bulletins descriptive of this campaign one would suppose that a great host of magnificently disciplined troops, splendidly armed and equipped, never wanting a meal or a drink, was courageously and effectively driving a beaten enemy before it like sheep along splendid roads. That is the impression the German High Staff wishes to convey to their own people and to spread abroad; and the display of so much braggadocio in this direction leads us to infer that Russia is becoming herself again, and that things are not going so well within Germany as we are invited to believe; still less going smoothly with the Austro-German armies.

About events in the West the language of the Prussian liar is less florid, but the insolence of the lying in relation to the battles now in progress is quite as significant of baffled fury. Apparently the French and ourselves are marking time, or just passively waiting to be destroyed by the all-mastering German; and, as there is a pause while we prepare for the next slaughter, the Germans have room to exercise their imaginations in describing attacks by the French and ourselves which never take place, and triumphs against an enemy they never reach. But it must not therefore be supposed that our armies are either idle or getting thrashed. Very far otherwise; the Allies are at work continually, demolishing the enemy, destroying his works, his material, and pushing him out of his reinforced concrete and wire-surrounded fortresses and dug-outs so that he will not have such good quarters to hide in as he had last, should he elect to face the ordeal of another winter in the mud of Flanders, the chalk of Champagne, or the clayey valleys beyond the heights the Allies have won back from him all along the front. "You cannot break through," is the Hindenburg way of lying, and we are breaking through all the time.

Nor will the Austrians be happy this coming winter amongst the Italian Alps, for Italy has definitely obtained the mastery there, even as the French and ourselves have in the West. But the people responsible for originating and carrying on the war, the people whose pride is still too rank to allow them to accept their defeat and its consequences, lie and boast all the louder as the danger of collapse and of possible revolt at home comes nearer. Therefore are we more and more cheered as we take note of their performances. And the younger of the two Kaisers threatens to become as amusing as the older. William has for the present ceased to patronise his pet deity, and Charles appears to have taken pity on the abandoned fetish and clasped it to his bosom. He even condescends to beg his "Almighty" to continue the favours which, by the limpness of the Russian resistance, have enabled his troops to again occupy the Bukovina. We accept this sudden piety also as a good sign. Ours be the duty to continue the war steadily, unflinchingly.

We are glad to see that the Prime Minister was able to look in for a few minutes at the luncheon given to the delegates from our Allies who have been in conference here this week, for it gave him the opportunity to speak words of comforting and hope to Serbia. We were not very wise, perhaps, in our handling of the Balkan difficulties at the outset of the war. Sir Edward Grey was too honest a man to be able to believe that Bulgarian treachery could go the lengths it did. Many proofs, none the less, have been given to the Serbians,

before the war began and since, that the heart of this country has all along been on their side. Official assurance that it was so was none the less needed to put new heart in them, and will do much good, for the return to their homes has been long delayed, and this new failure of Russia, with the consequent threatening return of the hated and insolent Austrian, is a great sorrow. But Russia will revive again, and, whether or not, Serb and Ruman must fight on by our side till delivered. Serbia, like Belgium, Mr. George promises, is to be put back in its position as a free and independent State, and we hope, in spite of Russia's temporary weakness, to see it a State enlarged by the inclusion of kindred Slavs now under the heel of the Habsburg tyranny, so that the new and greater kingdom of Serbia may, with the Republic of Greece and the greater Rumania, be guardian of a liberated Danube, keeper of the gates of a free pathway through the Balkans and Constantinople from Europe to Asia, with Italy supreme partner and guardian of traffic in the Eastern seas.

Amongst the other lies—for lie it is—put forth by Germans is the assertion that their average losses of submarines since their campaign for Britain's subjugation began has been only two a month, and that they are making good this loss many times over by the speed of their building. We have no figures to put against these assertions, but the general facts appear amply to prove the German authorities to be faithful to their duplicity. If the German navy yards were able to produce new submarines at the speed indicated, then our losses through their depredations must have increased to an extent they certainly have shown no signs of doing. Last week's figures, to be sure, look a little worse than those of the previous week, but only look. So far as large ships are concerned the sinkings were no more numerous than those for the week ended July 22. Only 21 ships of 1,600 tons and upwards were returned as being sunk last week and two of under 1,600 tons, but the 21 includes two sunk but not reported the previous week, so that, adjusting the record by carrying these two back, we get 19 large ships sunk last week as against 20 the previous week, and two small vessels as against three. Altogether 31 ships were attacked, or the same number as in the previous week, a less number than in any earlier week except one since the universal piracy of the unscrupulous Prussian began. And the ships that entered and cleared British ports last week numbered 5,496, viz., 2,673 arrivals and 2,796 departures, so that the sinkings were under 0.33 per cent.

There is, however, another indication that seems to demonstrate to certainty the falsehood of the German assertion, and that, too, on German testimony alone. This is a curious intimation or threat that henceforth the whole power of the German submarine fleet is to concentrate on the destruction of British shipping. What could that concentration amount to? Next to nothing extraordinary, judging by the statistics of French and Italian losses. In the week ended August 5 four French ships over and two under 1,600 tons were sunk by enemy submarines or mines, and six were unsuccessfully attacked. During the same week the Italian losses were two steamers and a sailing vessel sunk, but whether by mines or torpedoes is not specified. We do, however, hear, and our information is reliable, that the torpedo is becoming less prominent in the sinking of ships than it was in the earlier phases of the fiendish energy in murder at sea. Mines have been fallen back upon to a growing extent. Frequently the mine-laying submarine sneaks into the roadstead of some important harbour of the Allies and scatters its deadly cargo. Probably enough several of the ships now sunk each week fall victims to this, the meanest of all forms of reptile warfare, not to the torpedo. German war expenses now probably amount to something near £6,000,000 a day on an average, and torpedoes are both highly expensive and difficult of manufacture. The mine is cheaper, and the submarine that carries mines has more chance of escaping our destroyers and our armed merchantmen than the boat that has to come up to the surface to aim its torpedo. But just because their

power to do as they wish on the ocean is on the wane the lying, bragging, and fulminations of the enemy are on the increase, and give us good cause to press on resolutely with the war with all our might in confidence of victory. The baffled and often thrashed *Junker* is helping us to our victory by his despairingly reckless consumption of German fighting men. But he assures the world that he has plenty of troops—something like 3,000,000 pitted against Russia and Rumania alone—plenty of guns and ammunition, plenty of food, and lines of communication galore on the East and in the West—and we wait his onsets. For he *must* attack and go on attacking until exhaustion supervenes. He devours his boys and what is left of his older men in wild endeavour to avert his fate.

American Business Notes.

Crop advices from the States are increasingly favourable. The estimate for the maize crop gives an increase of 100,000,000 bushels over last year, and the yield of the wheat now being threshed has exceeded all expectations. It is stated that an average of 40 bushels per acre is reported from Illinois, and that Washington Government is taking steps to increase the area under crops next year. It wants enough wheat to be sown to yield 1,250,000,000 bushels at next year's harvest, and also the acreage under rye to be increased so as to aim at a yield of 83,000,000 bushels. The programme of the Agricultural Department recommends the sowing of 47,337,000 acres with winter wheat with a view to yield 880,000,000 bushels. The spring wheat average cannot be determined, but to be equal to 1917 the production should be at least 350,000,000 bushels, and it is added that a vastly increased wheat production will be absolutely essential to prevent serious shortage of bread stuffs should the present maize crop, which is already behind the season, be damaged by early frosts.

The President has again triumphed in his dispute with the Legislature over the appointment of a Food Dictator, or, as Mr. Hoover, the man selected for the post, prefers to style it, Food Controller. Under his dictatorial powers this Food Controller will have full liberty to enforce uniform prices to the public in the United States, and presumably will be able firmly to keep down "profiteering" in the dealings with the Allies in Europe also; and—this is perhaps the most important power of all—Mr. Hoover will have unrestricted liberty to control all exports to neutral countries in a position to pass on to the Germans goods bought in America. Thus, in addition to cereals and animal food of all kinds, the control now extends to cotton, and the determination has been emphatically expressed in responsible American newspapers that none of this year's cotton crop will be allowed to find its way into the territories of the enemy.

Equally resolute is the action of the United States Parliament in the matter of raising money to pay for the war. When it left the House of Representatives the War Tax Bill proposed to raise £373,400,000 of additional revenue, but the Senate did not stop there, and increased the amount estimated for to £401,384,000. Of that larger amount, £200,000,000 is expected to come from the various taxes upon income, which, although severe, do not touch incomes up to £200 a year of the unmarried, and up to £400 a year of the married. War profits are to be taxed to an extent reckoned to yield £112,400,000, which is nearly three times the amount the House of Representatives was prepared to concede. The profits are to be calculated, says the New York correspondent of the *Daily Mail*, on the excess above the average of three pre-war years, and the taxes are to be graduated, beginning with 12 per cent. and rising to 50 per cent. Wines and spirits are looked to to yield an additional £41,400,000, and cigars, cigarettes, and loose tobacco are put down for £11,000,000. Also, £4,600,000 is expected from the theatre tax, which,

however, does not touch the picture shows charging a shilling or less for admission. Excess taxes on tea, coffee, cocoa, and sugar are entered for £17,200,000, and what are called "transportation" taxes, embracing goods, parcel posts, seats, berths, and passenger tickets, are assessed to yield £29,350,000, while some £680,000 is expected from perfumes and cosmetics.

Under the new regulations provided in the amendments of the Federal Reserve Law which received the approval of the President on June 21, the Clearing House Association of New York amended its constitution a week later to conform to the new requirements. The full legal reserve now required by members of the Federal Reserve Bank is reduced from 18 per cent. to 13 on call deposits, and from 5 per cent. to 3 on notice deposits. The percentage of reserve to deposits for State banks and trust companies not members of the Federal Reserve Bank are calculated on the same basis as before, viz., 18 per cent. on demand deposits in the case of State banks and 15 per cent. in the case of trust companies, these companies being regulated by State Law, and the State Law remaining unaltered in that particular. But the State Law does not require the holding of any reserve against time deposits. Owing to the lowering of the reserve requirements for the national banks, their surplus reserves have been enormously increased. The excess reserves of the Clearing House members, according to the statements of actual conditions as on July 5, were reported at \$278,453,000, and were larger than the reserves shown a week earlier by no less than \$173,639,000. Had the surplus reserve for July 5 been computed on the same basis as that used for June 30, it would have shown an increase of only \$52,046,000, and would have stood at no more than \$156,860,000, whereas the actual reserve surplus shown was as just noted above.

This sudden artificial increase in the apparent surplus is exciting a good deal of apprehension in the United States, and several eminent authorities in banking are giving expression to a fear that it is the beginning of currency inflation. The credit already piled on the top of the reserve looks formidable. Banks members of the Federal Reserve system at the beginning of July held deposits aggregating \$2,472,735,000, including \$68,139,000 of notice deposits. How much gold did these banks hold in their own vaults against this liability of about £500,000,000? Just a trifle over 2 per cent., or \$51,718,000. Besides this the banks held \$26,095,000 of silver and \$22,452,000 of legal tender, but even so their entire "cash" in every form was only slightly beyond 4 per cent. of their liabilities to the public. Contrasting this slender reserve with that shown by the trust companies in the Clearing House but outside the Federal Reserve system, we find that these latter held gold alone to the amount of nearly 10 per cent. of their demand deposits, and the State banks also outside the reserve system had a gold reserve of 6 per cent., or \$19,750,000, and, in addition, \$7,085,000 of legal tender notes and \$5,750,000 of silver. That is to say, they held in currency of all kinds \$31,980,000 against a liability of only \$209,052,000 on deposits repayable at call.

It is difficult to estimate as yet what this fining down of the Federal Reserve will lead to, but we fear it cannot be expected to increase the confidence of the public either at home or abroad in the ability of the United States to maintain the currency at par in all circumstances. Were the interests of the Federal Reserve banks to be confined exclusively to America this might be a matter of comparatively little consequence, but more and more the United States is destined to become a member of the community of civilised nations, and her bankers have shown an ambition to take the lead in the exchange markets of the world. New York has dreamed of supplanting London as the great world clearing house for business. There can be no possibility of attaining even partially to the fulfilment of that dream if the world is not satisfied that New York can pay in gold always and in all circumstances; but we need not begin to prophesy trouble, because long before

it overtakes the banks, the American people may have seen their mistake and set about providing safeguards. Moreover, the participation of the Republic in this war, wherein civilisation is striving to overcome barbarism, is going to mix up the financial interests of the Allies so inextricably as to make it imperative that they should all hold together through good fortune and bad, and assist each other in currency difficulties as in everything else.

An interesting and welcome change has come over the relations between Japan and the United States. Probably we should make no mistake in ascribing to German influences the hostility displayed towards Japan and the Japanese in North America. For years before the war race antipathies were diligently stirred up, and the American people were told that Japan had designs on Mexico, or that the surplus population of Japan was flocking into the Western States of the Republic as well as into Western Canada, with sinister designs quite German in character, to settle and annex; and that if no effort was made to check them the Japanese would soon occupy a dominant position all along the Pacific coast of the two American continents down perhaps as far as Ecuador or even Peru. There never was any foundation whatever for these tales, and only the Teutonic mind could have invented them. They were harmonious only with Prussian ideas on "progress," but until forced the bulk of newspaper readers do not stop to think whether they are being told the truth or not, or whether their journalistic guides were capable of forming reasonable opinions. So Japan would have to be taught a lesson, the man in the street came to think. We never believed that war could break out between the United States and Japan, but undoubtedly the feeling of jealousy grew strong in America, and led to a desire to circumvent the Japanese trader in Eastern Asia. Japan quite naturally considers that the trade of China should drift more towards her merchants and manufacturers than towards American or European, and her Government and people were doing their best to obtain the mastery, but it now seems probable that instead of rivalry there will be co-operation, and relations have so much improved between the two countries that a Japanese-American Association was formed at Tokyo in May last. Before that a club, composed of American and Japanese men and women, was formed in Tokyo in the autumn of 1906, but that club remained literary and social in character, whereas the one formed last May is a business club, and was promoted by the late Mr. Guthrie, American Ambassador in Tokyo, helped by a few Japanese and American gentlemen, who aimed at promoting good relations between the two countries.

The joint investment of American and Japanese capital in China is favoured, and there ought to be no real difficulty in making progress in that direction. Germany as a serious capitalist will be out of the way for an indefinite time; indeed, Germany has never been nearly so much in the way of other traders as the bounce, brag and advertising of her merchants in the East led people to suppose; but when this war closes, aye, even if it closed next week, Germany will have neither the men nor the means with which to resume her voracious trade methods in China, or anywhere else in the Far East. The field, therefore, is open to America to take Germany's place, but we see no reason why the partnership should not be extended and an association formed which would embrace Frenchmen, Italians, Englishmen and Russians, and that, instead of competing in groups or rival partnerships for the trade to be created and extended in China and Japan, in Siam and in other parts of farther Asia, there should be a combined organisation of all countries interested which would be capable of initiating, sub-dividing, and generally governing the trade of those regions, and of settling to which of the partners each particular order should be given. The day of rivalry must come to an end if civilisation is going to survive the waste caused by this war.

Japan is now moving ahead on her own account, and, as we have more than once pointed out, is using the

wealth accruing to her people by the enormous increase in her foreign trade not only to pay off her debt, but to extend her power to supply her neighbours with commodities they have hitherto obtained in Europe. The Imperial Budget for the current fiscal year, as submitted at the end of March, showed a surplus of 57,524,000 yen, revenue being estimated at 608,629,000 yen, and expenditure at 551,105,000 yen, but if we take the ordinary income and ordinary expenditure alone, the surplus was 144,574,000 yen, the Budget having contained an estimate for an extraordinary revenue of only 9,288,000 yen, whereas the extraordinary expenditure was put at 156,338,000 yen, but including everything an ample margin of 57,000,000 yen remained to be held in reserve to meet supplementary estimates if necessary, and this fine position was based upon the genuine prosperity of the country. Since the outbreak of the European War up to the end of April last the value of Japanese exports exceeded that of imports by 763,200,000 yen, or, roundly, £77,000,000. No wonder then that Japan should be paying off her war debt and energetically extending her trade at home, increasing her mercantile fleets, and sinking new capital in various other ways. Japanese shipyards are busily occupied in turning out steel cargo ships, not only for Japanese owners, but for foreigners, and the demand is so keen and the difficulty of obtaining steel so great, that Japanese shipowners are disposed to turn their attention to wooden vessels. Hence the Pacific Coast is being prospected for forests, and the United States will find a competitor in the market for the timber necessary to build her projected fleet of wooden ships. As another indication of progress, a cotton mill is likely to be built in Chosen. A meeting for establishing a South Sea Sugar Co. was recently held in Tokyo, the project being to buy a Dutch sugar factory in Java and to cultivate sugar-cane on 8,000 acres leased for 75 years from the Dutch Government.

Tea, Oil and Rubber.

Shipping restrictions, or the fear of them, are beginning to exercise some influence on the attitude of the rubber market. Hitherto they have not been felt, as the stocks in warehouse show. Rubber does not occupy much space for its weight, and except that shipments have been sent round by the Cape there has been practically no interference with the trade. Last week, however, only 836 tons were landed, while 1,013 tons were delivered and stocks were consequently reduced to 12,900 tons, but as this compares with 7,300 tons last year, the position seems comfortable enough. All the same, the prospect of a curtailment in supplies caused a harder tendency in the market, and the price of standard crêpe advanced to 2s. 6½d., while smoked sheet was quoted at 2s. 5½d. There does not appear to be any cause for uneasiness at present, and the Government is such a large consumer that it will doubtless take care not to let stocks run too low, but even if they fall to last year's level, the price would probably forge ahead rapidly. Anyhow, there is little chance of a fall in the quotations meantime, and the present level leaves a very handsome profit after paying increased freights and war risk insurance.

Port Dickson-Lukut (F.M.S.) Rubber Estates, Ltd., in the year to March 31 harvested 523,560 lbs., or 33,500 lbs. more than the estimate and 190,000 lbs. more than in the previous twelve months. The price realised was 2s. 7.65d., against 2s. 9.14d., while the all-in cost rose from 1s. 4.20d. to 1s. 4.85d. Gross proceeds amounted to £69,550, an increase of £23,000, but the nett profit was only £8,000 higher at £31,650, while £9,000 less was brought forward. However, the reserve this time gets only £5,000, against £15,000, and the dividend is raised from 10 per cent. to 12½ per cent., leaving £4,300 more at £8,460 to be carried forward. The estimated output for the current year is 700,000 lbs., to be obtained from 2,063 acres, an in-

crease in the tapping area of 300 acres as compared with last year. There are still 900 acres to come into tapping in the course of the next year or two, and 210 additional acres are being planted, so that the estate will be capable of a considerably higher output when it is in full bearing.

With a larger output, the Perak Rubber Plantations, Limited, did not do quite so well in the year to March 31 as in the previous twelve months. The production amounted to 524,140 lbs., or 24,000 lbs. over the estimate, and 45,000 lbs. more than in the previous year, but the average nett price realised was only 2s. 5.11d., against 2s. 7.36d. However, there was a small reduction in the all-in cost, which comes out at 11.38d., against 1s. 0.32d. Gross receipts amounted to £83,010, an increase of £7,600, but there was a loss on the rubber stocks brought over from 1915-16, and the trading account balance shows a reduction of £4,500 at £40,050. Income-tax required £5,500 more, and the nett profit is £10,000 down at £30,830. However, £6,500 more was brought in, and the dividend (rather recklessly) is raised from 8½d. to 9d., tax free, equivalent to 50 per cent. less tax, so the allocation to reserve is cut in half at £2,000, and £4,500 less at £8,420 is carried forward. The area in bearing was increased by 36 acres to 946 acres, but no important addition will be made for two or three years, when a further 305 acres will be ready for tapping. Consequently the output for the current year is estimated at only 530,000 lbs., and it looks as though production had been unduly forced, as a yield of 530 lbs. per acre in bearing is exceptionally high. Of course, the trees may be unusually forward, but, all the same, the position does not look quite encouraging, and to increase dividends in face of decreased profits always creates suspicion. The directors have asked for an increase in their remuneration from £550 to £1,000, tax free, and the amount does not seem exorbitant if the present rate of profits can be maintained.

To March 31 the Prye Rubber and Coconut Plantations, Ltd., harvested 268,100 lbs. of rubber (an increase of 20,000 lbs.) and 787,300 coconuts (an increase of 560,000), while for the current year the estimated output is 310,000 lbs. of rubber and 800,000 nuts. The yield of rubber fell from 350 lbs. to 290 lbs. per acre, and the trees have apparently been given a good rest, but the gross price realised was only 2s. per lb., which is a very low average. Nett profits amounted to £15,150, and with the amount brought in there is an available balance of £18,430, out of which it is proposed to put £2,500 to development reserve account, and to pay a dividend of 15 per cent., leaving a little less at £2,930 to be carried forward. The policy of thinning out weak and overcrowded trees has been continued, and over 17,000 trees were removed during the year, the benefit of which ought to accrue in the future. Perhaps the estate could do better if the excess profits tax were removed.

What Balance Sheets Tell.

COMMERCIAL GAS CO.

One cannot help contrasting the position of the gas industry with those many lines of endeavour where large profits are being made at the present time. Here is an industry performing a work of great national importance, with a larger output in many districts than before the war, and yet because the scale of charges and dividend payments are in most instances governed by Acts of Parliament, and framed at a time when present conditions were not thought of, most of the companies find themselves forced to reduce their dividends. This is the case with the Commercial Gas Co., whose accounts for the half-year ended June last have just appeared. The company sold in the period 142,500,000 more feet of gas, 126,700 more gallons of tar, and 5,450 tons of coke. The sale of gas realised £253,050, an increase of £26,720, residual products, including ammoniacal liquor, sulphate of ammonia, &c., £18,700, yielded £20,530 more at £107,200, and total gross revenue, including rentals, showed an improvement of £48,700 at £396,850. This gain was, however, more than swallowed up by the enormous increase in the cost of fuel, the coal and oil bill having gone up £59,700 to £214,630, and several other items of expenditure showing increases, the nett revenue comes out £26,400 down

compared with the corresponding half-year at £41,730. Of this £12,750 goes in interest charges, and the balance is some £15,500 short of the amount required to pay the reduced dividends on the 4 per cent. and 3½ per cent. stocks of the company, which are at the rate of £4 8s. per cent. and £4 per cent. per annum for the half-year respectively, compared with £4 18s. 8d. and £4 13s. 4d. twelve months ago. The payment of these dividends will leave the carry forward apparently at £60,350. The company has during the half-year expended £50,950 on new and additional steamships, and the capital account is now over-spent to the extent of £140,630. The stock of coal and oil is much larger, the amount at which it appears, £162,850, being practically double the previous figure, while cash has fallen £32,120 to £5,910. Amounts due to sundry tradesmen, &c., are £17,600 lower at £83,650, but the company has had recourse to further credit in the shape of a temporary loan, which figures in the balance-sheet at £210,000.

INVESTMENT CORPORATION OF CANADA, LTD.

Although the financial position of some of the enterprises the Investment Corporation of Canada is connected with seems to have improved, others are evidently still more or less in a dormant condition. The gross income for the financial year ended April last fell £3,950 to £50,900, and although expenses and debenture interest took £2,450 less, income-tax called for £6,580 more, with the result that profit available for dividend came out £8,100 less at £20,750. After providing for the preference dividend, 3 per cent., compared with 5 per cent., is paid on the ordinary shares, and the carry forward left is £1,260 up at £3,130. The outstanding feature in the balance-sheet is the reduction effected in loans on mortgage, which are £56,700 down at £625,880; this has enabled the company to wipe off its terminable note and bank loan, which figured in last year's balance-sheet at £26,950 and £17,875 respectively, and to increase its cash at bankers by £11,700 to £13,360.

YORK STREET FLAX SPINNING CO., LTD.

This well-known Irish industrial undertaking made a larger gross profit, after providing for excess profits duty, than in the financial period ended June, 1916; but expenses, presumably largely due to income-tax, showed a big increase, with the result that nett profit exhibits a substantial shrinkage. The profit, after making the provision referred to, amounts to £88,650, an increase of £4,370, expenses total £16,640, and the net profit, after providing for debenture interest, comes out £12,260 lower at £49,200. The capital reserve again receives £10,000, but no allocation, corresponding to the £10,000 set aside last year, is made to general reserve. This, however, is of small moment, as the fund already stands at £210,000, and the financial position of the company is a strong one. The balance of profit remaining after paying the preference dividend is utilised to pay the 8 per cent. dividend on the ordinary shares, a rate which has been maintained for the last twelve years. The carry forward is left £200 up at £30,170. Stocks of flax, yarn, cloth, stores, &c., are much lower, having fallen £122,700 to £546,480. Sundry debtors are £83,570 more, and £95,800 has been invested in War Loan. Current liabilities, on the other hand, total £25,600 more at £412,160, but on balance the position is much more liquid than a year ago.

WM. HANCOCK AND CO.

This old-established firm of Cardiff brewers is able to report improved results for the financial year ended May last, but profits have not risen to anything like the extent of those of many other undertakings whose reports have recently come to hand. Nett profit, after providing for debenture interest, which absorbs a similar amount as a year ago, represents an increase of £1,125 at £39,700. The dividend on the deferred ordinary shares is maintained at the same rate as the previous year, 6 per cent. Last year an allocation of £5,000 was made to reserve, but this time the whole of the surplus earnings go to swell the carry forward to £11,050. The balance-sheet reflects the changed conditions of trading. Debtors owe the company £23,000 less at £32,250, and the stock of beer, &c., is £14,850 less at £97,000 than in the previous year. These movements have enabled the company to considerably reduce its indebtedness, current liabilities being some £49,500 smaller.

FOREST HILL BREWERY CO., LTD.

The directors of this company, encouraged apparently by the excellent results of the half-year to June last, have decided to adopt the suggestion put forward at the extraordinary general meeting held on May 15 last, and recommend a further dividend at the rate of 5 per cent. per annum in respect of 1916, bringing the distribution for the year up to 15 per cent. This little windfall, although late, will nevertheless prove to be exceedingly welcome. The revenue statement for the half-year makes an excellent showing. Profit has risen £4,000 to £9,800, and after setting aside £1,935 for repairs and bad debts, against £155 in the corresponding period of the previous year, the amount available shows an increase of £2,430 at £7,775. The ordinary dividend is repeated at the rate of 10 per cent., and £3,930 more at £20,300 carried forward.

THOMAS ADAMS, LTD.

This lace-manufacturing firm of Nottingham is a carefully managed undertaking, and succeeded, in spite of the caprice of Dame Fashion, in maintaining its dividend at 7½ per cent. for the twelve years prior to the war. But the dislocation at the outbreak of hostilities was too much for it. Profits dropped heavily, and for a short time dividends were discontinued. Last year saw a very great recovery, however, and we are glad to see that a further improvement has taken place during the

twelve months just closed. Nett profit has risen £9,100 to £43,200, and, debenture interest taking slightly less, there is £9,450 more available at £38,100. Out of last year's profits two years' preference dividend was paid, and 5 per cent. on the ordinary. This time the ordinary get the old rate of 7½ per cent., £5,000 more at £15,000 is allocated to reserve, and the carry forward left £8,780 up at £20,380. In the balance-sheet trading assets have gone up £34,850 to £504,750, and creditors risen £18,950 to £194,280.

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and August 4, 1917:—

	Estimate for the Year 1917-18. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to August 4, 1917.	Total Receipts into the Exchequer from April 1, 1916, to August 5, 1916.
Balances in Exchequer on April 1—	£	£	£
Bank of England	—	25,209,947	25,111,065
Bank of Ireland	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs	70,750,000	23,980,000	22,256,000
Excise	34,950,000	12,027,000	16,260,000
Estate, &c., Duties	29,000,000	11,209,000	11,089,000
Stamps	8,000,000	2,224,000	2,415,000
Land Tax	—	—	—
House Duty	2,600,000	320,000	310,000
Property and Income Tax and Super Tax	224,000,000	38,500,000	26,755,000
Excess Profits Duty (including Munitions Levy)	200,000,000	58,547,000	12,454,000
Land Value Duties	400,000	197,000	80,000
Post Office	33,700,000	10,600,000	10,600,000
Crown Lands	600,000	160,000	160,000
Receipts from Sundry Loans, &c.	7,500,000	648,581	495,894
Miscellaneous	27,100,000	14,358,319	2,228,134
Revenue	638,600,000	172,770,900	105,103,028
Total, including Balance		199,206,759	130,678,034
OTHER RECEIPTS.			
Repayment of Advances for Bullion	—	810,000	1,550,000
For Treasury Bills (for supply)	—	718,764,000	582,459,000
For 4½ per Cent. War Loan, 1925-1945	—	—	424
For 5 per Cent. Exchequer Bonds, 1919	—	—	29,869,000
For 5½ Exchequer Bonds, 1920	—	—	79,714,500
For 5 per Cent. Exchequer Bonds, 1921	—	—	48,437,000
For 5 per Cent. Exchequer Bonds, 1922	—	62,649,000	—
For War Expenditure Certificates	—	—	17,614,000
For War Savings Certificates	—	13,200,000	14,850,000
For other Debt created under the War Loan Acts, 1914-1916	—	212,283,344	10,000,000
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947	—	166,550,000	—
Temporary Advances—			
Ways and Means (including Treasury Bills £345,000,000 in 1916-1917)	—	363,131,500	409,396,500
Total		1,736,594,603	1,324,568,458

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to August 4, 1917.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to August 5, 1916.
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	17,000,000	7,339,439	11,025,351
Interest, &c., on War Debt ..	194,500,000	58,306,837	42,450,361
Payments to Local Taxation Accounts, &c.	9,700,000	1,300,583	1,628,121
Other Consolidated Fund Services	1,695,000	676,247	680,701
Supply Services	2,067,526,000	871,093,486	571,367,031
Expenditure	2,290,421,000	938,716,592	627,151,565
OTHER ISSUES.			
For Advances for Bullion	—	890,000	1,790,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	—	81,909	60,914
Under Telegraph (Money) Act, 1913	—	55,000	150,000
Under Post Office (London) Railway Act, 1913	—	50,000	135,000
Under Housing Act, 1914	—	175,400	18,900
For Treasury Bills for Supply	—	424,902,000	556,204,000
For Exchequer Bonds under Section 61 of the Finance Act, 1916	—	180,620	—
For other Debt under the War Loan Acts, 1914 to 1916	—	14,467,156	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908	—	—	38,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	—	20,000
Temporary Advances repaid—			
Ways and Means (including Treasury Bills £81,360,000 in 1916-17)	—	334,526,500	112,256,500
Total		1,714,948,177	1,297,824,879
Balances in Exchequer—	1917. August 4. £	1916. August 5. £	
Bank of England	21,375,795	25,655,434	
Bank of Ireland	1,170,721	1,088,145	
Total		22,546,426	26,743,579
Total		1,736,594,603	1,324,568,458

MEMO.—Treasury Bills outstanding on August 4, 1917.... *£757,977,000.
* Includes £418,000, the proceeds of which were not carried to the Exchequer within the period of the account.

COMPANY MEETINGS.

FARROW'S BANK, LIMITED.

ANNUAL MEETING OF SHAREHOLDERS.

The annual meeting of Farrow's Bank, Ltd., was held at Anderton's Hotel, Fleet Street, E.C., on Friday, the 3rd inst., under the presidency of Mr. Thomas Farrow, chairman and managing director.

Mr. Farrow, in moving the report and accounts, remarked that it was a great pleasure to the directors again to meet their fellow-shareholders and to present another year's account of their stewardship. They were in the midst of a devastating and paralyzing war, which was costing the country some £3,000,000,000 a year—an almost unthinkable sum—and yet the money was forthcoming from industrial and professional sources, which had themselves been sorely tried, controlled, taxed, and super-taxed. The savings of the people had also been gathered in, whether from "stockings" or investments or at call with banks. The last-named had had hundreds of millions drawn from them, and in that respect had been heavily handicapped. Taking their own institution as an example, on the occasion of the last "Victory Loan," a sum approaching £500,000 had been subscribed by directors, shareholders, and customers, a contribution which, in proportion to capital, had not been exceeded by any other bank in the country. After reading congratulatory letters from shareholders, the Chairman dealt with the

REPORT AND BALANCE-SHEET.

The nett profit, including the balance of £12,161 19s. 1d. from last account, was £43,912 18s. 9d. The directors had added £16,000 to the reserve fund, had paid an interim dividend for the half-year ended December 31, 1916, amounting to £10,851 16s. 7d., and now recommended the payment of a dividend for the year at the rate of 6 per cent., less income-tax, which would absorb the sum of £10,823 5s. 6d. It would be observed that the directors had this year deemed it prudent to increase the amount of their contribution to the reserve fund, which now stood at £78,500, and was invested in War Loan and other British Government securities.

THE PROGRESS OF THE BANK,

notwithstanding the war and its financial requirements during the year, was indicated by the increased figures in all directions, and particularly in the volume of current and deposit accounts. This growth would be seen by a comparison of the figures for the ten years during which the bank had been incorporated under the Joint Stock Companies Acts:—

	Current Accounts.			Deposit Accounts.			Assets.		
	£	s.	d.	£	s.	d.	£	s.	d.
1908	87,625	13	2	78,679	4	5	226,285	17	4
1917	763,046	4	3	1,270,373	16	2	2,489,705	8	3

The abnormal conditions of war-time had, however, been experienced in the directions of increased cost of administration, depletion of staff, and the restrictions connected with the purchase and realisation of securities. These and other matters had been referred to from time to time in "Farrow's Bank Gazette."

The bank's commercial, stocks and shares, foreign, investment, income-tax, and other departments had added considerably to the profits made during the year. The women's bank had also achieved remarkable success.

The places vacated by the 153 officials serving in his Majesty's Forces abroad and at home had been partially filled by ladies, whose work had proved very satisfactory. Of the former, the bank's

"ROLL OF HONOUR"

gave evidence alike of their valour and their devotion to the supreme interests of the country, while those members of the original staff who remained with them had also discharged their onerous duties with loyalty and enthusiasm.

The recently published official return of all metropolitan and provincial joint-stock banks having a capital of £1,000,000 upwards gave the proportion of capital and reserve to liabilities, and showed that Farrow's Bank, Ltd., for five years in succession occupied the first place.

The report and accounts, having been seconded by Mr. W. W. Crotch, were unanimously adopted. Other routine business having been transacted, the meeting concluded by votes of thanks to the chairman, directors, and staff.

MARCONI'S WIRELESS TELEGRAPH CO.

The ordinary general meeting of Marconi's Wireless Telegraph Co., Ltd., was held on Thursday, at the Cannon Street Hotel, E.C., Mr. Godfrey C. Isaacs, managing director, presiding.

The Chairman, after expressing the regret of Senatore Marconi at being unable to be present, first dealt with the accounts, stating that the balance of contracts, sales, and trading accounts was less than in the preceding year, as was also the balance of the nett profit, but it must be borne in mind that during 1915 they had some large contracts of an exceptional nature to carry out. The relationship between the Admiralty and the company had continued to be equally agreeable to the company, and satisfactory to the Admiralty, as reported last year. Some of the associated companies had made considerable progress during the year, some had been adversely affected by the war, and one or two had been able to do little more than mark time. The Marconi's International Marine Communication Co. had shown a substantial development, and its progress was even greater than last year. The board regarded that business as a very sound industrial investment, which was not likely to return less than 15 per cent. per annum, and they had every reason to hope to see an improvement upon that. These very satisfactory results were due simply to increased volume of business, and not to increased charges. The Russian company had continued to do a very large business, and paid a dividend for 1916 at the rate of 17 per cent. The French company had declared an increased dividend. The American company showed an improvement upon 1916, but was handicapped in consequence of the trans-Atlantic stations being unable to work owing to the stations on this side being required for war purposes. They were advised that fair compensation would be paid. There was a compensating element in the immense number of orders which had been placed with the company by the U.S. Government, which should result in a very satisfactory year's work indeed, notwithstanding the closing of their telegraph services. The company had been much occupied in legal proceedings against infringers of their patents, which had resulted satisfactorily to the company. The Canadian company had had to contend with abnormal conditions created by the war, but the accounts would show an improvement over the preceding year, though they would represent a period of 11 months only. The Spanish company had turned the corner, and was fast approaching a position which would enable them to pay dividends. The Chairman then referred to the Locker-Lampson case, and the circular which had been forwarded to the shareholders. He said that at every annual meeting since 1912 he had been prevented from saying anything about the business which Mr. Marconi and himself carried out in America as the matter was *sub judice*. He was now free to speak, and he dealt with the subject at very great length. He explained the condition of the American company at the time Mr. Marconi and himself went there, and the steps taken to put it upon a sound footing. These steps included the provision of fresh capital, and a scheme was arranged which required an absolute guarantee that £1,400,000 should be subscribed. He told Mr. Marconi that the guarantee ought to be provided, and that he would personally be responsible for £500,000. This arrangement concluded, he set to work to place as many of the shares as he could, calling in Mr. Heybourn, who relieved him of part of the shares, and placed them in America. Mr. Heybourn had been the jobber representing the Marconi market, and had been a great friend of the company. But for this responsibility, which he (Mr. Isaacs) took upon his shoulders, the transaction would not have gone through, and, had nothing abnormal happened, he would have offered a number of the shares to English shareholders at the issue price; but in consequence of the *Titanic* catastrophe there was a boom in America in Marconi shares, and it was this which was responsible for the rapid rise in price of their shares on the market. It was in consequence of this that he, quite unjustly, had been subject to innuendos and attacks. When the excitement subsided the shares came down to a small premium. The business resulted in a nett profit to the company of many hundreds of thousands of pounds. Dealing with Mr. Hamilton's circular, he categorically denied the allegations made against him in it, and said his position to-day was that whatever shares he took, and whatever shares he made himself responsible for, he held still, and they represented a substantial loss. Everything which he did which resulted in a profit, although he was entitled to it, and it amounted to over £50,000, he declined to retain, but handed it over to the company. He had never made any profit out of any transaction in which the company was in any way interested. As regarded the point which Mr. Hamilton emphasised, that the company ought to have disposed of its shares in the American company and secured a large profit, the company did not attempt to sell any of its shares because it was desirable to retain a substantial interest in that company, and, apart from this, it had never been the custom of the company to go into the market and offer shares in its subsidiary companies. This applied more emphatically to a time of excitement such as ruled at the period with which they were dealing. In his view the position of the company was very different from that of any individual. The man who purchased shares took his risk with no more knowledge than that possessed by the general public, and it was not open to him to know what had transpired which might be responsible for an increase in the price of the shares. The company was, however, in a different position. The company knew all there was to be known, and therefore if it sold its shares it was obtaining a price which would not be paid by the buyer if the buyer knew as much as the company. That, in his opinion, would be taking an unfair and improper

advantage of the buyer, which so long as he had anything to do with the management of the company, it would not do. The only occasion when the company had sold shares at all had been when, without solicitation, offers at a fixed price had been made, and it had suited the company's purpose to accept them. With regard to Mr. Hamilton's very unfair quotation from Lord Robert Cecil, culled from the minority report, first of all he would ask them to remember that it was a minority report, and, secondly, notwithstanding the assurances which he was given throughout the whole of the inquiry, he was never afforded an opportunity to reply to any of the points raised, or to give any explanation of any kind whatsoever after his first statement. He was not represented by counsel, and had no opportunity of disabusing the minds of any of the members of the Committee on any erroneous conclusions at which they might have arrived, based almost entirely upon *ex parte* statements, and made by witnesses he had no opportunity of cross-examining. Lord Robert Cecil had no opportunity of forming a sound opinion, for he (Mr. Isaacs) did not attempt to do more than make a general statement about their business in America. At that time political feeling was running very high indeed, and in the great desire to kick somebody, they fell upon the person of least consequence. He had the misfortune to be that person. He believed that had he had half an hour's conversation with Lord Robert Cecil there would have been a very different minority report. It was only when the report was issued, after the committee was closed down, that he knew that Lord Robert Cecil had applied for him to be recalled. He deeply regretted that the majority did not think it right and necessary to afford him this justice. He thought it was evident that Lord Robert Cecil had lost sight of the final words of Senatore Marconi's statement, when he gave evidence before the Select Committee, and which was as follows:—"I resent the inquiry into the affairs of my company which have no relation whatsoever to the contract entered into with his Majesty's Government, and in this respect I do particularly refer to the business carried out by Mr. Isaacs and me in America as related by Mr. Isaacs in his evidence, which I fully endorse and confirm, and I regret that the services which my company and I have for so many years rendered to the Post Office, the Admiralty, the mercantile marine, and in fact the whole nation should not have been deemed worthy of higher consideration."

The Chairman then said he wanted them to realise where all that sort of thing led them. They heard Mr. Marconi's opinion; they heard what Mr. Marconi said. He said the same, and it therefore was for them to say whether they were going to tolerate any longer the damage that could be done to their company by a person who purchased an insignificant number of shares, in order to come here, from no matter what motive, and attack the company and those who had been responsible for making it the great, worldwide institution it had become. It must be clear to them that neither Mr. Marconi nor himself could tolerate that sort of persecution for ever, and he would ask them, therefore, to pass a resolution expressing their complete confidence in the chairman and managing director and the board, and with the way in which they had conducted the affairs of the company in the past, and were conducting them that day, so that they might once and for all manage their business in peace, and be rid of such irritating, irresponsible, and venomous attacks, which could only weaken the company in every quarter of the globe where it had to do business.

The report was unanimously adopted, and a vote of confidence in the chairman, the managing director, and the board was carried unanimously.

BUKIT CLOH RUBBER.

The ordinary general meeting of the Bukit Cloh Rubber Co., Ltd., was held on Friday at the registered office, 739, Cannon Street, E.C., Mr. R. Arnold (chairman of the company) presiding.

The Secretary (Mr. F. Morton Flavell) having read the notice convening the meeting and the report of the auditors,

The Chairman said: I have usually started the meeting of this company during the last few years by congratulating the shareholders upon successive reductions in our costs per lb., which during the two previous years amounted in each year to 20 per cent., so we had gradually worked down to an "all-in" cost of 10.39d. During last year our costs have, unfortunately, gone up, owing to higher freights and all stores and accessories now costing much more, so that our "all-in" cost is now back again to over 1s. per lb., being 2d. more than last year. Our gross profit was £20,808, against £21,471. We distributed more than we should have done last year, but when our final distribution was made we had no idea that the datum line for excess profits duty would have been fixed as low as 10 per cent. We thus not only absorbed all our carry-forward for last year, but we started 1916 with a debit balance of £393. We are only able to pay you 25 per cent., therefore, for the year under review, a final dividend of 1½d. per share, making 6d. in all, being recommended by your board in the report now before you. So much for the past, which has been an anxious time. Whether the future will be better or worse is yet in the lap of the gods, but your board has rendered the future, as far as possible, secure by selling forward the whole of the output of the estate up to October of next year at a price equivalent to about 2s. 6d. per lb., London landed terms; but, inasmuch as the buyer takes all shipping risk, your board consider the contract an extremely favourable one. At any rate, it could not be repeated to-day. The output of the estate has rather

hung fire of late, but this is caused by our manager having been instructed to devote all possible labour and attention to clearing up dead timber, thinning out the trees, and generally doing everything possible in order to keep the rubber healthy. More attention has latterly been paid to the various ailments that rubber is never entirely free from, and we trust that these precautions meet with the approval of our shareholders. Furthermore, we have not hurried to tap our very young trees, but these will now shortly start giving good returns, when our output should show a substantial increase. The young clearings are, of course, all the better and healthier for not being tapped so young; in fact, a great many experts are of opinion that in the past rubber has been brought under the knife at too early a stage. When a tree fruits at a young stage it may be considered natural. Rubber, however, is not a fruit; you have to mutilate your tree to get your crop, and so it stands to reason that an older tree will withstand these mutilations better than a sapling. During the year, although you have only received 25 per cent. in dividends, we have given you the right to purchase our holding in the Bahrü Selangor Company, which, I consider, is quite equal to another 6 per cent. or 7 per cent. dividend. The only interest this company now has in the Bahrü Selangor Co. is a call at par of 16,000 2s. shares, against which certain loans have been made to the Bahrü Selangor Co. I am glad to be able to inform you that that company can now stand on its own legs, for not only will they be producing rubber from now onwards, but they have obtained Government sanction to issue a small amount of additional capital, which should be sufficient for all their needs until their crop comes in and is realised.

Mr. R. W. Harrison seconded the motion, and it was carried unanimously.

DIVIDENDS ANNOUNCED.

Anglo-Sumatra Rubber Co.—Third interim for year to May 31 of 10 per cent., less tax, payable on Aug. 31, making 30 per cent. for the year to date, the same as a year ago.

Bidor Rubber Estate.—Final 30 per cent. (actual, less 5s. tax) in respect of year ended March 31, making 50 per cent. (actual), same as a year ago.

Broken Hill Proprietary Block 10 Co.—(No. 110) of 1s. per share, less tax, payable on Sept. 5.

Caledonian Railway.—Interim on the ordinary stock at rate of 3 per cent. per annum for past half-year, the same as a year ago.

Cockermouth, Keswick, and Penrith Railway.—Interim on the ordinary stock for half-year to June 30 at rate of 2 per cent. per annum, payable on Sept. 1.

Furness Railway.—Interim at rate of 2 per cent. per annum on ordinary stock for half-year ended June 30, 1917, carrying forward £14,286, compared with 2 per cent. per annum for corresponding period 1916, £7,455 carried forward, including dividends on guaranteed and preference stocks posted 24th inst.

Glasgow and South-Western Railway.—Interim for past half-year at rate of 3½ per cent. per annum on ordinary stock, being 2½ per cent. per annum on preferred ordinary stock and 1 per cent. per annum on deferred ordinary stock. Dividend warrants will be payable on the 1st prox.

Guest, Keen, and Nettlefolds.—Final for the half-year ended June 30 last on ordinary shares at rate of 10 per cent. per annum, with a bonus of 1s. per share, free of tax, same as a year ago.

W. T. Henley's Telegraph Works Co.—Interim on ordinary shares at rate of 10 per cent. per annum, less tax, for half-year to June 30, payable Sept. 1, same as a year ago.

Highland Railway.—Interim on preference stocks for six months ended June 30 at the full rates, but the directors have resolved not to pay any interim dividend on the ordinary stock for the same period.

Liebig's Extract of Meat Co.—Additional 10 per cent. and a bonus of 5s. per share, both free of tax, on the ordinary shares for year ended March 31, payable August 23.

Longridge Coal and Cammell Co.—2d. per share, equal to 4 1-6 per cent. per annum.

Merchants Trust.—Interim 2 per cent. on preference and ordinary stocks for half-year to July 31, same as a year ago.

Milner's Safe.—3 per cent. per annum, less tax, for year ended May 31 last.

Nottingham and Grantham Railway and Canal Co.—Half-yearly dividend of £2 os. 10d. per cent., payable on Aug. 29.

Railway Investment Co.—Interim on preference stock of £1 19s. 5d. per cent., less tax, payable Sept. 4, as compared with £2 per cent. a year ago.

The Waste Heat and Gas Electrical Generating Stations.—Interim 2½ per cent. (less tax).

An enormous amount of asbestos, it is stated, is being found in the Prieska district, Cape Colony, and thousands of bags are now being shipped to England. It is said to be of very good quality, and the supply is unlimited.

CITY OF TOKYO 5 PER CENT. LOAN OF 1912.

The City of Tokyo announces that the operation of the Sinking Fund for the year 1917 has been carried out by way of purchases on the market, and that Bonds for £65,000 (nominal) have been so purchased and are now cancelled.

INDIAN RAILWAYS.

NAME.	Week ending	GROSS TRAFFIC FOR WEEK.		Wks.	GROSS TRAFFIC TO DATE.	
		Amount	In. or dec. on last year.		Amount	In. or dec. on last year.
Assam Bengal ..	June 9	Rs. 1,17,000	+ 2,465	1	Rs. 12,16,000	— 60,236
Barsi ..	" 16	16,500	+ 800	1	2,00,400	+ 1,900
Bengal & N.-W. ..	" 9	4,61,390	+ 25,154	1	44,93,780	+ 3,18,881
Bengal Nagpur ..	" 9	10,76,000	+ 82,000	1	1,05,67,000	+ 3,95,000
Bombay, Baroda ..	July 28	12,40,000	+ 22,300	1	2,55,83,000	+ 12,84,000
Burma ..	June 17	25,463	+ 1,436	1	32,21,124	+ 29,134
Delhi Umballa ..	July 28	65,600	+ 9,485	1	12,99,700	+ 1,73,692
East Indian ..	Aug. 4	18,08,000	+ 1,40,000	1	4,07,05,000	+ 8,60,000
Gt. Indian Penin. ..	July 28	20,33,500	+ 2,04,900	1	3,68,31,098	+ 24,13,924
Lucknow-Bareilly ..	June 9	45,713	+ 2,600	1	5,05,709	+ 5,601
Madras ..	" 16	10,60,000	+ 37,421	1	1,18,22,000	+ 1,51,841
Mahratta ..	" 16	1,44,834	+ 22,934	1	14,93,125	+ 37,155
Nizam's Gd. (Broad) ..	" 16	81,146	+ 13,455	1	8,89,784	+ 20,531
(Metre) ..	" 16					
Rohilkund and ..	" 9	53,697	+ 6,018	1	4,92,068	+ 14,520
Kumaon ..	" 9	7,01,098	+ 43,439	1	67,34,900	+ 3,27,850
South Indian ..	" 9					

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Bristol ..	Aug. 3	£ 12,622	+ 478	1	£ 324,688	+ 19,957
Dublin United ..	July 27	7,722	+ 93	1	194,584	+ 24,119
Hastings and Dist. ..	Aug. 5	1,599	+ 22	1	34,483	+ 5,618
Isle of Thanet ..	" 4	347	+ 444	1	12,601	+ 1,041
Lancashire United ..	" 1	2,624	+ 563	1	67,520	+ 13,427
Provincial ..	" 4	2,679	+ 413	1	97,503	+ 176
Yorks. (West. Rdng.) ..	" 5	2,348	+ 258	1	63,111	+ 8,897

* From Oct. 1.

† From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Anglo-Argentine ..	Aug. 5	£ 54,565	+ 3,078	1	£ 1,588,026	+ 10,148
Auckland Electric ..	June 30	23,593	+ 1,888	1	282,694	+ 7,931
Brazilian Traction ..	" 1	M4,022,000	+ M92,000	5	M24,402,000	+ M138,000
Brisbane Elec. Inv. ..	May 1	32,475	+ 1,085	6	193,595	+ 755
British Columbia ..	May 1	72,729	+ 9,899	11	1,042,130	+ 244,747
B.A. Lacroze ..	June 1	38,020	+ 1,807	12	404,007	+ 25,547
Burmah Electric ..	May 17b	Rs. 24,906	+ Rs. 1,321	1	+ Rs. 27,698	
Calcutta ..	Aug. 4	Rs. 69,200	+ Rs. 2,967	1	Rs. 195,175	+ Rs. 17,215
Cerdeba Light ..	" 4					
P. & T. ..	May 1	13,735	+ 1,134	2	27,395	+ 1,546
Hongkong ..	June 16	£ 14,607	+ £ 2,017	1	£ 316,876	+ £ 10,151
La Plata ..	July 6	3,875	+ 35	7	29,019	+ 816
Lima ..	June 1	16,843	+ 1,977	6	100,160	+ 5,662
Madras Electric ..	July 31c	Rs. 36,553	+ Rs. 3,773	1	Rs. 481,034	+ Rs. 43,923
Mexico ..	Nov. 5	£ 215,256	+ £ 108,669	1	£ 3,193,106	+ £ 197,227
Rangoon ..	July 1	4,783	+ 426	1	33,500	+ 1,465
Singapore Electric ..	May 25	£ 13,175	+ £ 772	1	£ 237,111	+ £ 16,064
Toronto ..	June 1	£ 475,408	+ £ 27,552	5	£ 2,819,176	+ £ 219,731
United of Monte V. ..	" 6	27,458	+ 2,158	8	242,795	+ 1,728
Vera Cruz ..	May 1	35,000	+ 4	4	250,800	+ 1,731
Winnipeg ..	June 1	£ 49,664	+ £ 37,907	5	£ 435,897	+ £ 194,611

b 28 days. * From Jan. 1. § Nett. a From July 1. c Two weeks.

UNITED STATES OF AMERICA.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Chesapeake & Ohio ..	July 21	1,058,000	+ 140,000	1	28,865,000	+ 1,731,000
Chicago G. W. ..	" 21	367,000	+ 16,000	1	8,789,000	+ 432,000
Colorado & South'n ..	" 21	330,000	+ 43,000	1	8,581,000	+ 1,266,000
Denver & Rio Gran. ..	" 21	489,000	+ 25,000	1	14,773,000	+ 2,063,000
Louisville & Nashv. ..	" 21	1,552,000	+ 300,000	1	40,572,000	+ 5,603,000
Minn. S.P. (Soo) ..	" 7	708,000	+ 62,000	1	16,427,000	+ 554,000
Missouri Kansas ..	" 21	737,000	+ 41,000	1	21,487,000	+ 3,680,000
Southern ..	" 21	3,150,000	+ 504,000	1	7,280,000	+ 1,082,000

§ Includes Wisconsin Central.

† From Jan. 1.

‡ From June.

FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Alooy and Gandia ..	Aug. 4	Ps. 11,000	+ 3,000	1	Ps. 351,870	+ Ps. 86,030
Antofagasta (Chili) ..	" 5	40,140	+ 3,985	1	1,222,190	+ 186,305
Arauco ..	June 30	10,000	+ 1,200	1	55,000	+ 11,800
Argentine N.E. ..	Aug. 4	8,000	+ 1,200	1	42,700	+ 10,998
Bilbao R. and Canta ..	July 1	3,644	+ 1,639	7	24,653	+ 5,408
Bolivar ..	June 1	10,000	+ 3,684	12	122,250	+ 13,017
Brazil ..	May 1	M3,869,000	+ M471,175	1	M 197,500	+ M185,345
Brazil Gt. Southern ..	April 1	M15,45,680	+ M10,280	1	M170,990	+ M29,600
B. Ayres & Pacific ..	Aug. 4	74,000	+ 15,000	1	365,000	+ 65,000
Do. Central ..	May 1	25,929	+ 22	11	268,840	+ 1,740
Do. Gt. South'n ..	Aug. 5	86,000	+ 13,000	1	440,705	+ 59,549
Do. Western ..	" 5	36,000	+ 13,000	1	195,000	+ 47,000
Central Argentine ..	" 4	84,000	+ 28,000	1	418,800	+ 145,100
C. Ur'g'ay of Mts V. ..	" 5	15,760	+ 5,510	1	80,059	+ 22,871
Do. East'n Ex. ..	" 5	4,199	+ 1,207	1	23,419	+ 3,961
Do. North'n Ex. ..	" 5	2,690	+ 1,247	1	15,477	+ 6,387
Do. West'n Ex. ..	" 5	1,504	+ 163	1	6,463	+ 1,396
Cordoba Central ..	" 4	35,200	+ 1,210	1	177,900	+ 14,340
Costa Rica ..	Mar. 31	5,799	+ 434	1	206,606	+ 4,673
Cuban Central ..	Aug. 4	12,546	+ 3,106	1	65,894	+ 17,366
Dorada Extension ..	July 1	9,500	+ 100	1	64,900	+ 10,400
Egyptian Delta ..	June 30	4,792	+ 192	1	50,183	+ 6,453
Entre Rios ..	Aug. 4	13,600	+ 2,700	1	64,500	+ 1,900
French Sante Fé ..	Dec. 1	81,752	+ 1,139	12	1,080,727	+ 156,858
Gt. South. of Spain ..	July 28	Ps. 97,004	+ Ps. 22,793	1	Ps 271,846	+ Ps 613,552
Gt. West. of Brazil ..	Aug. 4	11,200	+ 3,600	1	381,350	+ 101,150
Havana Central ..	July 21	6,923	+ 1,198	1	20,213	+ 2,183
Inter. of C. Amer. ..	May c*	31,028	+ 3,895	1	177,234	+ 9,926
La Guaira and Car. ..	June 1	7,250	+ 370	1	50,250	+ 1,000
Leopoldina ..	Aug. 4	38,801	+ 9,339	1	799,120	+ 138,090
Manila (N. & Sth.) ..	Apr. 6	10,389	+ 1,997	1	10,389	+ 1,997
Midland Uruguay ..	May 1	12,766	+ 1,258	10	142,782	+ 128,583
Mogiana ..	April 1	M1,476,000	+ M253,117	1	M 5,386,000	+ M17,162
N.W. of Uruguay ..	June 1	£ 26,000	+ £ 960	9	£ 295,778	+ £ 26,908
Nitrate ..	July 31b	31,786	+ 1,888	1	446,806	+ 69,789
Paraguay Central ..	Aug. 1	3,380	+ 370	1	14,180	+ 970
Paulista ..	April 1	M1,880,000	+ M230,979	4	M 7,721,000	+ M240,648
Peruvian Corp'n ..	July 1	S 975,000	+ S139,570	12	S12103,092	+ S1444,165
Salvador ..	" 28	£ 16,980	+ £ 2,600	1	£ 71,630	+ £ 17,680
S. Paulo (Brazilian) ..	" 29	32,904	+ 7,711	1	692,243	+ 34,166
Sorocabana ..	May 1	M1,497,000	+ M274,702	5	M 7,819,000	+ M859,539
Tatal ..	June 1	22,635	+ 1,492	12	234,090	+ 8,181
United of Havana ..	Aug. 1	34,578	+ 5,747	1	177,421	+ 25,380
West'n of Havana ..	July 25	6,446	+ 188	1	27,418	+ 3,060
Zafraand Huéla ..	June 1	13,350	+ 3,708	5	65,590	+ 1,810

* Months. † From Jan. 1. ‡ From July 1. c Nett. b 15 days. a 10 days.

COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Beira ..	May 1	£ 65,700	+ £ 2,798	8	£ 542,673	+ £ 21,073
Canadian Northern ..	July 31	\$1,134,990	+ \$72,400	1	\$3,844,000	+ \$10,700
Canadian Pacific ..	" 31	\$4,007,000	+ \$207,000	1	\$84,282,000	+ \$9,023,000
Gr. Trk. Main Line ..	" 31	326,297	+ 24,402	1	5,693,552	+ 776,361
Gr. Trk. Western ..	" 31	52,651	+ 6,481	1	1,138,010	+ 23,755
Detroit G. H. & M. ..	" 31	18,326	+ 1,327	1	395,525	+ 23,755
Gr Trk Pac Prairie Sc. ..	" 31	31,179	+ 4,149	1	100,612	+ 25,581
Mashonaland ..	Apr. 1	55,042	+ 2,908	7	376,971	+ 14,747
Mid. of Westn. Aus. ..	May 1	6,428	+ 513	9	84,036	+ 870
New Cape Central ..	June 30	2,164	+ 238	1	49,087	+ 7,321
Rhodesia ..	May 1	90,170	+ 3,916	8	664,832	+ 46,029

* Months. † July 1. ‡ Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME.	Month.	NETT EARNINGS FOR MONTH.		No. of Mths.	NETT EARNINGS TO DATE.	
		Amount.	In. or Dec. on last year.		Amount.	In. or Dec. on last year.
Atchafalaya T. & S. Fé ..	June	Dols. 3,623,000	+ 79,000	12	Dols. 51,952,000	+ 8,172,000
Atlantic Coast Line ..	May	752,000	+ 95,000	6	5,807,000	+ 323,000
Baltimore & Ohio ..	June	2,889,000	+ 355,000	6	14,447,000	+ 360,000
Canadian Northern ..	"	1,087,600	+ 102,600	12	10,401,400	+ 1,866,600
Canadian Pacific ..	"	3,916,000	+ 226,000	6	20,998,000	+ 1,396,000
Chesapeake & Ohio ..	"	1,139,000	+ 357,000	6	6,799,000	+ 411,000
Chicago & N.W. ..	May	2,282,000	+ 388,000	5	8,681,000	+ 1,342,000
Chicago Burl. & Q. ..	"	3,489,000	+ 620,000	5	17,144,000	+ 1,436,000
Chicago G.W. ..	"	227,000	+ 19,000	11	3,972,000	+ 134,000
Chicago Mil. & S.P. ..	June	2,320,000	+ 426,000	6	10,848,000	+ 1,384,000
Chicago, Rock I. & P. ..	May	1,526,000	+ 81,000	5	6,468,000	+ 494,000
Colorado & Southern ..	June	542,000	+ 150,000	6	2,830,000	+ 531,000
Cuba ..	May	149,000	+ 200,000	11	1,553,000	+ 1,047,000
Delaware & Hud. ..	"	592,000	+ 144,000	5	1,917,000	+ 1,276,000
Denver & Rio Gran. ..	"	779,000	+ 19,000	5	3,240,000	+ 72,000
Erie ..	June	1,610,000	+ 117,000	6	4,849,000	+ 3,803,000
Gr. Tr. Main Line ..	"	£ 268,800	+ £ 8,650	6	£ 1,018,200	+ £ 145,450
Grand Trunk Westn ..	"	£ 36,400	+ £ 24,600	6	£ 12,250	+ £ 237,250
Detroit G. H. & M. ..	"	£ 11,200	+ £ 10,200	6	£ 38,560	+ £ 59,600
Gt. Northern ..	May	2,416,000	+ 349,000	6	5,369,000	+ 713,000
Illinois Central ..	June	1,720,000	+ 230,000	6	9,653,000	+ 2,404,000
Kansas City Southn. ..	"	360,000	+ 59,000	6	2,179,000	+ 456,000
Lehigh Valley ..	May	1,282,000	+ 30,000	5	3,327,000	+ 1,445,000
Louisville & Nashv. ..	"	1,730,000	+ 39,000	5	8,051,000	+ 51,000
Minn. S.P. (Soo) ..	"	839,000	+ 212,000	5	3,072,000	+ 1,729,000
Miss. K. & Texas ..	"	698,000	+ 280,000	5	2,117,000	+ 1,368,000
Missouri Pacific ..	"	1,900,000	+ 1,217,000	5	8,119,000	+ 3,71

The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

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CONTENTS.

Passing Events:—Revenue — Premier's Cheering Words — Stockholm Mix-Up — Corn Production Bill — Italy's War Expenditure — South American News — Aeroplane Distribution of *J'Accuse* — Mr. Gerard's Narrative — Peking Syndicate — Dominion Bank — Bank of New Zealand — Russian Commercial and Industrial Bank — Claudius Ash — Greenwood and Batley — Rylands and Sons — Mitchells and Butlers — Bass, Ratcliff, and Gretton — Wm. McEwan — Millars' Timber and Trading (pp. 171-7).

Leading Articles:—The Direction of British, French, and German State Banks — Our Foreign Trade in July — The Finances of China — By-the-Way War Notes — Not "Empire," But Confraternity (pp. 177-81 and 187-8).

Money and Credit Notes:—Money and Discount Rates Unaltered—Bank Return—New French Taxes — Companies (Particulars as to Directors) Act—Position in Mexico—South Metropolitan Gas Issue—Silver (pp. 182-184).

American Business Notes:—Actively in the War — Food Control — Trust Companies' Exhibit — International Mercantile Marine (pp. 188-9).

Insurance News:—Absorption of Provident Accident by the Northern Assurance—London and Midland Insurance Liquidation—U.S. Life Offices and War Risks—London and Lancashire Offer to Marine Insurance Co. (p. 189).

Tea, Oil, and Rubber:—Rubber Market — Jeram Rubber Estates — Tea Brokers' Association (p. 190).

Mining News:—Another Rhodesian Reconstruction — Transvaal Gold Production — Native Labour Returns — Natomas Co. of California (p. 191).

What Balance Sheets Tell:—North Central Wagon Co. — S. P. Austin and Son — Tottenham District Light, Heat and Power Co. — Canadian Northern Prairie Lands Co. (p. 190).

Company Meetings:—Watney, Combe, Reid, and Co. — South Metropolitan Gas Co. — Hudson's Bay (pp. 194-5).

Answers to Correspondents (p. 181).

The Week's Stock Markets (p. 184-5).

London Produce Markets (p. 185-6).

Dividends Announced (p. 186).

Oilfield Items (p. 186).

The Week in Mines (p. 191).

Mining Returns for July (p. 191).

July Rubber Outputs (pp. 192-3).

Traffic Returns (p. 193).

Public Income and Expenditure (p. 195).

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Secretary to the Committee of the Stock Exchange
Committee Room, The Stock Exchange, London, E.C. 3.

The Investors' Review.

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New Series.

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Passing Events.

The revenue shrank disagreeably last week, and the collection from taxes and monopolies amounted only to £9,593,000. This was fully £2,000,000 under the previous week's total; but we are now in the full holiday season when the revenue usually declines, and there would be nothing to worry about were not the expenditure so prodigious. It amounted last week, inclusive of £780,000 set against miscellaneous, to £49,007,000, or just £7,000,000 a day. No doubt the demands are prodigious from all directions, but it is to be feared that the waste corresponds, and we therefore are glad that the Committee appointed to look into this waste is not going to suspend its work during the Parliamentary recess. Having received less than a day and a-half's outgoings from the revenue, and having spent £48,227,000, or more than five times as much, on supply services alone; having also had to pay off £26,716,000 of supply Treasury bills due and £8,000,000 of temporary advances also due, the Treasury had to borrow on all hands as usual. Altogether the expenditure was £83,723,000, and to meet that the Government raised £46,441,000 on the sale of Treasury bills, or £20,500,000 more than was needed to cover the bills due. It also obtained £2,983,000 from the sale of Exchequer bonds and £450,000 from Savings certificates; tender rivulets of credit supply both, and as all helps were lamentably insufficient £14,089,000 was drawn in from "other debt"—still presumed United States help—and £10,500,000 borrowed temporarily. The Exchequer bond sales were £700,000 less than in the previous week, and at last the Treasury with its somewhat jog-trot Chancellor of the Exchequer has decided to make "a sort of a kind of a sort of" preliminary move towards the issue of premium or bonus—or, if you like, prize bonds. The thing is perfectly simple, the method clean and legitimate, the probability of its success of the highest; but nowhere in the circles of the Government does there seem to be courage enough to come forward boldly and say this is so—"the money is wanted; we shall therefore put up these bonds for sale." What the terms proposed may be we do not know, but one sketch, or forecast, asserts that 5 per cent. interest will be given, three of which would be paid periodically and the other two retained to be drawn upon and paid as bonuses or prizes at stated

times. If that be the idea it is needlessly extravagant. Many millions of money ought to be obtainable at 4 per cent. gross, of which 3 should be distributed as interest; certainly 5 per cent. looks too much. How urgently some such help is needed to stave off a new appeal to the public for another £1,500,000,000 or £2,000,000,000 loan on long term bonds, which would be the next thing to disastrous at present, is made only too obvious by the fact that the total amount of floating debt now outstanding in the form of Treasury bills has risen to £777,531,000. Moreover, the total amount raised by all methods up to date this year has been £1,736,595,000, which is £412,027,000 more than was absorbed in the conflict during the same period of last year. Germany and Austria may be, and are, ruined beyond hope of retrieval by their war, but how long shall we be able without wilting to sustain a consumption of wealth so unimaginable?

We quite agree with Mr. Kennedy Jones that the public ought to be told the truth even though, as Mr. Lloyd George wittily put it, it may be palatable. The dish of lugubrious fare served up to us most days in many newspapers would dishearten any nation less resolute than ours is, and render it liable to be caught in snares such as the Teutons are continually weaving. In the matter of loss of shipping through submarines, for instance, the ghastly pictures presented to us have often been sickeningly depressing; therefore, when the Prime Minister rose on Thursday afternoon he did well to supply a corrective to all this pessimism, and here is a summary of his facts. This time last year we had 6,480,000 quarters of wheat in stock, now we have 8,500,000. And this wheat is not being consumed at the old rate. Owing to closer milling and greater economy in consumption the saving represents 70,000 quarters a week, so that our larger stock will last much longer. A year ago our cultivated acreage fell off between 200,000 and 300,000 acres compared with 1915. It is now a million acres to the good, which, said Mr. George, represents some three or four million tons of foodstuffs. Does he include in this total those dreary sites for suburban villas held back by the land-grabber from cultivation and bearing no taxes of any kind, but which are now covered with crops of potatoes, cabbages, beans, peas, artichokes, vegetable marrows, and such like? We ask because it seems hardly possible

to have increased the farm land area under cultivation to this extent. The Prime Minister went on to speak of the better harvest which we hope will be secured according to the present promise of weather and crops, and gave the welcome news that 8,000 tractors will be available in the coming season for the tillage of the land.

Turning from this to the shipping position, for the first time we get an idea of our tonnage losses. The German Government has been furnishing its version, and, as usual, in a purposely exaggerated form with a view to cow us, and to make us willing to accept their confiscatory terms of peace. They claim to have sunk between 450,000 and 500,000 tons of British shipping per month, and had the figures been gross they would nearly have told the truth, but the omission of the word "nett" throws a light upon the manner of much German lying. It is of the Bismarck type. He declared that the best way to take people in was to tell them the truth, or words to that effect. Actually our losses by submarine and mine in April, the worst month, were 560,000 tons, but in July they fell to 330,000, and for the first 15 days of the current month they have been at a smaller rate still. But against these losses, grievous enough, we must set the new ships provided by our yards. This brings down the nett loss of tonnage for the whole six months to less than 250,000 tons a month, and for the last two months the nett monthly loss has been 175,000 tons; so that we have really lost in sea-carrying capacity less than half what the Germans allege, and during the last two months only one-third. Moreover, our shipbuilding energy has developed in a way that shows we are rising to the height of our duty, and in spite of loss of tonnage Sir Joseph Maclay has contrived to carry 150,000 tons more in British ships. As for the new shipbuilding, the production was 688,000 tons in 1915, 538,000 tons in 1916, and in the first half of the current year, 484,000 tons. But during the current half of the year the estimated output is 1,420,000 tons, which, however, includes 330,000 tons bought abroad, but even so the new tonnage building and bought is going a long way to obliterate the losses caused by German submarine piracy. If there are any sensible men left in that madman-governed empire they might ponder over these facts. They mean that Great Britain and her Allies cannot be starved into surrender, and that in turn means German defeat, such a defeat as will, we hope, put an end to fantastic and other dreams of tyranny and world oppression for good and all.

What a pity it is that the Government did not get the opinion of its law officers setting forth the illegality of intercourse with the enemy during the war before this Stockholm blizzard of sentimentality came to a head. At first, when the discovery was published, people said that Labour had been out-generalled, but a moment's reflection changed that opinion, and now the view prevails that it is the Government that has plunged deeper into the bog its nervous and short-sighted handling of the agitation first landed it in. If it be illegal for citizens of this country to have any intercourse with the enemy, why did the Government send representatives to Holland to confer with Germans in regard to the exchange of prisoners? They were Government representatives, the answer is, whereas the Labour members who wish to go to Stockholm and talk with the Germans are volunteers who have no official standing of any kind or power to bind the country to anything. That distinction is perhaps valid enough in law and reasonable, but it will not satisfy Labour. The Government, in fact, by its treatment of Mr. Henderson has put up the backs of the working classes against it, and now their leaders are apparently determined that passports shall be given whether the Ministry is willing or not.

Is there any valid reason why passports should be refused? We have considered the matter from all

points of view we can think of, and can see none of an insurmountable type. It is true that our working classes, beguiled to some extent by the dry-hearted philosophers masquerading under the legend, "Union of Democratic Control," and such like jingles of empty phrases, have formed an entirely false conception as to the feasibility of making peace, by conferences with the slave peoples of Germany. Instead of a "Union of Democratic Control" in Germany, the masses there represent at best merely a union of controlled democracy, which is an entirely different affair. The representatives of Socialism sent by Germany to Stockholm will not set forth there the true feelings of the people, they will only be able to express what their masters permit. Consequently we do not regard a conference at Stockholm as likely to bring about any immediate peace, but see no reason to think it likely to hinder a prosecution of the war by which alone peace of our type can be secured, a peace which delivers not only Belgium, the rent-away provinces of France and the devoured Serbia from the grasp of the enemy, but which sets at liberty all peoples held down, tyrannised over, robbed and massacred in the empire of the Turk, as well as in those of the Hohenzollern and Habsburg dominions. Rumania has to be set free, just as much as Belgium; Bohemia must be allowed to shape its own destiny without interference by the Teutons, Poland has to be drawn together, set on its feet, and given back a large Baltic seaboard all under the shield and temporary guardianship of the Powers of the *Entente*, including the most powerful Ally the European liberators have got, the United States. Everywhere communities in Europe and in Asia must have their fetters knocked off; and this cannot be done by "conferences" of working men at Stockholm or anywhere else; cannot be done at all until the military tyrants of Europe have been beaten to the dust. Why not allow working men representatives to go to Stockholm and find that out? Why not give them the chance to enlighten Russian Socialists on our purpose and on the malign designs of the Teuton?

Some help might even be given towards the beginning of better things in Germany were the handcuffed and gagged representatives masquerading as "Socialists" from that country to meet men who could tell them the truth about many things. Our representatives and those of France and Italy, if they also were allowed to go there, could unite in presenting to the Conference their facts, their views upon individual and international right; tell likewise their tales of German brutalities, and demonstrate the reasonableness of their demands for compensation. No direct good might come of it with the Germans, but neither could there come harm—if, indeed, the Germans are allowed to be present, which is improbable, looking at the way the Government is trying to get objectionable, nay impossible conditions of intercourse agreed to beforehand. So little likelihood is there that harm could arise that it would surprise us to find the Berlin authorities willing to allow their tame Socialists to put in an appearance there were it not that if one course of conduct more stupid than another is to be chosen, Berlin is likely to take that course. Therefore, to refuse passports altogether in the way the Government did on Tuesday seems rather to be playing into the Germans' hands, and is assuredly the almost infallible way to rouse the people in this country to demand that passports shall be given them in a tone no Government—least of all the tumbled-up, irresponsible, just-for-the-occasion Government of Mr. Lloyd George—can refuse. Refusal, in fact, implies a doubt of the working man's loyalty. It is as good as saying to their leaders, including Mr. Arthur Henderson—than whom no working man has fought more valiantly in the cause of the Allied peace—"we cannot trust you, you may be traitors." Now, the working men will not stand that. The fashion is to idealise them, so to say, in Mr. Ramsay Macdohald, who is painted as a sort of tailless fiend, careering about the country intent upon undermining its force with a view to its subjugation. Now,

he may not be the wisest of men, but Mr. Macdonald is neither a traitor nor a fool, but if he were both the Government as it is now acting is playing into his hands and giving him the game. He will come out victor in this fight, he and his friends, unless Mr. George climbs down and changes his tone. Is he afraid of the Prussian bully? Of Prussian diplomacy as it has been illustrated in the last three years?

It is worth noting how this win-the-war Ministry of ours is compelled to lean upon Mr. Asquith always when it gets into a muddle. He alone, by his intervention on Monday evening, conjured away the clouds and stilled for the moment the gathering storm, and he did it with words which deserve to be repeated, because it is true when all is said that "whatever differences of opinion there may be about this or that particular geographical or ethnological detail, there is no doubt whatsoever that the Labour party in this country from top to bottom, with, I believe, the exception of a very insignificant minority—(cheers)—are as determined to-day as they have shown themselves since the first moment when war was declared not to allow these gigantic sacrifices which we and our Allies have made in common to be thrown away, and not to sheathe our sword till we see our way to the complete attainment of a satisfying and an enduring peace." What is the Government afraid of, then? Will the conference at Stockholm mar that peace? The more we turn the possibilities over, the more we feel satisfied that it will do nothing of the sort.

A pathos attaches to the blessings showered by the peers on the Corn Production Bill which they welcomed and passed so joyfully last Thursday week. Two peers in particular, the Marquis of Lincolnshire and the Marquis of Lansdowne, distinguished themselves by the effusiveness of their thanks, and in view of coming events it may be well to give excerpts from their speeches here. Lord Lincolnshire said: "He was not in any way turning his coat; but from the bottom of his heart he congratulated the Prime Minister and his colleagues on the courage and the audacity with which they had collectively tackled this great land question. They had 'done more in a few months as regards agricultural reform than we have been able—we wretched land reformers—have been able to do in a century.' (Hear, hear.) They had rung the death-knell of all the abuses, particularly of the patriarchal system; they had re-established and practically recreated the agricultural labourer, and they had recognised and were assisting those much-ridiculed small-holders and allotment-holders who were digging themselves in all over the country. His heartfelt congratulations were offered to the Government."

The Marquis of Lansdowne was much less effusive, and had some wise criticism to offer upon the policy of a hard-and-fast minimum wage for the agricultural labourer—a minimum, by the way, below the scale the same class of worker in Scotland has attained for himself without an Act of Parliament—pointing out, for instance, that "you could not grade your men and say this man was worth 30s., and that 25s., 23s., or a guinea, nor could they sort them according to age. He knew men over 60 to whom it would be an insult to offer anything less than the full rate, and also lads of 19 or 20 who were doing work which ought to get the full rate of an able-bodied labourer." And he had not too sure a faith in the proposed district committees. Nevertheless, he blessed the measure. "It would be a great piece of self-deception," he told his fellow-landowners, to regard the Bill as "merely a temporary or stop-gap measure." It had come to stay. "It was because the Bill was a Bill for the reconstruction of agricultural life, because it was intended to lay the foundation of a system of reconstruction, that the Bill was there to-night. The Bill had the support of men who were the bitter opponents of anything like subsidies

or interference with the laws of demand and supply. Why did they support it? It was because of the other provisions—those which dealt with the minimum wage and with the claim of the State to interfere with the manner in which the land of this country was treated by those who owned and occupied it. In those quarters the Bill was supported probably under a pretty strong conviction that while the subsidies would disappear the wages boards and the machinery for interfering with the treatment of the land by those who owned it would remain a permanent part of the agricultural system of the country."

These are frank views frankly expressed, and show that the landowners are beginning to understand their position, at least in one direction. What lies before them is public control of the soil for the good of the people, not merely for the profit of a class. It means that the day is at hand when the right to exact rent will imply the obligation to employ the money so procured not exclusively or chiefly for private gratification, but for the public good. The man who consumes rents or locks up land in order to gratify his personal tastes or habits will have no place in the commonwealth in the days to come and now close at hand. But what a pity it is that the land-owning class itself as a whole has never taken a step to initiate the new life, to inspire the labourers on their estates with the hope of a better day. They have been content to behold the humble people at their gates living on from generation to generation in unrelieved penury and ignorance, without hope in their life, and with only the promise of a better life to come mockingly held out to them by their lords and masters. The pity of it is that repentance and reformation may now have come too late to save the country from a revolution. For if our fighting men at the front are resolved upon one thing more than another it is that they must have the land, and as owners, not as mere tenant-at-will occupiers. Will not the guarantees given to the farmers—and through them to the landowners—by this new Act strengthen this determination? "We pay the piper" the people will say—above all, the people condemned to live in town slums, which are the creation of land monopolists—"and we mean to call the tune henceforth." Were this writer a landowner he could not find it in him to be as jubilant as these peers over their latest endowment Bill. Have they heard at all of the demands formulated by the Russian peasant! Their "serfs" have, we can assure them.

From the Treasury account of the cost of the war to Italy up to May 31 one can compare the present expenditure for the Army and Navy with that of 1914, the last normal year:—

	May, 1914.	May, 1917.	Increase.
	Mill. Lire.	Mill. Lire.	Mill. Lire.
Army	52.7	1,266.4	1,213.7
Navy	36.7	66.0	29.1
	89.6	1,332.4	1,242.8

Taking into account the cost of military preparation, Italy's expenditure in two years of war has reached 19,923.7 million lire (£769,948,000), divided in 19,063.6 million lire for the Army and 860.1 million lire for the Navy. The public income for the financial year 1916-17 shows a considerable increase. During the twelve months ending June 30 the revenue has been 3 milliard 467 million lire (£138,680,000), i.e., over 900 million lire more than in the corresponding period 1915-16, and 1 milliard 455 million lire (£58,200,000) above the revenue of 1914-15. Taxes on business yielded over 443 million lire, with an increase of 107,500,000 lire over the past year and 145,500,000 lire over 1914-15. Taxes on articles of consumption returned 918,500,000 lire, which was 277,500,000 lire increase over 1914-15. Direct taxation yielded 1,430,000,000 lire, or 43,000,000 lire more than in 1915-16 and 463,000,000 lire more than in 1914-15. Tobacco, lottery, &c., yielded over 798 millions, marking a rise of 140 and 280 millions respectively over the

revenue of 1915-16 and 1914-15. Returns from public services were nearly 264,000,000 lire; 48 and 93 millions respectively more than in 1915-16 and 1914-15. The tax on war profits has surpassed all anticipation by yielding from August 1, 1914, to December 31, 1915, 248,000,000 (£9,920,000). On Carcano's last speech was very reassuring. He said that all necessary measures are taken in order to provide to the fresh debts which must be incurred for the war. Up to the present the war expenditure not covered by revenue amounts to 20,660,000,000 lire (£826,400,000), and has been met by issue of Consols, Treasury bonds, redeemable loans, and likewise by a moderate issue of paper money. The same course will be followed in the future, and new interests will be provided for through credit operations and through increase of revenue. The visit of On. Sonnino to England has been generally viewed here with great satisfaction by all those who want Italy's friendship with England to become ever closer and deeper. Some passages in On. Sonnino's speech at the Queen's Hall will be particularly approved by the party who wish Italy to remain faithful to her Mazzinian tradition of respect for the liberties of smaller nations. Those words and the recent publication of the agreement entered into by Serbs, Slovenes, and Croats, will, we hope, help to persuade the extreme Nationalist group to modify their point of view according to actual political requirements.

—From an Italian Correspondent.

South American news is, on the whole, rather good, we gather from the latest circular issued by the British Bank of South America, Ltd. In Brazil business was quiet in the first half of the year, and money at the beginning of June was rather scarce, especially in Sao Paulo. Many exporters of cereals were carrying large stocks, and holding on in hope of higher prices, in which they are not unlikely to be disappointed. Exchange was jumpy, but never fell much below 1s. 1½d. We are not directly much interested here in the position of the coffee crop, which seems to be satisfactory, the Bahia yield alone being estimated at at least 150,000 bags, but it is pleasant to hear that the sugar crop is likely to be large, for a greater area has been planted, and the prospects of the 1917-8 crop are good. A first estimate places it at 7,350,000 bags, the bag being 60 kilos (say, 130 lbs.). A good cotton crop is also expected, the first estimate being 1,130,000 bales of about 80 kilos each; and beans also should yield a surplus for export, although both the quality and volume of the growing crop are reported to have suffered from recent heavy rains. But a good crop and a large of rice is looked for, and altogether the Republic should be in a position to help Europe effectively in any food shortage. The new trade in chilled meat also goes steadily forward, and discussion has arisen as to what Brazil's capacity to export meat may really be. A somewhat optimistic estimate places the number of cattle in Brazil at about 30,000,000, and the number actually available for consumption at 4,500,000, or, say, at 1,200,000 tons of meat. This, allowing for 800,000 tons consumed at home, leaves 400,000 tons to be exported, but for such a quantity there is no shipping now available nor are there sufficient refrigerating establishments in existence within the country, but if the trade has come to stay refrigerating plant will soon be provided.

From the same circular interesting news from Argentina is also supplied, and we are glad to see that the prospects for the coming harvest there are declared to be excellent, "could scarcely be better," the circular says. Rains have been plentiful, and the ground is in excellent condition for sowing and germination, this being the early spring in Argentina. The Government has sunk \$14,000,000 paper in seed supplied to agriculturists, and apparently expects a return of possibly \$120,000,000 paper from the investment. Although, however, the weather has been favourable for sowing it has not benefited the maize crop, which ripens so

late. The maize has not dried well, and the quality is not generally good. The total yield from the crop recently harvested is put by the Government at 1,500,000 tons, and since the beginning of the year about 600,000 tons have been exported, some of the old crop being included in this figure. There is talk of stopping the export, but so far it has gone on as usual. What may happen if Argentina decides to join the Allies in the war with the abandoned Teutons we do not know, but in any case large supplies of cereals from Argentina are perhaps hardly to be expected this coming harvest year. There ought, however, to be a plentiful supply of meat, but the circular makes no mention of that. A project, unauthorised, for consolidating the Government's floating debt has been set afloat in the local Press, and the plan most discussed is "a bank of issue" to be called the "Banco de la Republica," one of whose functions would be to issue unguaranteed notes up to \$300,000,000 or \$400,000,000 paper, to be used in payment of the Government's debts, &c. That is to say paper secured on nothing in particular, and returning no interest, would be handed to creditors in payment of interest-bearing obligations. Argentina will have to try a better plan than that if it wishes to retain the confidence in Europe of those who trust its rulers.

Latest advices regarding the prospects of cereal crops in the Argentine are excellent, and if these are realised they may be expected to have a steadying effect upon prices. The Ministry of Agriculture estimates that the yield of wheat will be 6,475,000 tons, as compared with 2,106,000 tons last year, and 4,698,000 tons in the preceding year. Of oats the yield is estimated to reach 1,467,000 tons, against 488,000 tons in 1916-17, and 1,093,000 tons in 1915-16, while of linseed the crop is expected to weigh 1,059,000 tons, against 134,000 tons last year, and 998,000 tons in the preceding year. Of course, the yields last year were exceptionally poor, and the Government had to restrict exports. Heavy crops this year would effect a marked improvement, would work wonders in the financial position in Argentina, which is none too good at present, while the railway companies would be one of the first to benefit.

An idea which was suggested in these columns many months ago has now, it seems, been carried out. An aeroplane is said to have been distributing over Germany copies of a special edition of that excellent book "J'Accuse," and we hope the move will be productive of Teutonic enlightenment. But "J'Accuse" is rather a large order for the average German, who, if we may judge from what he does and from the newspapers he reads, is hardly intellectually capable of following the arguments of the book. The bulk of the people seem to be like children, and would require to be impressed by object-lessons, examples, brief essays, telling contrasts, and such like if real progress is to be made. It might be worth the while of those who are capable of writing in this way to compile a series of leaflets, each occupied with one idea, and to spread these over places where troops are congregated, over towns where some degree of enlightenment may be deemed to exist, in mine districts where life is hard, &c. For example, the question might be asked, "What have you Germans gained by this war? Have you gained the esteem of other nations, increased the number of your Allies, enlarged your foreign trade, and added to your wealth as a consequence of this prolonged strife wherein your sons and brothers have perished or been maimed in millions?" Another leaflet might ask readers to inquire who were likely to become rich by this war, supposing it succeeded according to the idea of their Berlin masters. Would the man who shouldered his musket, or loaded himself down with grenades and trench bombs, who in any way devoted his energies to the destruction of his fellow-men, have a chance to grow rich by the war? Would his landed estate be increased, or his wages, as a consequence of so much destruction? If new territory was annexed, such as Belgium, Luxemburg, and the mineral

and coast districts of Northern France aimed at by the Junker and his professors, would the addition increase your wealth as a working man? Still another leaflet might discourse a little upon the infamies of the Turk, and tell the Germans what Turkish soldiers under German inspiration and guidance had done in Armenia; or of the condition of the Christian population elsewhere in Asiatic Turkey, and ask the pious Lutheran if he really could in his heart feel proud of an Ally like this. There are dozens of ways in which the German mind might be illuminated, or, at any rate, approached in the hope of enlightening it, that might be tried if only men of goodwill and understanding will apply themselves to the work. To the Germans merely as Germans we have no hostility whatever, and never did have. It is only the German as the debased, bestial tool of a brutal caste, as the biped who has surrendered will and conscience, good feelings, every human sentiment in order to obey men who are as fiends on earth, that we loathe and wish to perish. And, after all, the race may be past saving, morally dead and embalmed in its own superlative conceit. "How will you face the hatred of the world?" a German of unusual understanding and supposed enlightenment was one day asked. He thought calmly for a little, not in the least conscious of anything amiss, and then replied, "Well, I suppose we shall have to organise sympathy." What can be hoped for from a race so far gone as that?

Mr. Gerard's narrative continues to be of an absorbing interest. Here is an illuminating incident, taken from the instalment in Thursday's issue. For such creatures as these Prussian officials to lie in second nature, and they are so hardened in lying that no exposure affects them, unless it be with rage because the lie has failed to produce the desired effect:—

The President during my visit to America in 1916 impressed upon me his great interest in the Belgians deported by Germany. The action of Germany in thus carrying a great part of the male population of Belgium into virtual slavery aroused great indignation in America. As the Reverend Cardinal Farley said to me a few days before my departure: "You have to go back to the times of the Medes and Persians to find a like example of a whole people carried into bondage." Mr. Grew had made representations about this to the Chancellor, and on my return I immediately took up the question. I was informed that it was a military measure, that Ludendorff feared the British would break through and overrun Belgium that the military did not propose to have a hostile population at their backs, who might cut the rail lines of communication, telephones, and telegraphs, and for this reason the deportation had been decided on. I was, however, told that I might have permission to visit these Belgians. The passes, however, which alone made such visiting possible, were not delivered until a few days before I left Germany. Several of these Belgians, put to work in Berlin, managed to get away and come to see me. They gave a harrowing account of how they had been seized in Belgium and made to work in Germany, making munitions to be used probably against their own friends. I said to the Chancellor that these Belgians were employed in making shells, contrary to all the rules of war and The Hague Conventions. He said: "I don't believe it." I said: "My automobile is at the door. I can take you where thirty Belgians are working on the manufacture of shells in four minutes." But he did not find time to go.

A short interim report is issued by the Pekin Syndicate, Ltd., and encourages the hope that the affairs of the company are steadily improving. As announced at the last meeting, the chairman, Mr. Thomas A. Barson, has gone to China on a visit to the syndicate's properties, and is actively engaged in administering the company's affairs, on the spot. Naturally the continuance of the war and the unsettled conditions in China have to a certain extent affected operations, especially owing to the difficulty of obtaining supplies from Europe, but relief in this respect is now being obtained from the United States. Work at the mines has been maintained fairly well, all things considered, and the operations of the Fu Chung Corporation (which acts as selling agent) are described as "eminently satisfactory," while the improved feeling and absence of friction with Chinese interests are all to the good. Sales of coal have increased, and better prices have been obtained, so that it is estimated that the profits for the year to March 31 last will exceed \$160,000, a very great

improvement on what has previously been accomplished. The Syndicate can do very valuable work in China, and it seems at last to be going the right way about it.

The Dominion Bank issues a report for the six months to June 30 instead of for the calendar year, and the figures are given in dollars instead of sterling, so we shall not attempt to compare them in detail. Evidently the bank has done well, as the nett profits for the half-year were \$559,280, against £199,120 in 1916, and the usual quarterly dividends of 3 per cent. have been paid, while \$485,300 is carried forward, against \$363,440 brought in. Deposits are \$2,000,000 higher at \$74,388,000, and the balance-sheet totals at \$97,062,000, which also shows an increase. Notes in circulation amount to \$6,755,000, while the cash assets stand at \$21,338,000, securities and short loans at \$24,330,000, and advances, &c., at \$44,818,000. It all looks very good and healthy, and we may call special attention to the fact that the reserve fund of \$7,000,000 exceeds the paid-up capital by a million dollars.

In its financial year to March 31 the Bank of New Zealand enjoyed a full measure of its accustomed prosperity. Gross profits, after making a special grant to the provident fund and paying a bonus to the staff, amounted to £964,910, or an increase of £163,000; but salaries, &c., were £27,000 higher, and rates, taxes, &c., absorbed £60,000 more, so that the nett profit comes out £80,000 to the good at £436,630. The directors, however, do not recommend an increase in the dividends, which remain at 10 per cent. on the "A" preference shares and at 15 per cent. (including 3 per cent. bonus) on the "B" preference and ordinary shares, but no doubt the shareholders are quite content with these very handsome returns. The reserve fund gets £23,000 more at £72,860, which raises the total to £2,135,000, and the carry forward is increased by £55,000 to £111,600. These two items together are within £33,000 of the total paid-up capital, and the position of the bank is therefore a very strong one. Evidently business was very good in the colony. Deposits increased, £5,500,000 to £29,053,000, and there was an expansion of £700,000 to £2,560,000 in the note circulation, while bills payable, &c. (including provision for doubtful debts and depreciation of investments) have advanced £240,000 to £2,008,000. Coin and cash balances at bankers increased £420,000 to £5,915,000, money at call and securities in London £2,750,000 to £11,476,000, colonial securities £1,900,000 to £3,290,000, and advances, &c., £3,800,000 to £14,490,000; but there was a reduction of £2,900,000 to £672,000 in bills receivable. The

LLOYDS BANK LIMITED.

HEAD OFFICE: 71, LOMBARD STREET, E.C. 3.

CAPITAL SUBSCRIBED	£31,304,200
CAPITAL PAID UP	5,008,672
RESERVE FUND	3,600,000
DEPOSITS, &c. (June, 1917)	141,053,601
ADVANCES, &c. do.	67,573,903

FRENCH AUXILIARY:

LLOYDS BANK (FRANCE) LIMITED.

balance-sheet aggregate is £38,280,000, an increase of £6,560,000, and it has a fine healthy appearance.

Very interesting reading is contained in the report of the Russian Commercial and Industrial Bank, covering its operations for last year. The war brought enormous alterations in the character of its business, but compensation for the almost complete cessation of Russian exports and the control of domestic consumption by the Government has been amply furnished by the new demands created by the war. Consequently the turnover last year exceeded by nearly 60 per cent. the total for 1915, and deposit and current accounts are 99 per cent. larger than they were in 1915, and no less than 210 per cent. higher than at the end of 1914. That is to say, they have in two years risen from Roubles 170,000,000 to R. 526,000,000, and profits have grown in proportion to the development of the business. Last year the total was R. 21,365,000, an increase of 74 per cent. upon the previous year, and of 100 per cent. on 1914. Expenses, however, have gone up 106 per cent. to R. 13,854,000, and were 143 per cent. above those for 1914. Still, the nett profit for last year was R. 13,854,000, and the board places R. 4,549,000 of this to a special reserve for depreciation in securities, protested bills, &c. Now the managers of branches get bonuses amounting to R. 328,000, and from the balance of R. 8,977,000 left, the shareholders are to get a dividend of R. 30 per share, or 12 per cent., which will take R. 4,200,000. Then the members of the board, directors and staff, get R. 2,108,000, in accordance with the articles of association, and the usual percentage added to the reserve is R. 826,000. Finally, R. 1,271,448 is set aside to form a new special reserve fund, leaving R. 603,000 to carry forward, as against R. 31,312 brought in. This is a remarkable exhibit, and not least so in the prudence with which the exceptional gains of war-time are conserved. Moreover, the directors have taken thought for their employees, and propose that additional pay equivalent to four months' salary, and amounting to R. 695,000, should be given to them, over and above the bonus provided in the estimates. The staff fund, in fact, gets 15 per cent. of last year's profits. Some idea of the expansion of the business can be gathered from the figures of the balance-sheet drawn up on the English model, and in sterling. It shows a paid-up capital of £3,703,000, a reserve of £1,228,000, current deposit and other account liabilities of £75,424,000, and £919,000 due on bills accepted and cheques outstanding. Cash in hand and at bankers stood at £3,570,000, investments at £2,753,000, bills, &c., discounted at £19,077,000, and loans, advances, and other accounts, including the liabilities of acceptances, reached the handsome total of £56,197,000. Including the cost of bank premises, £989,000, the total of the balance-sheet on January 1-14 last was £82,614,000. Amongst the items of revenue last year was £56,000, representing debts recovered which had been previously written off.

The war is resulting in an enormous demand for dental and allied products, and in spite of the fact that Claudius Ash, Sons and Co., Ltd., are unable to derive any benefit from their extensive interests in enemy countries, and have suffered from the fall in the value of the rouble, they are able to report profits within £10,000 of those of the pre-war year 1913. The trading profit is £99,150, no less than £44,600 larger than that of 1915, and after providing for expenses, including income-tax, which took £8,300 more, nett trading profit comes out at £79,400, an improvement of £37,900. The directors prudently retain a very large proportion of this in the business, £10,000 being allocated to reserve and £17,650 added to the carry forward, which is now £36,450, but the dividend on the ordinary shares is increased from 5 per cent. to 7½ per cent., which the shareholders will no doubt regard as being distinctly satisfactory. The balance-sheet shows that a further reduction in stocks has taken place, that item being £113,650 down at £351,300, but with the present conditions of labour and the many

manufacturing difficulties with which the company must have to contend, a development of this character is inevitable. The financial position is a strong one, liquid assets aggregating £407,300, while current liabilities, including dividend disbursement, total only £106,470. Investments in enemy countries are now given separately at £217,000. This amount, we may say, does not include goodwill and the profits from local trading since 1913. The company should, of course, eventually receive compensation in respect of its property in enemy countries, particulars of which have been lodged with the British Government.

Why do Greenwood and Batley, Ltd., present their profit and loss statement in such a perplexing form? The accounts now issued cover a period of 20 months from the date the works were put under Government control, July, 1915, and to find the average dividend per annum paid during that period is a veritable Chinese puzzle. In the report the directors declare a final dividend of 15 per cent., but they do not state whether it is for 12 months or 20 months. The total amount of dividends paid to March 31 is given in the balance-sheet, but this is where the real trouble starts. These are deducted from a sum which includes the carry forward from the previous year, before the final dividends payable in respect of that period were deducted. After much figuring we have succeeded in extracting the sum which properly belongs to the former period from the item "dividends paid to March 31, 1917," and after adding final dividends and making numerous adjustments, the distributions made on the ordinary seem to average just about 10 per cent. per annum. All this would have been saved by a more straightforward statement. The nett profit, after writing off £45,000 for depreciation—equivalent to about 11½ per cent. per annum—amounts to £74,240. Reserve receives £13,600, and there is £13,600 to go forward. As the exhibit of a controlled firm, the balance-sheet is an interesting document. Debts due by the company have increased £780,000 to £1,024,400. Sundry debtors have gone up £462,700 to £646,270, cash at bank has risen £145,570 to £249,000, stock on hand, including work finished and in progress, is up £231,850 at £344,150, and £47,500 War Loan appears for the first time. The capital, including £80,000 mortgage debentures, amounts to £354,500, and reserve and contingency funds together total £100,000.

Rylands and Sons, Ltd., the great Manchester house, again did extremely well in the six months to June 30. Nett profits amounted to £200,260, an increase of £4,000, and £25,000 more was brought in, making the total available £337,400. The dividend of 10 per cent. per annum and the bonus of 4s. per share are repeated, but with income-tax at 5s. deducted the distribution absorbs only £71,250. Consequently after again placing £80,000 to war contingencies fund, which includes provision for excess profits duty, and transferring £20,000 to staff consideration fund, the carry forward is increased by £34,000 to £166,150. Sundry liabilities have increased £270,000 to £1,464,000, and that exceptionally comprehensive item "stock-in-trade, ledger balances, investments, bills receivable, and cash in hand and at bankers," has risen £320,000 to £3,982,000. On the other hand, buildings and plant have been written down £25,000 to £673,560, and the reserve funds amount to £750,000, or half the paid-up capital. It is a wonderful business, but we think the shareholders are entitled to a little more detailed information.

Mitchells and Butlers, the brewers, did extremely well during the twelve months ended June last, but the figures in the accounts do not disclose the full measure of prosperity enjoyed, for the profit is arrived at after making additions to inner reserves. Nevertheless, the published results display an increase of £51,150 at

£263,500. The ordinary dividend of 15 per cent. is again repeated, but, as will be recollected, last year a portion of the reserve fund was capitalised, each ordinary shareholder receiving one new ordinary share for each two old shares held, and the dividend on the increased capital takes £44,850 more than before. The reserve again receives £80,000, £2,000 more at £5,000 is set aside to employees' superannuation, and the carry forward is raised £4,380 to £199,250. The balance-sheet shows a very strong position. In spite of the capitalisation of a portion of the reserve, that fund, with the latest allocation, is up to the level of twelve months ago. This is because the company has been able to draw upon its inner reserve, which enabled it to distribute the bonus of £299,020 £1 ordinary shares without strain. Cash has gone up £111,400 to £373,600, investments are £57,000 higher, and stock displays an increase of £93,550 at £577,500. Against these increases sundry liabilities, including dividend disbursements, aggregate £708,580, or £116,850 more than a year ago, and book debts are £28,400 lower. Freehold land, properties, &c., are returned at £2,676,900, an increase of £71,460, and rolling stock has increased £35,250 to £247,550.

If we had not had the experience of other brewery reports we should have been inclined to think that the great Burton firm of Bass, Ratcliff and Gretton, Ltd., must have suffered severely from the restrictions on trade, and the difficulties of distribution. But whatever the curtailment in the overtime may have been it is not reflected in the profits. Including £10,500 less brought forward, the gross revenue was £40,000 higher at £995,200, and the nett profits are £49,000 up at £425,400. Rates, taxes, &c., took £15,000 more, and repairs, renewals, &c., £8,000 more, but £17,000 was saved on general expenses, and £13,000 on reserve for doubtful debts and depreciation of investments. The available balance is £482,320, an increase of £38,000, and the dividend for the year to June 30 is raised from 12 per cent. to 14 per cent., while £75,000 is again placed to reserve fund (raising it to £750,000), and £11,000 more at £68,120 is carried forward. Creditors have been reduced £254,000 to £374,000, debtors £226,000 to £588,000, and stocks £238,000 to £843,000. Cash is down £62,000 at £236,000, but investments are £415,000 up at £1,474,000, and although goodwill and trade marks stand at £800,000, they are doubtless well worth it, and there is nothing to cavil at in the balance-sheet.

Wm. McEwan and Co., Ltd., the Edinburgh brewery firm, is not very communicative, and does not issue complete accounts, but the profit statement for the 12 months to June 30 shows a great advance on recent years. Nett profits amounted to £159,340, which compares with £87,700 for 1915-16, and with £55,360 for 1914-15. In the latter year the dividend was 6 per cent.; last year it was raised to 9 per cent., and now it is put up to 12½ per cent., including a bonus of 2½ per cent. The balance brought in two years ago was £27,240, and the amount now carried forward is £117,140, but this is subject to excess profits duty for the last two financial years, the amount of which has apparently not yet been ascertained. Is the Government's object in forcing up the price of beer and spirits partly to collar as much excess duty as possible? Very likely, but it is a somewhat dangerous policy—profiteers are not loved even in Government departments.

As might have been anticipated, the business of Millars' Timber and Trading Co., Ltd., has been greatly interfered with by the war. In 1915 the profits dropped £104,000, and this has been followed by a further fall of £28,000, which brings the total for the past year down to £57,850. There was a small saving in expenses, but the amount brought in was £23,000 smaller, and the total available shows a reduction of £50,000 at £98,950. Consequently only six months'

preference dividend is provided, and the allocation to depreciation reserve is cut down from £25,000 to £15,000, leaving £14,000 less at £36,540 to be carried forward. In the first half of the year it was hoped that the 1915 level would be maintained, but the increasing appropriation of tonnage by the Government still further restricted the company's business, and the situation at present shows no signs of improvement. Moreover, the Government has taken possession of the company's wharf at Purfleet, and the staff there are now rendering services to various departments of the State. On the other hand, the supply of timber to the Allied Governments in Macedonia has been continued with success, notwithstanding great difficulties as regards labour, transport, and the renewal of plant. The shareholders must just have patience till better times come round again.

The Direction of British, French, and German State Banks.

The reform of the Paris clearing house, to which reference was made last week, and the recent action of the Finance Section of the London Chamber of Commerce in recommending the Council of the Chamber to appoint a committee to examine and report on the constitution and functions of the Bank of England has drawn attention to a subject that is likely to become increasingly important in the near future.

Although the Bank of England has undoubtedly handled some operations with considerable skill, it would be useless to ignore the fact that it has made mistakes, and that its policy in certain matters of war finance has been severely attacked by a formidable body of financial opinion. This has been due chiefly to a lack of co-ordination and co-operation, which resulted from the Bank being a private institution, responsible to the proprietors. To mention only one instance, the recent raising of Treasury Bill rates after they had been lowered, and the constantly changing method of issue, showed a lamentable absence of that co-operation which is necessary in financing the war. These events have shown that the semi-Government control of the war finance machinery scarcely accords with the requirements of the present time. There is a strong body of opinion which favours the formation of a permanent council, comprising bankers and financiers in close touch with financial affairs, presided over by a member of the Government, preferably the Chancellor of the Exchequer. This council should have control of war finance generally, and assume the direction of international finance. But it may be doubted whether this idea could be given effect to without providing the Government with some form of direct control of the Bank of England.

The enormous amount of responsibility and power which the war has brought to the Governorship of

THE LONDON CITY & MIDLAND BANK LIMITED.

Head Office: 5, THREADNEEDLE ST., LONDON, E.C.2.

Foreign Branch Office: 8, Finch Lane, London, E.C. 3.

Subscribed Capital	-	-	£22,947,804
Paid-up Capital	-	-	4,780,792
Reserve Fund	-	-	4,000,000

Deposits	(26th July, 1917)	-	£182,517,486
Cash Reserve	(Ditto)	-	42,075,526

BRITISH OFFICERS at the FRONT who are CLIENTS of this Bank are informed that their Cheques can be cashed, free of charge, at any of the Branches of the Banque de France, of the Société Générale, and at the Banque Française, 17, Rue Scribe, Paris.

the Bank has thrown into sharp relief the obsolete constitution of that institution, which the directorate had to recognise some time ago. No other great business concern in the world changes its chairman, who also acts as a managing director, every two years, and the absurdity of maintaining the tradition that a Governor should only hold office for two years was perceived early in the war, when Lord Cunliffe's ordinary term expired. It was pointed out that no other director could take up the multiple strings of office without causing dislocation, and it was decided that he should retain his position as Governor. But though this arrangement was inevitable, it was a makeshift, and it did not get rid of another difficulty, namely, that a Governor of the Bank is practically an autocrat in whose hands is concentrated a great deal of power. It is obvious that in times like the present the exercise of that power may easily create friction because the Treasury has no representation, and because the directorate is practically in the hands of the Governor, who also is not under the necessity of consulting outside opinion. If the Governorship were a permanent appointment, as is advocated by many bankers, a practical and experienced man in constant touch with city opinion would be able to discharge that function more successfully and with more continuity than a person chosen by seniority to fill that position for two years only.

In this connection it is interesting to note the constitution of the Bank of France, which, like the Bank of England, is a private proprietary. It has a Governor and two under-governors, who are appointed by the President of the Republic. The general direction of the Bank's affairs is in their hands. A general council consists of these gentlemen and fifteen regents and three censors, acting as advisors. The general council decides upon the policy of the Bank, but the Governor has a veto power on the decisions of the general council for all orders issued by it must bear the Governor's signature. The Governor, however, cannot alter or make decisions, power to do which belongs wholly to the general council. The Governor, in fact, acts as a managing director, who also holds a brief for the Government at the same time. The Bank of France is a much more democratic institution than the Bank of England. Great pains have been taken to render services to the industrial community and agriculture. It has a very large number of branches. Bills of a very small amount—as small as 4s.—are discounted by it, and loans of a few pounds have been granted.

As might be expected, the Imperial Bank of Germany is a purely autocratic concern, despite the fact that it is a private company, in which no shares are held by the Government. There are three boards controlling this institution. The first is named the curatorium, the second direktorium, and the third the ausschuss. The curatorium is composed of five members, of which the Imperial Chancellor is one, and he has supreme power. The curatorium meets every three months, and its other members are appointed by the Kaiser and the Federal Council. There are nine members of the direktorium, all appointed by the Kaiser for life on the recommendation of the Federal Council. This board is the body which directs the business of the bank. The ausschuss, or third board, is composed of fifteen shareholders, which meets once a month. It appoints a committee of three to work with the direktorium. Thus this bank, though owned privately, is under the supreme control of the Kaiser working through his Chancellor.

It will be observed that in France, and still more so in Germany, the leading bank is under the direct control of the Governments. That is a great advantage in times like the present, for it avoids that dual control of finance which results from our own system of having a bank which has all the dignity and power of a State bank, with none of its responsibilities, and is under the control of practically one man, who, however, is replaced every two years according to an immemorial custom which makes seniority the prime test of capacity, and who, moreover, is not allowed to

become an expert owing to the limitations placed upon his term of office. It is not surprising in these circumstances that some eminent men have declined to accept the nomination of Governor on such terms.

Our Foreign Trade in July.

There has been a change in the method of compiling the foreign trade returns, the figures for July including articles imported and exported on public as well as private account except exports for the use of his Majesty's Forces in any theatre of war. In the case of imports, all articles of food were previously included, but not other goods, which at the time of importation were the property of his Majesty's Government or the Governments of the Allies. It is, therefore, not possible to make an exact comparison with previous months, although an examination of the principal items does not disclose any very marked differences, and the increases shown are perhaps mainly due to enhanced prices. Following are the figures for the past month and the year to date:—

	July, 1917.	Compared with 1916.	Compared with 1915.
	£	£	£
Imports	90,182,430	+ 13,449,987	+ 14,458,663
Exports	49,833,635	+ 3,510,576	+ 15,112,124
Re-exports.....	4,588,484	— 3,306,437	— 4,820,306

SEVEN MONTHS.

Imports	590,403,281	+ 39,720,074	+ 85,958,149
Exports	300,981,179	+ 12,850,241	+ 82,636,780
Re-exports.....	50,834,807	— 11,181,215	— 9,897,003

In face of the losses by enemy submarines, these figures must be regarded as very satisfactory. The reduction in our re-export business is, of course, rather serious, but it is not surprising in view of the shortage of tonnage, and trade will naturally choose new routes to avoid as far as possible the submarine menace. Total imports for the month show an increase of 17½ per cent. Foodstuffs advanced £18,000,000, to which grain and flour contributed £14,830,000, and meat £2,500,000, but tobacco fell nearly a million. No particulars of quantities are given, but the value of grain and flour increased by 154 per cent., and of meat by 36 per cent., and these advances can only be partly accounted for by higher prices. Cotton fell 56 per cent. in quantity but only 12 per cent. in value, while flax fell 17½ per cent. in quantity and as much as 42 per cent. in value. Hemp was dearer; we took 45½ per cent. less of it, and paid 22½ per cent. less. Leather cost a little more, and the quantity imported dropped 50 per cent. Wood and timber fell 68 per cent. in quantity and 59 per cent. in value, but there was a welcome reduction in the price of petroleum, of which the supplies increased by 158 per cent. while the value was only 51½ per cent. up. Iron and Steel fell 47 per cent. in quantity and 23 per cent. in value, while we received 16 per cent. less wool, and paid 14 per cent. more for it. Manufactured articles showed an all-round reduction of £2,947,000, the only increases being in motors, cycles, &c., and in miscellaneous articles.

With regard to exports, there was a decline of £1,580,000 in foodstuffs and tobacco. The latter fell off £193,000, and there were heavy reductions in cocoa preparations, fish, condensed milk, and spirits. Raw materials increased £178,000 nett; oil seeds, nuts, &c., advanced £373,000, but there was a decline of £225,000 in coal, quantity and value being both about 5 per cent. down. Manufactured articles advanced £4,777,000, to which cotton contributed £3,000,000, entirely due to higher prices. Miscellaneous goods show an increase of £3,568,000, and machinery £152,000, but nearly all the other headings are lower. Iron and steel fell 9 per cent. in quantity, and 14 per cent. in value, cutlery and hardware £262,000, electrical apparatus £103,000, apparel £215,000, chemicals, &c., £368,000, and paper £276,000. Where quantities are available it is evident that prices have still a tendency to rise.

Imports for the seven months show an increase of almost £50,000,000 in foodstuffs, although tobacco

is down £1,023,000, and there is a decline of £7,975,000 in dutiable articles, principally tea and sugar, we suppose. Raw materials have increased £15,884,000, cotton being up £6,066,000, wool £8,509,000, oil seeds, &c., £3,972,000, and hides £2,650,000, but there is a drop of £9,984,000 in wood and timber. Manufactured articles have declined £27,114,000, iron and steel falling £1,550,000, other metals £4,732,000, cotton £3,412,000, and chemicals, dyes, &c., £4,350,000. As to exports, foodstuffs show a reduction of £7,028,000, while raw materials (principally coal) are up £3,542,000, and manufactured articles £15,627,000. Cotton fabrics contribute an increase of £14,855,000, woollens £3,950,000, and machinery £1,006,000, but iron and steel are £6,120,000 down, and chemicals, &c., £2,272,000. All things considered, however, the record may be regarded as a fairly encouraging one.

We continue to watch the Bonded Warehouse account with a good deal of interest, and the following table shows how stocks have moved during the past month, together with the figures at the end of July two years ago. There is nothing to worry about except tea and sugar, and we know that a shortage of tea does not exist; the allocation of a ship or two for a couple of voyages would bring stocks up to their normal level. And the sugar position has distinctly improved; all that is necessary to remove the scandal of the sugar queues is better organisation of the distribution, and that ought not to be an unsolvable problem without local committees and sugar tickets.

	June 30, 1917.	July 31, 1917.	July 31, 1915.
Cocoa .....cwt.	1,218,000	1,210,000	360,000
Coffee "	1,414,000	1,393,000	711,000
Sugar, unrefined.... "	1,974,000	2,159,000	1,930,000
Do. refined..... "	356,000	443,000	1,649,000
Tea .....lbs	76,995,000	71,610,000	83,946,000
Tobacco "	211,633,000	201,549,000	204,741,000
Spirits, home-made...gals.	134,584,000	133,301,000	146,071,000
Do. foreign..... "	17,195,000	16,603,000	10,121,000
Wines "	6,013,000	5,916,000	4,658,000

This month's return contains a statement of the bullion movements for the quarter ended June 30. Imports of gold amounted to £226,137, against £254,760 last year and £2,221,000 in the corresponding period of 1915. Exports were £420,224, against £9,639,140 last year, and £3,190,710 in 1915. Evidently the gold won in South Africa, Australia, &c., is being diverted to other centres, and that is a wise precaution while submarines are on the prowl. Of silver we imported £2,134,483, against £3,694,927 last year and £2,471,010 in 1915. Exports amounted to £1,951,480, against £2,118,666 last year and £1,940,640 in 1915. In the quarter we retained just over two million ozs. for currency and the arts, a very small percentage of the normal consumption, but enough to carry on with. For the six months gold imports amounted to £3,546,117, and the exports were £434,000, the corresponding figures last year being £6,368,900 and £22,324,000. Silver imports were £5,523,700, and exports £5,760,000, while in the first half of last year imports were £6,360,000; and exports £3,923,450.

The Finances of China.

A "China supplement" to the *North China Daily News* possesses unusual interest at the present time, because of the action of the Chinese Government in declaring war on the two outlawed empires of the Teutons. It is also opportune and valuable for what it contains. A variety of special articles has been compiled for publication in it, a good many of which are from the pen of native Chinamen of ability and education. There is an article, for instance, by Li Sum-Ling on the "Press of China," which is well worth reading by the curious, but the essay that interests us the most is one on the present financial situation of China by Hsu En-Yuan, governor of the Bank of China. It presents a more encouraging account of China's tax-exuding capacities than is usually current here. Mr. Hsu quotes an official "trial budget" to illustrate the

position. The figures it contains are merely estimates, but the more reliable amongst them are to be found in the general report of the receipts and expenses for the second half of the fourth year and the first half of the fifth year of the Republic. They are compiled by the Ministry of Finance from the reports of various provinces, the Salt Revenue reports, the Customs reports, and other official statements. The summary thus compiled is worth reproduction:—

ESTIMATE OF CHINA'S REVENUE FROM JULY 1, 1915, TO JUNE 30, 1916.

	\$
1. Land tax	80,264,811
2. Tax on commodities	28,509,164
3. Direct and miscellaneous taxes	38,100,219
4. Direct and miscellaneous duties	12,561,842
5. Income of Government investment	2,176,115
6. Miscellaneous income of provinces	11,895,034
7. Loans by provinces	13,106,884
8. Customs revenue	63,902,851
9. Salt revenue	83,896,533
10. Income directly received by Cent. Gov.	87,415,348
11. Public loans	35,099,178
12. Income of central administrations.....	1,887,046
13. Wine and tobacco monopoly receipts	5,421,609
14. Income Printing and Engraving Bureau	164,885
Total	464,495,519

EXPENDITURES JULY 1, 1915, TO JUNE 30, 1916.

	\$
1. Ministry of Foreign Affairs.....	4,082,169
2. " " Interior	51,908,843
3. " " Finance	241,529,497
4. " " War.....	145,728,173
5. " " Navy	5,787,305
6. " " Justice.....	6,762,355
7. " " Education	11,768,288
8. " " Agriculture and Commerce..	4,209,558
9. " " Communications	1,267,669
10. " " Board of Mongolian and Tibetan Affairs	927,606
Total	473,971,463

What some of the categories of revenue mean we cannot explain, as, for instance, "income from Government investment" or "loans by provinces," or the "indirect" income of the Central Government, and so forth, but none of the totals seem extravagant in amount, and they show that the new Republican Government is not without resources and was not so far short of paying its way last year. The governor of the Bank of China, however, indicates that many reforms are necessary before the position can become comfortable. The salt revenue has greatly increased because the tax is better arranged and better administered, and the land tax is apparently now being taken in hand with a view to its readjustment and better collection, not a day before it was time. Definite steps have been taken to prevent embezzlement and corrupt practices such as were possible under the old régime, and the Government is contemplating the institution of "a general survey and measurement of the land of the whole country" in order to obtain all necessary statistics relating to the collection of the land tax. We wonder if Mr. Hsu En-Yuan knows what an undertaking of that kind will mean. Well, at least it serves to show that the new Government is enlightened in its purposes, and the mere fact of striving after reform of this kind may itself help towards the correction of abuses. The Ministry of Finance, we are told, has evolved a system whereby public properties are disposed of in a proper manner and vast sums of money realised each year, which is also good. Amongst the new taxes, too, most successfully enforced thus far are the stamp tax and the tobacco and wine monopoly receipts. Miscellaneous and petty levies, which were oppressive to the people, were abolished by the order of the new Government, and we hope the order was carried out, for in equity is the hope of stability.

Looking at the expenditure side of the accompanying trial balance-sheet, as we might call it, it is noticeable how much the Army has come to cost. Public finance naturally takes the first place as a charge on the income by reason of the many loans China has contracted and the heavy compensation and indemnity burdens put upon her Government by European Powers, not always by any means too considerate, but alongside the

\$241,500,000, which is more than half the anticipated revenue, absorbed by finance, the formidable sum of \$146,000,000 is set down as the cost of the Army, and the writer of the essay explains that since the Revolution the expenditure for the Army has always taken the lion's share of the Government receipts. "Justice" is down for less than \$7,000,000, and the Navy for less than \$6,000,000, while agriculture and communication get respectively only \$4,210,000 and \$1,268,000. The figures, however, do not include the special budget for the railways and telegraphs, and the amount set down against communications includes only the expenses of the Ministry itself, and the educational expenses connected with the railway and telegraph schools.

How the deficit is made good the Treasury report did not explain, nor does Mr. Hsu, but the Government can raise the money on short-term loans, and the rate at which deposits are expanding in the banks indicates that within reason there should be no difficulty in obtaining money, given a stable administration. Notwithstanding the frequently unsteady political situation, the deposits in the Bank of China have grown rapidly. At the end of 1912 the total was \$2,500,000, a year later it was \$17,500,000, for 1914 \$58,500,000, and for the year closed January 1, 1915—that being the date at which all the balance-sheets are made up—the total was \$105,500,000. As Mr. Hsu En-Yuan says, the financial position of the Government is not rosy, but assuredly it is not hopeless. If only the Government can succeed in putting down the sporadic revolutions, in reconciling the south and west to the Republic, and in establishing a united authority—over federal self-governing States after the manner of North and South America, perhaps, but still centralised enough and powerful enough to maintain order—China should make rapid progress. Whatever the Powers of the Entente may have done in the past, or assented to others doing, we think they may be relied upon henceforth to do nothing to weaken the authority of the Peking Government in the eyes of those it has to keep order amongst. Rather are they likely to do all that in them lies to sustain the President and Ministers of the Republic in every legitimate exercise of their authority. And the riches of China are inexhaustible, inexhaustible also the energies of the people. They only need wise handling and peace in order to grow rapidly in civilisation.

By-the-Way War Notes.

Germany's eagerness to secure peace grows more feverish every week. It has been growing hotter ever since the first autumn of the war, since the great battle of the Marne checked the robbers in their career of infamy. But it has never yet been hot enough to melt the crust of Prussian arrogance, to abate in any measure the boundless conceit of these oppressors of Germany. In the same minute almost the baulked Kaiser uttered savage threats about "blowing up Windsor Castle and the whole Royal family of England"—fit expression, that, of the baffled rage of an ill-balanced mind—and Bethmann-Hollweg beseeched Mr. Gerard to see whether he could persuade President Wilson to intervene to bring about a peace—the German peace, the peace that the Pope, also doubtless at Austria's bidding, has now come forward to advocate. Surely it is unfortunate for Roman Catholicism that its head should be so simple-minded or so thoroughly under the thumb of the Lutheran heretics, whose hand is heavy on Austria, as thus to do their bidding.

Forgiveness all round, *i.e.*, abandonment of all oppressed democracies to Teuton ambitions, the German "freedom of the sea," and "as you were" in colonies and everything! Is that a Christian peace, fit conclusion to the abominable crimes mankind has endured? Is it an honest proposal? We leave the Catholics themselves to answer, but feel sure that an exhibition of partizanship and contempt for the most elementary of human rights such as this will do more to weaken the hold of the Papacy upon the masses everywhere than any other incident that has happened since "Pio

Nono" betrayed the cause of United Italy in the first half of last century, and made the body whose head he was a byword and a reproach throughout the land.

Peace! There cannot be a hint of peace until Germany gives up her foul ambitions, is humbled and repentant. The arrogance which declared to Mr. Gerard, "there is no international law," still holds sway over the betrayed and enslaved German people. And while they consent to commit crimes as their masters order they deserve no pity, their professions no credence.

The more the mind and character of the Kaiser and his military surroundings are revealed to us the deeper is our horrified amazement that any community of men, proclaiming itself civilised, could possibly tolerate and obey as its head creatures so monstrous. The German people individually may often be amiable—often are—and certainly they are astute in certain ways, not without instruction either, but in all that is worthy in human relationships among other peoples they are centuries behind the rest of the world, a mal-formed race. No crime is foul enough to be refused condonation, if not approval, more or less whole-hearted by the German people, no lie gross enough for its gullet. Has ever an authoritative voice been raised in Germany in wrath against those systematic and fiendish massacres which occurred in Armenia about the time the war broke out, and which were often carried out under German supervision? Has anything but delight ever been expressed in any authoritative German quarter over the feats of the submarines in drowning women and children? Has anything but satisfaction been manifested over the stories of havoc and slaughter of the unarmed in England by German aircraft? Or is any pity ever shown for the ill-used Belgians or the dispossessed Serbians? No! The whole attitude remains that of the callous, greedy robber, and the only feelings expressed are those of rage and disappointment at being baffled of the prey. Peace? There can be no peace with a people thus inspired, and no matter what congresses may be toilsomely got together by German perseverance and German pretence their efforts would be wrecked directly honest minds came in contact with minds so charged with greed, vanity, and falsehood.

But the war is surely bringing the day nearer when the Germans will assume another attitude! Perhaps the Germans may be past hope of salvation. And if the war is not going forward so quickly towards victory as we are eager to suppose, it may be because only by its slowness can the Teutons be wiped out as a Power in the world. The pace, looked at from the point of view of the slaughter accomplished by the Allies, is much greater than it may seem, and most effective for the necessary *finale*. In the West the French armies and our own go methodically on from success to success, taking increasing care to kill while not being killed, and their consumption of Germany's male population still willing to be led or driven to the shambles is so great and persistent as may soon now relieve us from all dread of evil consequences following the defections of Russian troops in Galicia and Moldavia; of all fear, also, that the peace to be attained will not be *ours* and well secured.

The Rumanian army itself is fighting amid betrayals with a splendid courage that surely ought to forbid King Ferdinand to leave his capital of Jassy in order to take refuge in Odessa; and not all the skill of Mackensen will secure victory in the East. His troops—mixed swarms of ruffians and slaves—may overrun Moldavia, may even carry away much of the harvest from there, but they cannot settle down and take possession of the country to extract its wealth. The invasion can only be ruthless forays, devastating to the country and cruel to the people, but in no durable sense a conquest, because the sustaining force behind the hordes is wasting away to exhaustion, is being consumed in the West.

Think for a moment what a tremendous strain the war is imposing upon the enemy. We can measure it to some extent by our own experience. In order to sustain their part of the fight, France, Italy and ourselves have been put to an expense in money and in

man power which, however horrible, at least puts up an insurmountable barrier to any peace arrangement which does not satisfy democracies everywhere, which does not also secure the means of reparation and take guarantees for restitution from the hands of the guilty aggressors. And the strain has been borne with invincible resolution. And we now have the United States, nay, and the whole civilised world, on which to rely for assistance, support. But Germany has to sustain the fight in the West, on the Italian frontier, in Rumania and Bulgaria, in Palestine, and in the upper regions of the Euphrates and Tigris north and west of Baghdad; at sea, likewise, and the expense of the submarine campaign alone must be stupendous. In bearing the strain of all these charges the Hohenzollerns and their savage retainers now get no help from any so-called ally, never did get much from a single one of the group. They could never have had help from Turkey except in human butchers sent out to slay and be slain, or from Bulgaria, for both States were financially in ruins before the war began. Austria began the war, as we have continually insisted, also in a bankrupt condition as an empire, and every month since the fighting began has plunged the Habsburg empire deeper in insolvency, until to-day all the wealth of the Habsburgs, of the Roman Church, of the land magnates, and all the gold and jewels in the land will not pay a tenth of the debt. Bulgaria, poorer to start with, was as bankrupt as Austria, and except the valuables and the crops stolen there has been no compensation of any kind obtained by the would-be world subduers.

Such security for money spent as the Germans had in the Balkans, in Turkey, whether European or Asiatic, they themselves have devoured or destroyed, or been deprived of. Germany's foreign commerce, too, which had risen to the value of more than a thousand millions the year before the war began, is worth nothing now, or next to nothing, will be worth next to nothing as a source of well-being at home for many a year after the madmen have been beaten into acquiescence in the fate they have brought upon themselves. How, then, is it possible for a Power shattered like this to hold any land occupied merely in the way Rob Roy's cattle lifters used to occupy districts in the Scottish Lowlands? It cannot be done. The daft Kaiser has brought the credulous dupes he tyrannises over to the edge of the bottomless pit. The hour is at hand when the financial impotence of the Germans and Austrians will become so all-paralysing as to force them to "down weapons," whether willing or no; consequently it is a mistake to indulge in grumbling admonitions or to complain of the slowness with which the Allies go on to victory. They are going faster now than they ever did.

One manifestation of this ill-timed discontent is seen in a renewal of the factious clamour worked up in various newspapers which demands greater activity on the part of our fleet. It must do something great, we are told; and there could be no counsel more pernicious. It is advice bad enough, indeed, to have been hatched in Germany or inspired by Morel and his super-saints. Has not the fleet cleared all seas of German ships of every kind, and are not our fleet and the fleets of Italy and France at last getting the mastery of the submarine piracy? Surely this becomes more probable, if not certain, with every week's returns. In March the weekly average of vessels of 1,600 tons gross and upwards sunk was 16.25. In April it rose to 26.4, but fell in May to 18.25, only, however, to rise again to 21.25 in June. But the July average has gone down to 16.6, and last week the braggart foe succeeded in sinking only 13. That is to say, 14 vessels of the larger size were returned as lost, but one of them was sunk in the previous week. And of smaller vessels only one was actually sunk last week, but for the first time for some weeks back three fishing vessels were sent to the bottom. Still, allowing for the fact that only eight of the 13 ships returned as having successfully escaped or resisted attack were due to the past week, the figures are the most encouraging we have had for this many a day, and now that American science and industrial in-

genuity are at our command, we have strong hope that it will not be long before the Junkers will have to find another will-o'-the-wisp to lead their victims astray by. "But the fleet should destroy Ostend, Zeebrugge, and other nests of the pirate craft on the Belgian coast, or go in and dig the German high seas fleet out of its lair, 'like rats out of a hole,' to show what it is capable of." Pernicious rant; the fleet is doing its work, always, and doing it well. The Germans testify to that since the one hope of victory left to them is in the submarine.

Friday morning.—Excellent is the news from the front in Flanders. Both the British and the French armies are pursuing their offensive with prudence, energy, and success, and the boldness with which the Germans lie about it deepens the feeling that they are nearing the end of their resources. By the advance north of Ypres and the capture of Langemarck, we are getting on towards the critical moment when the enemy must choose between the evacuation of the Flanders coast or surrender. The said enemy, however, describes our attack as having been "shattered," the grain of truth colouring that lie being a recoil of some of our men who had to withdraw temporarily from an advanced position seized by them in the first rush onward. The two armies, French and British, seem to have captured nearly 3,000 prisoners, among whom were many boys of 17. Thus the Prussian Moloch is consuming the youth of Germany and ensuring the ruin of German ambitions.

Away in Rumania and on the Bessarabian frontier fighting is also going on, and the resistance offered by the Russians grows more vigorous, so that the Rumanians will not, as was feared, be left unassisted in their heroic efforts to throw back the plundering invader. Between them they may yet consume him, or what the wars west and south may have left of him.

Answers to Correspondents.

W. G.—Yes, the shares should be worth laying by at the present price.

A Faithful Friend.—The information given in our issue of June 23 was obtained at the bank of which the gentleman has been a director. Your present query arrived too late to be dealt with this week, and we fear the reply, if of any value, must be by letter.

Simpleton.—There are no sure signs that the shares are worth the price, but as a gamble they might do, and, if promptly sold on any rise, give you a chance to get some of your lost money back.

Brown.—We say No. 1 too dear. Prospects very doubtful, ore average poor. (2) This is also quite *qd.* too dear, a mere gamble, but might jump again some day. (3) Not exactly cheap at 1s., ore very poor, but as a gamble offers a small chance.

Pedro.—Hold both. We think the position will gradually improve.

A. H.—(1) If you hold for investment there is no necessity to sell, but shares should be written down out of dividends. The first two have room for expansion, but the third has all its area under cultivation. (2) All are now fairly high and future of metal rather uncertain. (3) The company should be doing a fair business, but the shares are very speculative, and we do not consider them attractive; you might exchange into (4), which appears to have better prospects. It is doing well now, and ought to command a fair trade after the war. (5) British Portland Cement.

L. J. S.—(1) The interest is fairly sure, and there is no objection to a further purchase, although there cannot be much chance of recovery to the old level for some time. (2) Is doing very well, output satisfactory, quite a fair investment.

Cam.—The present price looks rather artificial, although the new discovery announced at the meeting makes future prospects a little brighter. We think you should sell.

D. M. B.—The security is quite a good one. The rental paid to the company is sufficient to pay a fair dividend on the capital stock. Although the stock is perpetual, there is always a chance of the concern being bought. This would increase capital value, otherwise there is not much scope for appreciation.

E. S. (Notts).—Your broker is quite right having nothing to do with the shares.

Mains.—It is not easy to say if the coming crop reports are satisfactory. Yes, although even then the recovery may not be very great. If you are prepared to wait, in the long run all the companies should do better.

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Prudential Assurance Co.,
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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

It is not possible to say much about the Money market this week, because it has been without incident except in silver, the rise in which is dealt with below. Loans and discounts have remained unaltered all week, with the reservation that call money has sometimes been comparatively scarce, but oftener than not easy enough to be lent in the afternoon at 3¼ per cent.

The Bank return again shows improvement. Gold has come in to the amount of £242,000, and the note circulation has shrunk another £321,000, so that the total reserve of £32,041,000 is £563,000 larger than last week. At the same time, the deposit liabilities have gone down, public deposits being £1,956,000 lower and other deposits less by £3,465,000. With this disbursed credit and the increase in the reserve added, other securities have been paid off to the amount of £5,972,000. Accordingly the proportion of reserve to liabilities is merely ⅔ per cent. better at 18½ per cent.

How powerful the war has been in stilling the complaints of the over-taxed is revealed in the calmness with which the French nation has accepted the law of July 31 last, a law imposing many additions to the direct taxation of France. The tax on business profits, for instance, is to be 4½ per cent., and it begins to be leviable upon incomes of £40. To be sure, only a quarter of that income, or £10, is to be subject to the tax, but incomes between £60 and £200 are exempt to only half their amount, and beyond £200, the 4½ per cent. has to be paid on the whole income. More remarkable still, in a country which in the past has so bitterly resisted an income-tax of any kind, is the new tax imposed on the earnings of agriculturists. They are to pay 3½ per cent. on their profits, but it does not seem to be determined as yet exactly upon whom and on what amount of revenue this impost will fall. It is, however, to be noted, and our landowners might make a memorandum of the fact, that the tax is extended to, and will be levied on, parks, gardens, avenues, &c. The same 3½ per cent. rate is to be levied on the incomes of professional men, on the income of annuitants, and upon the revenue from invested money of any description, and the whole law has been accepted almost without a murmur, without so much as a tremor on the Bourse.

Company directors will do well to note the latest change in company law. Under the Companies (Particulars as to Directors) Act, 1917, which has just received the Royal Assent, it will no longer be possible for "dummies" to figure upon the boards of companies as if they were responsible shareholders therein. For

long the fashion has prevailed in the company world for rich men to conceal their dominant influence by putting nominees of their own on boards. The statutory qualification in shares for a director is in nearly all cases quite trivial, and the *modus operandi* is for the rich or scheming man to buy a qualification for his nominee, and arrange for him to take a seat at the board. This will no longer be possible in secret, for the new law says that the word "director" shall include any person who occupies the position of a director and any person in accordance with whose directions and instructions the directors of a company are accustomed to act. That is a very wholesome improvement, and we are glad that the House had the perspicacity to insert it. In other respects this enlargement of the registration of Business Names Act will do good, because companies registered since November 22 must furnish to Somerset House the names of the directors with any change in the names made since the outbreak of war. Foreign companies established here will have to conform to these regulations, and companies formed before November 22 will have to furnish the names, and changes of names, of directors, or of those acting as directors, to Somerset House; but they will not have to put these particulars on their business communications, whereas new companies must put all such particulars on their letters, trade circulars, and other business documents.

It has been rather prematurely assumed from certain advices regarding proposed loans that the economic position in Mexico has undergone some appreciable improvement. It is true that steps are being taken to straighten out the tangle of affairs, and that the activity of the revolutionary bands has been greatly restricted, but any marked improvement in the economic position will take some time to bring about. The Mexican Senate has authorised a loan of 100,000,000 pesos (£10,000,000) to finance a proposed State bank, to be known as the Banco Unico Emission, which will have the sole right to issue bank notes. But it is one thing to authorise a loan in the case of a country like Mexico, and to arrange for its issue. General Carranza has asked Congress for authority to issue \$300,000,000 (£30,000,000) of loans to meet deficits of interest, &c., now owing by the Government, estimated at \$150,000,000, to provide \$100,000,000 as a metallic reserve for the new State bank's currency issue, and to provide \$50,000,000 for the purpose of rehabilitating the National Railways, and restoring them to their pre-revolution condition. Negotiations have been proceeding in New York for the flotation of a loan of \$150,000,000, but it is understood that the United States Treasury is not disposed to support the project until after the flotation of the second Liberty Loan next month. These contemplated measures of Carranza's are a welcome indication of his intentions, and there is reason to believe that the Mexican bondholders would be prepared to find coupon arrears on condition that future coupons are paid, and to assist the flotation of the loan for the purpose of putting the State's finances in order.

Tenders are invited by the South Metropolitan Gas Co. (with the sanction of the Treasury) for an issue of £250,000 5 per cent. redeemable preference stock at a minimum of 94 per cent. The public are not much interested in issues of this kind, but the stock is good of its class, and will doubtless be quite readily absorbed.

SILVER.

The price of silver has reached a new high level this year, namely, 44d. per oz., the highest price recorded since December 15, 1891, when 44½d. was touched. Demand this week has been general, but for quite moderate amounts, and the explanation of the sharp advance this week has been the marked scarcity of supplies. On Wednesday, when the price rose 1½d., £10,000 to £15,000 of metal would have satisfied the demand, but even this amount was not forthcoming. This abnormal condition of the market, due to the enormous demand for coinage throughout the world, is likely to continue so long as the war lasts, but if China should show a disposition to sell, there would be a sharp reaction in

the price. India, the biggest buyer of silver in the world, continues to absorb exceptionally large amounts, and though steps have been taken to prevent private buying on Indian account, the task of controlling the price will be difficult so long as demand remains in excess of the world's production, which is the case at present.

It is reported in New York that the Japanese Government is contemplating laying a virtual embargo on gold imports, which are tending to produce inflation in that country. The United States gold exports to Japan amount to upwards of \$40,000,000 since last spring, despite the investment of large amounts of Japanese funds in America.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, August 15, 1917.

ISSUE DEPARTMENT.

Notes Issued	£	Government Debt	£
.. .. 69,536,770		.. .. 11,015,100	
		Other Securities 7,434,900	
		Gold Coin and Bullion 51,086,770	
		Silver Bullion —	
	£69,536,770		£69,536,770

BANKING DEPARTMENT.

Proprietors' Capital	£	Government Securities	£
.. .. 14,553,000		.. .. 56,541,328	
Res 3,519,886		Other Securities 101,975,407	
Public Deposits (including		Notes 29,492,075	
Exchequer, Savings		Gold and Silver Coin 2,549,151	
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	45,509,651		
Other Deposits	126,958,632		
Seven Day and other Bills	16,792		
	£190,557,961		£190,557,961

Dated August 16, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year.	August 16.	August 8, 1917.	August 15, 1917.	Increase.	Decrease.
£	£	£	£	£	£
3,493,678	3,493,678	3,510,654	3,519,886	9,432	—
52,321,928	52,321,928	47,465,392	45,509,651	—	1,955,741
93,862,127	93,862,127	130,423,683	126,958,632	—	3,465,051
26,862	26,862	31,555	16,792	—	14,763
42,188,270	42,188,270	Gov. Securities ..	56,558,628	56,541,328	17,300
83,811,349	83,811,349	Other do.	102,947,718	101,975,407	5,972,311
40,157,976	40,157,976	Total Reserve ..	31,477,938	32,041,226	563,288
				5,998,843	5,998,843
				Increase.	Decrease.
£	£	£	£	£	£
55,705,795	55,705,795	Note Circulation	40,366,310	40,044,695	321,615
57,413,771	57,413,771	Coin and Bullion	53,394,248	53,935,921	241,673
27.1 p.c.	27.1 p.c.	Proportion ..	17.2 p.c.	18.6 p.c.	1.1 p.c.
6 "	6 "	Bank Rate ..	5 "	5 "	—

PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended August 11.)

REVENUE.	EXPENDITURE.
£	£
Customs 1,102,000	National Debt Service 780,022
Excise 331,000	Interest, etc., on War Debt 26,716,000
Estate, &c., Duties 376,000	Development & Road Impvt 10
Stamps 253,000	Payments to Local Taxation —
Land Tax and House Duty —	Other Consolidated Fund —
Property and Income Tax 1,728,000	Charges —
Excess Profits Tax 4,010,000	Supply Services 48,227,236
Land Values 10,000	Bullion Advances —
Post Office 1,000,000	For Advance for Interest —
Crown Lands —	on Exchequer Bonds under —
Sundry Loans —	Capital Expenditure —
Miscellaneous 782,807	(Money) Act, 1904 —
Bullion advances repaid 70,000	For Treasury Bills 26,716,000
For Treasury Bills for Supply 46,441,000	For Exchequer Bonds issued —
5% Exchequer Bonds, 1910 2,983,000	under the War Loan Redem 10
5% Exchequer Bonds, 1922 —	emption Act, 1916 —
5% Exchequer Bonds, 1920 —	Expenditure —
War Expenditure Certificates 450,000	under War Loan Act, 1916 —
War Savings Certificates —	Other Debt under War Loan —
4% War Loan, 1920-1942 —	Acts, 1914-16 —
5% War Loan, 1920-1947 —	For Exchequer Bonds under —
Other Debts created under —	Section 61 of Finance Act, —
War Loan Act, 1915, and —	1916 —
Finance Act, 1916 14,088,563	Under Telegraph (Money) —
Telegraph Money Act, 1913 —	Act, 1913 —
Under Post Office Rly. Act, —	Under Post Office (Lond —
1913 —	on) Railway Act, 1913 —
Under Military Works Acts, —	Under Military Works Acts —
1897-1903 —	Under Housing Act, 1914 —
Under Public Buildings —	Public Buildings Expendi —
Under Housing Act —	ture Act, 1903 —
Repayment of Advance for —	Old Sinking Fund, 1907-8 —
Interest on Exchequer —	Old Sinking Fund, 1910-11 —
Bonds, 1904 —	China Indemnity —
China Indemnity —	East African Protectorate —
East African Protectorate —	Loan repayment —
Loan repayment —	Suez Canal Drawn Shares —
Suez Canal Drawn Shares —	Temporary Advances repaid 8,000,000
Ways and Means Advances 10,500,000	Increase in Exchequer 402,102
Decrease in Exchequer —	balances —
balances —	
£84,125,370	£84,125,370

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,445,416,000	333,290,000	—
June	1,486,612,000	1,147,630,000	339,182,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August 1	336,410,000	290,541,000	45,869,000	—
" 8	306,218,000	281,203,000	25,015,000	—
" 15	341,672,000	276,710,000	64,962,000	—
Total ..	11,945,960,000	9,625,202,000	3,109,423,000	—

CURRENCY NOTES.

Return of Currency Notes for the week ended August 15, 1917.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes	4,143,396	2,675,639	125,663,567
10s. notes	1,243,723	1,137,312	32,526,938
Note certificates	350,000	—	14,950,000
Previous total	675,205,465	503,789,128	—
	681,022,584	507,822,079	173,140,505

Ratio of gold held against notes, this week, 18.01 p.c.; last week, 18.19 p.c.

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	July 20, 1917.	July 13, 1917.	July 6, 1917.
	£	£	£
Gold coin and certificates ..	97,623,800	94,298,400	94,071,800
Gold Settlement Fund ..	80,764,200	77,670,600	82,743,000
Gold with foreign agencies ..	10,500,000	10,500,200	10,500,200
Total gold held by banks ..	188,888,000	182,469,200	178,848,000
Gold with Federal Res. Agent ..	84,777,800	85,667,600	82,743,000
Gold Redemption Fund ..	2,338,200	2,537,400	1,949,600
Total gold reserves ..	276,004,000	270,674,200	263,540,600
Legal tender notes, silver, &c. ..	10,060,200	9,509,000	7,662,800
Total reserves ..	286,064,200	280,183,200	271,203,400
Bills discounted—Members' ..	32,277,200	28,032,600	25,970,600
Bills bought in open market ..	39,545,000	38,087,400	40,332,800
Total bills on hand ..	71,822,200	67,020,000	66,303,400
U.S. Gov. long-term sec. ..	8,453,000	8,792,200	8,537,000
U.S. Gov. short-term sec. ..	6,610,000	6,071,800	5,731,800
Municipal warrants ..	437,200	488,200	488,400
Loans on gold coin and bullion ..	—	—	—
Total earning assets ..	87,322,400	82,372,200	81,110,600
Due fm other Fed Res bks—n. ..	822,600	1,401,000	3,893,000
Uncollected items ..	48,593,400	50,834,400	50,274,800
Total deducts, fm gross dep- ..	49,416,000	52,235,400	54,167,800
5% Red. Fund ag Fed. Res. bknts ..	100,000	100,000	100,000
All other resources ..	322,200	157,200	170,200
Total resources ..	423,224,800	415,048,000	406,752,000
Capital paid in ..	11,544,600	11,536,200	11,531,400
Government deposits ..	36,926,200	60,174,400	28,725,200
Due to members—Res. account ..	232,999,000	203,934,400	222,469,400
Due to non-mbrs—clearing ac. ..	953,400	1,369,400	1,000,000
Members' bank deposits—nett ..	—	—	—
Collection items ..	33,056,800	30,762,600	32,917,600
Total gross deposits ..	303,935,400	296,240,800	285,112,200
F.R. notes in actual circulat'n ..	106,845,200	106,501,600	105,491,800
F.R. bk nts in circn—nett liab. ..	461,200	392,000	235,000
All other liab. in for Gov crdts ..	438,400	377,400	4,381,600
Total liabilities ..	423,224,800	415,048,000	406,752,000
Gold res. ag nett deposit liab. ..	74.2%	74.7%	76.1%
Gold & lawful money reserve ..	78.1%	78.6%	79.5%
against nett deposit liabilities ..	—	—	—
Gold res ag F.R. nts in act circ ..	81.5%	82.8%	80.3%

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Aug. 11, 1917	Aug. 4, 1917	July 28, 1917	Aug. 12, 1916
	£	£	£	£
Loans	759,198,000	750,550,000	754,336,000	646,588,000
Reserve held in own Vaults ..	27,146,000	27,094,000	30,344,000	86,402,000
Reserve held in Fed. Res. Bk. ..	85,084,000	90,688,000	82,346,000	32,472,000
Cash in own Vaults ..	18,550,000	19,044,000	19,924,000	—
Reserve held in Other Depos. ..	13,270,000	14,046,000	13,164,000	10,440,000
Nett Demand Deposits ..	719,814,000	717,763,000	713,476,000	624,512,000
Nett Time Deposits ..	41,116,000	40,914,000	40,124,000	45,844,000
Circulation ..	6,060,000	6,052,000	6,018,000	6,246,000
Excess Lawful Reserve ..	25,216,000	31,778,000	26,408,000	21,660,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Aug. 11, 1917.	Aug. 4, 1917.	July 28, 1917.	Aug. 12, 1916.
	£	£	£	£
Loans	166,412,000	166,682,000	169,536,000	141,266,000
Specie	11,968,000	12,046,000	12,394,000	12,000,000
Deposits	167,138,000	176,522,000	169,344,000	149,200,000
Legal Tenders ..	2,714,000	2,384,000	3,410,000	1,742,000

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Aug. 7, 1917.	July 31, 1917.	July 23, 1917.	Aug. 7, 1916.
	£	£	£	£
Total Coin & Bullion ..	124,140,900	123,900,050	123,769,550	124,789,450
Treasury Notes ..	27,296,300	26,262,200	25,330,450	18,566,600
Bills discounted ..	551,614,050	556,391,000	529,482,700	326,168,300
Advances ..	479,900	483,750	471,550	607,750
Note circulation ..	445,282,650	442,636,850	431,477,950	343,427,300
Deposits ..	201,857,650	292,398,550	274,122,550	122,268,550

Clearing House return during July, £358,972,790.

NETHERLANDS BANK (12 Florins to the £).

	Aug. 11, 1917	Aug. 4, 1917	July 28, 1917	Aug. 12, 1916
	£	£	£	£
Gold and Silver	55,320,416	54,508,416	53,379,250	49,777,250
Bills and Advances	10,564,250	11,336,166	11,703,916	12,911,833
Note circulation	64,474,581	65,197,333	64,143,166	55,398,916
Deposits	5,273,000	4,544,416	4,658,583	10,184,666

CANADIAN BANK STATISTICS.

	ASSETS.		
	June 30, 1917.	May 31, 1917.	June 30, 1916.
Gold and subsidiary coin—			
In Canada	53,474,064	49,053,217	28,948,841
Elsewhere	23,578,458	22,877,827	17,160,111
Total	77,052,522	71,931,044	46,108,952
Dominion notes	122,617,160	126,238,905	92,114,482
Deposit with Minister of Finance for security of note circulation ..	6,982,421	6,871,012	6,667,568
Deposit in central gold reserves	43,450,000	39,500,000	3,050,000
Due from banks	163,574,209	178,498,924	123,608,936
Loans and discounts	980,687,246	988,068,143	925,681,666
Bonds, securities, &c.	322,608,856	330,831,771	102,344,120
Call and short loans in Canada	76,085,220	78,514,798	67,401,484
Call and short loans elsewhere than in Canada	159,309,133	168,692,675	137,120,167
Other assets	81,256,032	77,555,054	71,209,738
Total	2,033,622,799	2,066,702,326	1,575,307,413

	LIABILITIES.		
	June 30, 1917.	May 31, 1917.	June 30, 1916.
Capital authorised	189,866,666	189,866,666	192,866,666
Capital subscribed	112,081,966	112,081,866	115,434,666
Capital paid up	111,643,114	111,641,034	114,811,775
Reserve fund	113,494,533	113,493,033	113,368,897
Circulation	156,625,701	142,653,596	99,138,029
Government deposits	48,323,862	78,151,377	44,453,738
Demand deposits	627,663,857	650,522,223	458,067,832
Time deposits	900,510,552	892,652,657	663,650,230
Due to banks	31,707,183	35,732,524	32,426,404
Bills payable	3,120,615	4,626,478	20,096,365
Other liabilities	22,482,516	18,710,686	12,656,085
Total, not including capital or reserve fund	1,790,434,286	1,822,959,541	1,330,488,683

BANK OF FRANCE (25 francs to the £).

	Aug. 16, 1917.	Aug. 9, 1917.	Aug. 2, 1917.	Aug. 17, 1916.
Gold in hand ..	130,805,760	130,723,760	130,619,680	192,085,640
Silver in hand ..	10,415,600	10,429,240	10,452,920	13,539,640
Bills discounted ..	24,710,800	24,888,040	26,200,280	17,605,040
Advances ..	44,647,480	44,541,080	44,562,200	47,332,360
Note circulation ..	818,353,000	817,384,960	812,499,920	652,656,840
Public deposits ..	3,218,360	1,598,000	2,421,240	5,672,280
Private deposits ..	104,054,160	103,200,560	105,773,440	85,188,720
Foreign Bills ..	69,520	82,120	54,800	74,800

Proportion between bullion and circulation 27.21 per cent., against 27.23 per cent. last week. Advances to the State £436,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £20,922,720, decrease £14,160, and at the branches £26,060,040, decrease £58,720.

IMPERIAL BANK OF RUSSIA (10 roubles to the £).

	Aug. 4, 1917.	July 29, 1917.	July 21, 1917.	Aug. 5, 1916.
Notes in reserve ..	11,860,000	14,690,000	14,980,000	10,870,000
Gold ..	129,300,000	129,160,000	147,870,000	154,930,000
Gold in reserve abroad ..	230,800,000	230,800,000	211,900,000	196,230,000
Loans and Discounts, including Treasury Bonds ..	1,332,620,000	1,308,360,000	1,258,090,000	387,330,000
Circulation note issue ..	1,391,640,000	1,364,600,000	1,332,820,000	685,620,000
Deposits, including Treasury deposits ..	313,790,000	327,450,000	315,900,000	20,000,000

BANK OF SPAIN (25 pesetas to the £).

	Aug. 4, 1917.	July 28, 1917.	July 21, 1917.	Aug. 5, 1916.
Gold ..	68,715,448	66,448,199	65,374,975	43,858,317
Silver ..	29,702,921	29,995,769	29,919,868	30,253,941
Foreign Bills ..	3,765,478	3,752,838	3,785,816	3,793,227
Discounts and Short Bills ..	29,611,419	29,764,625	30,253,385	23,505,593
Treasury Account, &c.	25,665,939	25,400,332	25,668,792	30,408,461
Notes in Circulation ..	103,390,018	102,107,112	101,968,211	89,470,730
Current Accounts, Deposits ..	34,003,897	33,194,113	32,609,162	30,481,396
Dividends, Interests, &c.	1,614,038	1,967,970	1,587,329	1,644,549
Government Securities ..	7,398,586	7,766,876	7,660,779	1,035,867

BANK OF ITALY (25 lire to the £).

	July 10, 1917.	June 30, 1917.	June 20, 1917.	July 10, 1916.
Total cash ..	38,149,400	39,722,560	39,517,960	44,942,800
Inland Bills ..	21,822,160	21,252,560	20,765,960	18,567,320
Foreign Bills ..	832,720	832,720	832,760	832,760
Advances ..	14,952,560	16,033,680	14,931,400	7,815,060
Government securities ..	8,820,120	8,790,880	8,809,040	8,777,400
Circulation ..	181,795,320	178,670,600	169,139,080	135,865,800
Deposits at notice ..	25,645,240	30,843,920	22,185,600	14,000,120
Current accounts ..	13,307,200	12,178,080	12,707,480	15,068,720

BANK OF SWEDEN.

	Aug. 4, 1917.	July 28, 1917.	July 21, 1917.	Aug. 5, 1916.
Gold ..	11,365,000	11,368,000	11,368,000	9,214,000
Balance abroad and Foreign Bills ..	7,240,000	7,286,000	7,237,000	9,144,000
Swedish and Foreign Govt. Securities ..	3,847,000	3,864,000	3,872,000	3,823,000
Discounts and Loans ..	9,632,000	8,872,000	9,639,000	3,346,000
Notes in circulation ..	24,747,000	23,588,000	23,920,000	18,227,000
Deposits at notice ..	7,547,000	8,004,000	8,359,000	6,151,000

BANK OF NORWAY.

	Aug. 7, 1917.	July 31, 1917.	July 23, 1917.	Aug. 7, 1916.
Gold ..	7,151,000	7,154,000	7,154,000	6,326,000
Balance abroad and Foreign Bills ..	4,182,000	4,245,000	4,725,000	6,467,000
Govt. Securities ..	705,000	705,000	705,000	767,000
Discounts & Loans ..	15,719,000	15,512,000	15,789,000	5,251,000
Notes in Circulation ..	16,346,000	16,178,000	16,150,000	11,850,000
Deposits at notice ..	8,250,000	8,229,000	7,921,000	4,481,000

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Aug. 14, 1917.		Aug. 16, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	11.32	11.35	11.36	11.39
" ..	Three months' bills ..	11.48	11.53	11.52	11.57
Paris ..	Cable transfers ..	27.47	27.52	27.45	27.50
" ..	Three months' bills ..	27.85	27.90	27.85	27.90
Marseilles ..	Cable transfers ..	27.85	27.90	27.85	27.90
Switzerland ..	Cable transfers ..	21.10	21.25	21.05	21.15
" ..	Three months' bills ..	21.45	21.55	21.40	21.50
Petrograd ..	Cable transfers ..	226	228	227	229
Genoa, &c.	Cable transfers ..	35.15	35.25	35.20	35.30
Spain ..	Cable transfers ..	20.93	21.03	21.05	21.15
" ..	Three months' bills ..	54 1/2	55 1/2	54 1/2	55 1/2
Lisbon and Oporto ..	Cable transfers ..	31 1/2	32 1/2	31 1/2	32 1/2
Copenhagen ..	Cable transfers ..	15.68	15.78	15.55	15.65
Christiania ..	Cable transfers ..	15.57	15.67	15.50	15.60
Stockholm ..	Cable transfers ..	14.25	14.35	14.10	14.20

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22 1/2	27.51	27.49
Amsterdam, cheques ..	Florins to £1 ..	12.107	11.31	11.37
Italy, sight ..	Lire to £1 ..	25.22 1/2	35.35	35.23 1/2
Madrid, sight ..	Pesetas to £1 ..	25.22 1/2	20.75	21.00
Lisbon, sight ..	Pence to milreis ..	53 1/2 d.	32 d.	32 d.
Switzerland, sight ..	Francs to £1 ..	25.22 1/2	20.85	21.15
Christiania, sight ..	Kroner to £1 ..	18.159	15.57 1/2	15.52 1/2
Stockholm, sight ..	Kroner to £1 ..	18.159	14.45	14.20
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.80	16.65
Petrograd, sight ..	Roubles to £10 ..	94.57	222	227
Alexandria, sight ..	Piastres to £1 ..	97 1/2	97 1/2	97 1/2
Bombay, T.T.	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Calcutta, T.T.	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Hong Kong, T.T.	Sterling to dollar ..	—	2/8	2/10
Shanghai, T.T.	Sterling to tael ..	—	4/0 1/2	4/3
Singapore, T.T.	Sterling to dollar ..	—	2/4 1/2	2/4 1/2
Yokohama, T.T.	Sterling to yen ..	24.58 d.	2/18	2/1 1/2
New York, cable ..	Dollars to £1 ..	4.86 1/2	4.70 1/2	4.70 1/2
Buenos Aires, T.T.	Pence to dollar ..	47.58 d.	49 1/2 d.	49 1/2 d.
Valparaiso, 90 days ..	Pence to peso ..	—	12 1/2 d.	13 1/2 d.
Montevideo, T.T.	Pence to dollar ..	57 d.	53 1/2 d.	53 1/2 d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16 d.	13 1/2 d.	13 1/2 d.

OPEN MARKET DISCOUNT.

	Last week.	This week.
	Per cent.	Per cent.
Thirty and sixty day remitted ..	4 1/2	4 1/2
Three months ..	4 1/2	4 1/2
Four months ..	4 1/2	4 1/2
Six months ..	4 1/2	4 1/2
Three months fine inland bills ..	5 1/2	5 1/2
Four months ..	5 1/2	5 1/2
Six months ..	5 1/2	5 1/2

BANK AND DEPOSIT RATES.

	Last week.	This week.
	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
" short loan rates ..	—	—
Bankers' rate on deposits ..	4	4
Bill brokers' deposit rate (call) ..	4	4
" 7 and 14 days' notice ..	4 1/2	4 1/2
Current rates for 7 day loans ..	4 1/2	4 1/2
" for call loans ..	3 1/4	3 1/4

The Week's Stock Markets.

Although business in the Stock Exchange has been of a very patchy character there was a modest improvement in the number of dealings as judged by the daily record of markings, and in most directions the tone was cheerful. The fine news from the Western front and the diminishing losses caused by submarines had a bracing influence, which was further stimulated by the Prime Minister's review of the position and the "palatable truths" which he divulged. Gilt-edged stocks, as a rule, have been firm, but the 4 1/2 per cent. War Loan fell back a little when it was pointed out that there is no immediate prospect of another big loan, and that the powers taken to make such an issue were merely of a precautionary nature. Mexican securities came into sudden favour, partly owing to the rise in the price of silver and partly to the belief that conditions in the country are at last definitely mending. On the other hand, Argentine things have been more or less under a cloud. Railway traffics are still very disappointing, and the latest news that the strike on the Central system is extending deepened the depression. Industrial shares continue to receive a fair amount of support from the small investor, who is attracted by the handsome profits which many companies are making, but war expenditure will not continue indefinitely, and there must be lean years to follow.

There have been several encouraging points about the Stock Exchange this week. In the first place, business has shown some expansion, in spite of the fact that we are now in the midst of the usual stagnation of the "dog days," and the public have been nibbling at everything that looked the least bit tempting. As against that, we must admit that dealings for the most part have been confined to comparatively few specialties, some of the leading Industrials being particularly favoured. Last week there was a tremendous run on the 4 1/2 per cent. War Loan, on the assumption that a new issue

was imminent, and that the conversion rights would again become valuable, but the Chancellor of the Exchequer threw cold water on that view by repudiating the idea that a new loan is in contemplation. Consequently the price fell back to 98, but as the stock must be worth 100 sovereigns if and when another loan makes its appearance, holders ought not to

sharply. It certainly looks as though affairs in the country are beginning to settle down, and the rise in silver will help to tide over some of the most immediate difficulties. Chinese, Japanese, and Peruvians also were good, but Spanish Fours were weak.

Home Rails were dull on the threat of fresh labour difficulties, but the Government appears to be handling the situation with more firmness than it has shown on some other occasions, and prices closed above the lowest. Americans attracted only the feeblest amount of attention, except for one or two Industrials, and International Mercantile Marine improved on the report. Canadian Pacific did not budge, and Grank Trunks were flat in spite of efforts to show how badly the Railway Commission maligned the company. Mexican Rails spurted brilliantly, in sympathy with Government securities; and on the belief that the line will shortly be handed back to the company. Argentine Railways were weak on the poor traffic and the failure to settle the strike on the Central Argentine, which, according to the latest reports, is spreading.

Banks were steady to firm, but did not receive much attention. Breweries found some supporters, but in several cases recent buyers showed a desire to secure their profits, and prices were not maintained at the top level. Iron and Steel shares were irregular; a few of the leaders showed up to advantage, but several of the others gave way. In the Land group, Hudson's Bay gained a fraction, and Pekin Syndicates were firm on the interim report, to which we refer elsewhere. Among Shipping shares, P. and O. deferred advanced smartly; otherwise there is nothing to mention in this section. Textiles moved within narrow limits, and among Telegraphs, Marconis were harder. In the Tramway and Motor group, Mexico Trams improved, and there was rather a run on Darracqs, Rolls Royce, Vauxhall, and one or two others. Miscellaneous Industrials received quite a lot of support, and substantial gains were marked by many of the leading shares.

Oils were stronger than for some time past, with Burmahs taking an easy lead on reports that the Anglo-Persian, in which it is heavily interested with the Government, is making fine progress. Royal Dutch, Trinidad Leaseholds, Shells, Roumanian Consolidated, Venezuelan Concessions also showed to advantage. Rubber shares are still among the most popular with small investors, and although the price of the commodity has fallen back a trifle, quotations were wonderfully firm. Business has not been so good, but there is little stock about, and the demand is more than sufficient to absorb any shares that come on offer. While these conditions prevail, it is scarcely worth discussing individual merits.

LONDON PRODUCE MARKETS.

Prices were firm to slightly dearer in some cases, but general trade again pursued a quiet course, as demand was largely governed by wants of immediate necessity.

SUGAR continued in demand, prices meantime being unchanged.

COFFEE.—Moderate quantities were submitted to auction and engaged fair support at firm rates. Costa Rica is dearer. Good to fine bold Costa Rica, sold, 88s. to 92s. 6d. Futures steady, but quite inactive.

COCOA.—In auction, supplies comprised 5,234 bags Colonial and 1,925 bags foreign. There was a good inquiry, especially for Trinidad and Grenada at full prices. West Coast African received moderate support. Good to fine Trinidad, 86s. to 87s.; Grenada, 79s. to 82s. 6d.; Ariba, 95s.; Dominica, 81s. 6d.

TEA.—A good demand ensued in auction for all qualities, with the exception of common leaf teas, and the latter were not fully supported in value. 8,200 packages Indian and 11,000 packages Ceylon were brought forward.

SPICE.—Pepper market, though rather quiet, ruled firm. Black Singapore, August-October, sold, 11d.; white ditto, afloat, 1s. 0½d.; and Muntok, spot, 1s. 1d. Cloves remained quiet. Fair Zanzibar, spot, sold, 1s. 3½d. Tapioca market steadier. Fair flake, spot, sold, 5½d. to 6d.; and fair Penang seed pearl at 52s. 6d. Some Cochon ginger in auction, dull washed rough, sold, 65s.

RICE.—Quiet, steady, but trade dull. Beans and peas steady.

HEMP.—New Zealand dull. Fair July-September, value, £88.

SHELLAC stronger. T.N., spot, moved from 240s. to 248s.; August, 250s. to 246s.; October, 240s., 247s., 243s., and 244s.

RUBBER remained quiet. Crepe, spot, sold, 2s. 5½d. to 2s. 6d.; October-December, 2s. 7d., 2s. 7½d., and 2s. 7¼d. Ribbed smoked sheet, spot, done, 2s. 4½d. to 2s. 4¼d. Fine hard Para, spot, sold, 3s. 2½d. to 3s. 3d.

COPRA market quietly steady. F.M. Straits, August-October, sold, £45 10s. F.M.S., buyers, £45 15s.

TALLOW auctions passed off firmly, an average advance of 2s. 6d. per cwt. being realised, packages included.

CORN (Mark Lane).—Trade has progressed quietly since last Monday, while prices manifest little alteration. Wheat: Native grain, nominal, whites and reds, 74s. to 78s. per quarter, 480 lbs. Imported, No. 4, Manitoba, 81s. 3d., ex ship. Flour: Country straight runs, 58s. 6d. to 81s. per sack, ex mill. Japanese, 78s., landed. Barley: Indian, nominal, at 83s. 6d., ex quay. Maize: Flat white, South African, 83s. 6d., and yellow round corn, 81s., both quay terms. Oats: American white clipped, No. 2, 60s. 3d. ex ship, 61s. 3d. landed. Prices of wheat, barley, and oats for the 1917 harvest have been fixed as under: Wheat (delivery before December next), 73s. 6d. per quarter, 504 lbs. Barley, 62s. 9d., 448 lbs. Oats, 44s. 3d. per quarter, 336 lbs.

COTTON (from our Manchester correspondent).—We have experienced a very unsettled market during the past week. The details of the scheme of the Control Board for restricting the consumption of raw cotton have been much discussed, and although

	Last Week	This Week		Last Week	This Week
Consols.....	56	55½	N.S.W. 4½% 5 yr. bds.....	98½	98½
War Loan 3½%.....	87½	87½	" 4½%, 1922-7.....	91	91
" 4½%.....	98½	98½	" 5%, 1921-3.....	96	96
" 5%, 1929-47.....	94½	94½	" 5½%, 1920-2.....	98½	98½
" 4%, 1929-47.....	102½	102½	New Zealand 4½%, 1929.....	86	86
India 3½%.....	57	57	Queensland 4½%.....	80	80
" 3½%.....	67	66½	" 4½%, 1920-5.....	93½	93½
Australian 5½%, 1920-22.....	100	100	Union of S. Africa 4½%.....	92	92
Canada 4½%, 1940-60.....	82½	81½	1920-5.....	92	92
" 4½%, 1920-5.....	93½	93½	Victoria 4½%, 1920-5.....	93½	93½
N.S.W. 4½%, 1933.....	82½	82½	Westn. Aus. 4½%.....	81	81
Argentine 4½%, 1900.....	65	65	French War Loan, 5%.....	80½	80½
Belgian 3½%.....	60x	60	Japan 4½% (1st), 1905.....	97	95½x
Brazil, 1913.....	71	71	" 5%, 1907.....	93½	94
" 5%, 1914.....	80½x	80	Mexican 5%, 1899.....	59	67
Chinese 1896.....	93	94	Russia 4½%.....	55½	57
" 1912.....	78	78	" 4½%.....	63	63
Egypt Unified 4½%.....	84	84	" 5%, 1906.....	72	72
Caledonian defd.....	8½	8½	London and N.-W.....	95½	92½x
Gt. Central prd.....	132½	132½	London and S.-W. defd.....	22	22
" defd.....	6½	6½	Do red. pf. 1914.....	92x	91½
Gt. Eastern.....	35½x	35½	Metropolitan.....	22½	22½
Gt. Northern defd.....	36½	36½	Do. 5% pf.....	90	90
Gt. Western.....	88	86½	Met. District.....	15½	15½
Lancs. and Yorks.....	65x	65	Midland defd.....	57x	56x
London Brighton defd.....	58½	58½	Nth. British defd.....	13½	13½
London Chatham ord.....	8½	8½	Nth.-Eastern.....	101	99½x
			Sth.-Eastern defd.....	26½	26½
Canadian Pacific.....	182½	180½	Erie.....	28½	27½
E. Indian Guar. 4½% debs.....	86	86	Milwaukee.....	86½	86½x
Grand Trunk ord.....	108	108	N. Y. Central.....	100½	100½x
Do. 1st pf.....	66	65½	Southern.....	30	30½
Do. 3rd pf.....	26½	25	Southern Pacific.....	97½	97½x
Atchison.....	107½	107½x	Union Pacific.....	142½	142½x
Baltimore.....	79½	79½x	U. S. Steel.....	116½	116½x
Chesapeake.....	63	63			
Antofagasta defd.....	127	126½	Cent. Argentine ord.....	63½	62
Brazil Common.....	5½	5½	Leopoldina.....	38½	39
B. A. & Pacific.....	41	40½	Mexican ord.....	17	18½
B. A. Gt. Southern.....	77½	76½	San Paulo (Brazilian).....	188	187½
B. A. Western.....	76	75	United of Havana.....	80½	81½
Anglo-South American.....	62	62	London & S.W.....	12½	12½
Bank of Australasia.....	118	118	London City & Midland.....	7½	7½
Bank of N.S. Wales.....	34½	34½x	London County & West.....	14½x	14½
Barclay & Co. "A".....	78x	78x	London Joint Stock.....	22½	22½
Do. "B".....	11x	11	Nat. Prov. of Eng. (£10½ pd)	26½	26½
Capital & Counties.....	23	23	Do. (£12 pd)	30	30
Chartered of India.....	63½	63½	Parr's.....	30	29
Hongkong & Shanghai.....	82	80x	Standard of S.A.....	10½	10½
Lloyds.....	24	24	Union Discount.....	10½	10½
London & Provincial.....	15	15	Union & Smiths.....	23½	23½
London & Brazilian.....	23½	23½			
Armstrong, Whitworth.....	39½	39½	Kynochs.....	32½	32½
Birmingham Small Arms.....	49½	49½	Mond Nickel ord.....	3½	3½
Cammell-Laird.....	6½	6½	South Durham Steel.....	35½	35½x
Cargo Fleet.....	22	22	Thornycroft.....	36½	36½
Dorman, Long.....	38½	39½	Vickers.....	38½	39½
Associated Cement.....	3½	3½	Fine Cotton Spinners.....	30½	30½
Borax defd.....	37½	37½	Forestal Land.....	45½	45½
Bovril.....	19½	19½	Furness, Withy.....	49½	45½x
Brazil Traction.....	49	49	Harrods Stores.....	2½	2½
British Amer. Tobacco.....	18½	18½	Hudson's Bay.....	7½	7½
British Aluminium.....	30½	31½	Imperial Tobacco 'C' pf.....	34½	34½
British Oil & Cake.....	30½	30½	Lever Bros. 'C' pf.....	20½	20½
Brunner, Mond.....	4½	4½	Lyons, J.....	4	4
Casner-Kellner.....	3½	3½	Marconi.....	3½	3½x
Coats.....	6½	6½	Maypole Dairy defd.....	24½	24½
Courtaulds.....	7x	7	National Steam Car.....	19½	19½
Cunard.....	3½	3½	Pears, A. & F.....	12	12
Dennis Bros.....	34½	35½	P. & O. defd.....	32½	31½
Eastern Telegraph.....	143½	144	Royal Mail.....	113½	113½
Eastmans.....	7½	9½	Underground Inc. Bds.....	8½	8½
English Sewing Cotton.....	48½	48½			
Anglo-Egyptian "B".....	16½	17½	North Caucasian.....	24½	18½
Baku (10s.).....	2½	2½	Roumanian Cons.....	11½	12½
Burmah.....	11	6½	Royal Dutch (100 gulden).....	48	48
Lobitos.....	2½	2½	Shell.....	5½	5½
Maikop Pipeline.....	3½	5½	Spirits (10/-).....	11½	11½
Mexican Eagle pf.....	3½	3½	Ural Caspian.....	1½	1½
Anglo-Java Rub. (2/-).....	7½	7½	Merlimau 2/-.....	6½	6½
Anglo-Malay 2/-.....	14½	14½	Pataling 2/-.....	42½	42½
Ayer Kuning £1.....	51½	50½	Port Dickson 2/-.....	41½	41½
Bukit Mertajam 2/-.....	51½	51½	Rubber Trust £1.....	28½	28½
Bukit Sembawang 2/-.....	34½	34½	Sapumalkande £1.....	26½	26½
Carey United £1.....	47½	47½	Selangor.....	34½	35½
Chersonese.....	3½	3½	Sialang £1.....	78½	76½x
Gula Kalumpung £1.....	36½	36½	Singapore Para 2/-.....	4½	4½
Highlands £1.....	59½	60½	Singapore United 2/-.....	3½	3½
Java Para £1.....	33½	33½x	Taipung 2/-.....	4½	4½
Johore Rubber Lands £1.....	36½	36½	Tandjong £1.....	8½	8½
Langen Java £1.....	46½	46½x	Tandjong Malim £1.....	35½	35½
Linggi 2/-.....	30½	29½	Tebrau £1.....	73½	74½
London Asiatic 2/-.....	81½	9½	United Serdang 2/-.....	11½	11½
Malacca £1.....	5½	5½	Vallambrosa 2/-.....	25½	24½x
Malayalam £1.....	38½	37½			
Abbottiakong (10/-).....	4½	4½	Gt. Boulder (2/-).....	12½	12½
Bechuanaland Exp.....	6½	5½	Kyshitom.....	12½	2½
Brakpan.....	5½	5½	Mashonaland Agency.....	5½	4½
Broken Hill Prop. (8/-).....	47½	47½	Meyer & Charlton.....	5½	5½
Cam & Motor.....	10½	9½	Modder "B".....	7½	8½
Central Mining (£12).....	6½	6½	Do. Deep.....	7½	7½
Chartered.....	13½	13½	Mysore.....	3½x	3½x
City Deep.....	48½	48½	Rand Mines (5/-).....	3½	3½
Cons. Gold Fields.....	1½	1½	Rio Tinto (£5).....	62	62
Cons. Langlaagte.....	24½	22½	Russo-Asiatic.....	4½	4½
Crown Mines (10/-).....	2½	2½	Spring Mines.....	3½	3½
De Beers defd. (£2 10s.).....	13½	13½	Tanganyika.....	3½	3½
East Rand.....	7½	6½	Tanayik.....	1½	1½
Geduld.....	39½	39½	Van Kyn Deep.....	3½	3½
Gov. Areas Mod.....	3½	3½			

* Treasury prices.

sell unless they are compelled to realise in order to get ready money. Other gilt-edged stocks were steady, and there was a fair amount of support for Colonial issues without disturbing prices materially. In the Foreign section, Mexicans easily took first place, and the demand was so persistent that prices rose

some of the proposals have been much criticised there is a general inclination to give the scheme whole-hearted support. It remains to be seen how things will work out, but numerous producers are not disposed to discharge their workpeople if some arrangement can be made without serious loss of money to run machinery. Advices relating to the American crop have been rather more encouraging, and there is the possibility of a larger yield than at one time anticipated. Rather improved reports have also come through relating to the Egyptian crop. The cloth market has been generally flat. There has been a general lack of enterprise on the part of buyers abroad and merchants on this side. For India a very limited trade has been done. Grey shirtings have been as dull as ever, and demand has now decidedly fallen off in lighter fabrics. The

CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING AUGUST 17, 1917.

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt., duty 14/ 98% polarisation	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'sbr'd	nom.	nom.
Lytle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granulated, first marks	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	New Zealand	nom.	nom.
German Cubes f.o.b.	nom.	nom.	(scoured) Merino	nom.	nom.
French Cube	nom.	nom.	Greasy Crossbred	nom.	nom.
prompt	nom.	nom.	Cape snow white	nom.	nom.
Crystallised, West India ..	2 6 9	2 6 9	Indiarubber p. lb.		
Beet, 88% f.o.b.	nom.	nom.	Plantation, Spot	0 2 6½	0 2 5½
Tea —per lb., duty 1/ 1b.	s. d. s. d.	s. d. s. d.	Crepe ..		
Indian Pekoe ..	11-1 6	11-1 6	Coal —per ton		
Broken ..	1 0-2 0	1 0-2 2½	Durham, best ..	nom.	nom.
Orange ..	11-2 0½	1 0-1 8½	Seconds ..	nom.	nom.
Broken ..	1 3-3 12	1 3-2 24	East Hartlepool ..	nom.	nom.
Pekoe Souchong	11-1 5	11-1 3	Seconds ..	nom.	nom.
Ceylon Pekoe ..	11-1 8½	11-1 3	Streams, best ..	30 0	30 0
Broken ..	1 3-1 10½	1 0-1 10½	Seconds ..	27 0	27 0
Orange ..	11-1 5	11-1 3	Lead —per ton.	£ s. d.	£ s. d.
Broken ..	1 0-1 11½	1 3-2 0	English Pig ..	nom.	nom.
Pekoe Souchong	11-1 0	11-1 0	Foreign soft ..	£ 30½-29½	£ 30½-29½
Cocoa —per cwt., duty 6d. per lb.	s. s.	s. s.	Quicksilver —per bottle firsthand	nom.	nom.
Trinidad—per cwt.	82 0-87 0	82 0-87 0	Tin —per ton		
Grenada ..	66 0-81 6	66 0-82 6	English Ingots ..	£ 243-244	£ 243-244
West Africa ..	55 0-65 0	57 0-65 0	Do. bars ..	£ 244-245	£ 244-245
Ceylon Plantation	70 0-85 0	70 0-85 0	Standard cash ..	£ 244½-244½	£ 244-244½
Guayaquil Arriba ..	92 0-98 0	93 0-98 0	Tin Plates, per box	nom.	nom.
Coffee —per cwt., duty 42/ per cwt.			Copper —per ton.		
East India ..	75 0-103 0	77 0 103 0	English, Tough, per ton ..	nom.	nom.
Jamaica ..	66 0-120 0	66 0-120 0	Best Selected ..	£ 135-131	£ 135-131
Costa Rica ..	75 0-100 0	76 6 102 6	Sheets ..	£ 160	£ 160
Provisions —			Standard ..	£ 125-125½	£ 120-120½
Butter, per cwt.			Jute —per ton.		
Australian finest	206/-209/-	206/-209/-	Native firsts for shipment	nom.	nom.
Irish Creameries	206/-211/-	nom.	Oils —		
Dutch ditto ..	220/-	230/-270/-	Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Russian finest ..	nom.	nom.	Rape, refined ..	£ 71	£ 71
Normandy baskets	nom.	nom.	" crude ..	£ 66	£ 66
Danish finest ..	230/-240/-	260/-270/-	Cott'n Seed, crude	£ 60	£ 60
Brittany rolls ..	22/6-24/	23/6-24/	Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
Bacon —per cwt.			Patroleum Oil, per 8 lbs.	1/3½	1/3½
Irish ..	155/-157/-	155/-157/-	Water White ..	1/4½	1/4½
Continental ..	150/-157/-	150/-157/-	Oil Seeds, Linseed	—	—
Canadian ..	153/-	150/-153/-	Calcutta—per ton		
American ..	140/-150/-	138/-150/-	Rape ..	30 0 0	30 0 0
Hams —per cwt.			Spot	30 0 0	30 0 0
Irish ..	170/-	170/-	Iron —per ton		
Canadian ..	138/-142/-	138/-142/-	Cleveland Cash ..	nom.	nom.
American ..	110/-137/-	110/-137/-	Tobacco —duty, unmanufactured		
Cheese —per cwt.			7/4 to 8/0 per lb.		
Dutch ..	112/-126/-	112/-128/-	Maryland & Ohio, per lb. bond ..	nom.	nom.
Canadian ..	nom.	nom.	Virginia leaf ..	0 8-2 1	0 8-2 1
English Cheddar	132/-	nom.	Kentucky leaf ..	0 7-0 11	0 7-0 11
Wilts loaf ..	nom.	nom.	Latakia ..	2 0-5 0	2 0-5 0
New Zealand ..	nom.	nom.	Havana ..	1 6-6 6	1 6-6 6
Rice —per cwt.	s. d. s. d.	s. d. s. d.	Manila ..	nom.	nom.
Japan ..	29 6	29 6	Cigars, duty 10/6 per lb. ..	2/ upds.	2/ upds.
Rangoon 2 stars ..	26 3	26 3	Timber —Wood.		
Eggs —per 120.			Pitch Pine ..	300/-400/-	300/-400/-
English ..	26 6-27 6	27 0-28 0	Indian Teak ..	380/-700/-	380/-700/-
Irish ..	23 0-25 6	24 0-26 0	Turpentine —		
Danish ..	23 0-25 6	23 6-25 0	American Spot ..	2 16 6	2 17 3
Spelter —			Copra —per ton	46 0 0	46 0 0
G.O.B. as to position ..	£ 54-£ 50	£ 54-£ 50			
Flour —per sack.					
Country Straight	58/6-61/	59/0 61/			
Runs ex Mill ..					

inquiry for China and the smaller markets of the Far East has been of fair extent, but operations have been irregular. The turn-over for Egypt and South America has not been at all important. Restricted purchasing has transpired in home trade fabrics. American yarns for home use have been very irregular in price when tested. Some spinners have endeavoured to put up their prices; but, owing to the considerable stocks at certain mills, it has been impossible to improve the basis. A moderate inquiry has been dealt with in yarns for India, but rather less has been done than in recent previous weeks. A few more sales have been reported in Egyptian yarns, but business of any importance has been quite isolated.

DIVIDENDS ANNOUNCED.

Bristol and South Wales Railway Waggon Co.—Usual interim at rate of 10 per cent. per annum for the past half-year.

Bank of New South Wales.—Interim quarterly at rate of 10 per cent. per annum.

Bodega Co.—2s. 6d. per share on ord. shares fully paid, and 2s. per share on ord. shares £4 paid, less tax, for year ending March 31, 1918, payable Sept. 15.

Brompton and Kensington Electricity Supply Co.—Interim for half-year to June 30 on ordinary shares at rate of 8 per cent. per annum (less tax), the same as a year ago.

Bovril, Ltd.—Interim on ordinary shares at rate of 5 per cent. per annum for half-year ended June 30, to be paid on Sept. 15.

Bank of British North America.—Interim of 40s. per share (less tax) for half-year ended May 31 last, being at rate of 8 per cent. per annum, carrying forward about £39,000; a year ago the dividend was 30s. per share, being at rate of 6 per cent.

J. and P. Coats.—Quarterly of 5 per cent. on preferred ordinary stock, and 1s. 6d. per share on ordinary shares, payable on Sept. 29, both less tax.

Canadian Pacific Railway.—Common stock 2½ per cent. for quarter ended June 30 last, being at rate of 7 per cent. per annum from revenue and 3 per cent. per annum from special income account.

Coliseum Syndicate.—Interim for half-year ended June 30 at rate of 25 per cent. per annum, less tax.

Cambrian Railways Co.—Interest on the A, B, and C debenture stocks for the half-year to June 30 will be paid on Sept. 1.

Crocker, Sons, and Co.—Interim at rate of 5 per cent. per annum on both classes of shares, preference and ordinary, for half-year ended June 30, payable on the 18th inst. A year ago was the same.

Dominion Bank.—Usual quarterly 3 per cent., payable on Oct. 1.

Furness Railway.—Interim at rate of 2 per cent. per annum on ordinary stock for half-year ended June 30; forward, £14,286, compared with 2 per cent. per annum for corresponding period of 1916, with £7,455 forward.

Grantham Water Co.—Credit balance of £6,923. Dividend at rate of 5 per cent. per annum.

Harrods Stores.—Interim on ordinary shares in respect of half-year ended July 31 at rate of 10 per cent. per annum, less tax, same as a year ago.

Harrods Stores Founders' Shares Co.—Interim in respect of half-year ended July 31 at rate of 10 per cent. per annum, less tax, same as a year ago.

Herne Bay Water Works Co.—At rate of 4 per cent. per annum on ordinary stock for half-year ended June 30, a year ago the same.

International Investment Trust.—Interim at rate of 3 per cent. per annum on deferred stock, same as a year ago.

John Oakey and Sons.—Interim on ordinary shares for half-year ended June 30 at rate of 10 per cent. per annum, less tax.

Loders and Nucoline.—Second interim on ordinary shares of 5 per cent. on account of year to Aug. 31 (less tax at 5s. in the £).

Maple and Co.—Interim at rate of 5 per cent. per annum on ordinary shares.

Midland Great Western Railway of Ireland.—Interim on consolidated stock at rate of 1 per cent. per annum, the same as a year ago.

North Broken Hill.—2s. per share (less Commonwealth tax at 6d. in the £ and British tax).

Ogilvie Flour Mills.—Usual quarterly of 1½ per cent. on preferred shares.

Sons of Gwalia.—Interim (No. 56) at rate of 6d. per share (less tax), same as a year ago.

St. Augustine's Parade Hippodrome, Bristol.—Interim for half-year ended June 30 at rate of 10 per cent. per annum, less tax.

State Assurance Co.—Interim of 7½ per cent. (actual), less tax, as compared with 5 per cent. a year ago.

Stewart and Lloyds, Limited.—Interim at rate of 6 per cent. per annum on preference shares, and at rate of 10 per cent. on preferred ordinary shares, to be paid 31st inst.

Vicksburg, Shreveport, and Pacific.—Year ended June 30: Preferred, 5 per cent., against 5 per cent.; common, 2½ per cent., against nil.

West Surrey Water Co.—Maximum at rate of 7 per cent. per annum on ordinary £10 shares issued under the Acts of 1877, 1888, and 1901, and a maximum at rate of 10 per cent. per annum on ordinary £10 shares issued under the Act of 1869. A year ago these were the same.

OILFIELDS ITEMS.

Anglo-Egyptian.—Production for the past week: Gemsah, 22 tons, against 22 tons previous week; Hurghada, 2,976 tons, against 3,035 tons previous week.

Baku Russian.—Production week ended Aug. 4, 80,100 poods.

Black Sea Amalgamated.—Production week ended Aug. 4, 263 tons.

Kansas-Oklahoma.—Production from own wells for July, 9,525 barrels. Total run through pipe line to refinery in July, 58,500 barrels.

Maikop Combine.—Production for week ending Aug. 4, 307 tons.

Maikop Orient.—Production for week ending Aug. 4, 7,400 poods.

Maikop Pipeline and Transport.—Received for pumping week ended Aug. 4, 400 tons.

Russian Petroleum.—Production week ended Aug. 4, 42,100 poods.

Spies Petroleum.—Production week ended Aug. 5, 2,571 tons. Total production for the year from Jan. 14 to Aug. 5, 82,438 tons, against 81,129 tons for the corresponding period last year.

Not "Empire," But Confraternity.

Is it not about time that our speakers and writers talked and wrote less about Empire? It is "Empire" this, and "Empire" here, and "Empire" must do that, and "Empire" dare not permit such-and-such a thing to happen, until the heart of the country is getting sick of the jangle. We think it was General Smuts who, in one of his luminous speeches, first deprecated the use of this sinister word, and pointed out that ours is not an Empire in the old sense, or the one and only true sense, but a confederation of free communities. That is perhaps an ideal description, for only in Europe have we long abandoned the habits known as "Imperial," but undoubtedly the British Empire now has elements in it—has long had them—which differentiate it from any organisation called by the name of empire hitherto in the world. It differs *in toto*, both in aim and behaviour, from the Germanic Empires of Middle Europe. These are survivals and soul-shrivelling imitators of the old empires of imperial Rome, and represent the domination of systematised brute force over mind and moral. It is because the Hohenzollern and Habsburg Empires are survivals of antiquity in this sense that all the world is now at war with them. Instinct even more than matured judgment has made the free in every country their enemies. It is felt that these embodiments of brute tyranny must be eliminated from the world if mankind is to attain to a higher civilisation amid assured peace. That being so, is it not time for us to adopt other phraseology than that familiar in the mouths of tyrants in speaking of the British Dominions as a whole? "Empire, Empire," the mere word would not matter so much, perhaps; it is the ideas behind the word which do mischief.

For example, a considerable section of the community continues to talk of trade expansion, of the supremacy of British articles of commerce in markets here, there, wherever we will it, and all quite in the bastard imperial, or German manner. Germany, we now comprehend, never carried on trade in any other spirit than the spirit of the envious would-be conqueror. The German man of business regarded those with whom he traded as people to be overcome and subjected to his force when the convenient season came. Happily for us, and for the rest of the world, we have not conducted our trade quite in that manner in the past, and we must not be ensnared into falling into it now. But the talk in Parliament and in gatherings of merchants and manufacturers is shaped still too often in a fashion quite "imperial." Trade is to be captured, secured, controlled in all directions after the war, and in the articles we are interested in we are told that we must lead, dominate. Seldom do we discover any sign of a perception that the world has changed, is changing, and that in the new one which is being beaten into shape by shot and shell and infinite slaughter it will be co-ordination and friendly help between nation and nation which will best serve the needs of all, not domination, not "imperial" might at all. Indeed, it may be said that if the attempt is made to resume international trade on the old lines when the war ends the result must in due time be disaster to the new peace. If successful, indeed, the world's commerce on the old lines would begin to lay the train that would ignite further conflagrations, wars of destruction.

We find it difficult to put into words all that we mean by the new spirit which must animate the trade and industry of nations and their relation to each other after the war, if the peace it secures by the blood of one generation of men is to last; but of a surety the days of ruthless competition between manufacturers in different countries must be ended. After all, the German method of pushing trade was only an extreme display of the spirit that to some extent animated industrials, masters and men, in every country. They almost all strove to "best" each other, as the phrase is. In future if our civilisation is to be rescued from the fate that has overwhelmed countless civilisations in the past history of mankind, we must co-operate, help each other, not

compete and oust. This subject continually broods in the mind as we ponder over symptoms and try to form a guess as to what the world is going to look like when the last cartridge has been fired and the last grave of the slaughtered filled in. There ought to be room enough, there must be room enough, for friendly helpfulness in all directions, provided the spirit of rivalry is exorcised, and that spirit, it seems to us, draws its force in large measure from the modern habit and craving for the amassing of individual wealth. The fashion is to scramble as individuals after huge fortunes, which, once attained, do not seem to make their possessors any happier, any more immune from life's ills, than the man who is content to rest among those who are happy though poor. Probably the desire to amass great wealth will be damped considerably by the increased extent to which the State as representing the community will in future lay hands upon the gathered wealth; but it would be better if men themselves selected a nobler ideal, and, turning away from the pursuit of selfish ends, however honest or honourable, sought to regard themselves as members of a common family, whose work in life it should be to further harmony, to even up the conditions of existence for different classes of society, and to open the way to all to rise to better things.

Another influence which will restrict selfishness is a product of the State's necessities, our war debts. Debt tends to disintegrate and demoralise society always, and the heavier the debt the greater the risk. The war will have cost us all so much as to compel every one of the nations warring for liberty to exert all their strength to avert the calamity of insolvency. And we can triumph only by self-denial and co-ordinated effort. The burden laid upon us will compel us all to live, more than we have hitherto done, by the fruits of our own labour. The facile resort to the help of the usurer to enable us to command luxuries our own exertions and self-denial could not suffice to procure us forthwith, will no longer be available. Nor can a country like the United Kingdom depend in the old *nonchalant* way upon the foreign farmer for its bread and meat. We shall have to feed ourselves by extending and intensifying our tillage, because no longer possessed of the means—borrowed often—to pay for what we otherwise should be forced to buy abroad. At least, the means of the masses will be much curtailed, and all business will, of necessity, be conducted much more on a genuine cash basis than heretofore. The fact that it must be so will alter in a variety of ways the character and extent of our intercourse with foreign nations—lessen it in some directions, perhaps, and extend it in others. Instead of laying ourselves out to compete with our Allies in particular lines of manufacture, our efforts seem more likely to be directed towards assisting them to develop their own resources and wealth, we taking, in exchange for what we furnish to them, such of their merchandise as may be helpful to us in augmenting our own, our native, resources.

Does not a conception of this kind brush aside all that talk about "preference within the Empire"; the necessity we are under to "protect" this industry or that other monopoly, or self-seeking ambition, from "the competition of the foreigner"? We shall be too poor after the war to be capable of sustaining the burden of debts and tariffs combined, and those British self-governing Colonies oversea who hug the delusion of "a self-supporting" or "self-contained" Empire in the hope, probably, that a privilege may be established by help of which they can lay on other backs than their own part, at least, of the burden of their debts, are likely to suffer painful disillusionment. It is better, then, to face fate squarely now like men, and resolve to "do out the duty," however hard, to be self-supporting, whatever the cost. Depend upon it, the ravages made by this war upon the accumulated wealth of generations, and the mortgages it will have laid on our future must force all civilised nations to stand by each other in loyal helpfulness, if they are to escape the fate of empires and races overwhelmed so

often in the past by the mud torrent of barbarian aggression.

In one direction alone can there be feasibility in the establishment of a Protectionist customs tariff—against the savage empires now rapidly becoming like rudderless, dismasted wrecks, drifting they reck not whither. But even against these no rigid barrier can be set up—at least, not against what has been the Austro-Hungarian empire. For the various oppressed races lying under the heel of the Habsburg cannot, in fairness, be treated as enemies to be punished; and it may be that the Allies will be compelled to devise other methods of reaching the Teuton pure, and of making him pay damages. The method need not necessarily involve the establishment of a tariff against German goods. A simpler plan would be to forbid the entry of any German products, no matter what, into any country except through the agency of, and with authorisation from, a governing committee of trade set up by international agreement. We should like to see a representative body of this kind put in control of foreign trade with neutral countries, as well as with the Teuton States or principalities, and given power to acquire possession of certain crops or outputs when deemed expedient or necessary; and certainly endowed with absolute authority over German trade. Alone, as we have insisted, by some such organisation can we make sure of forcing the Huns to pay us back any portion of the damages they have inflicted on their neighbours in the heartless wantonness of beasts of prey—and pay they must to the uttermost farthing, even should it cost the race half its manhood.

Here, surely, there is enough to ponder over and to correct misconceptions. Enough, likewise, to foster the growth of new ideas in minds emancipated from time-worn formulæ and superstitions.

American Business Notes.

People of the sanguine temper—they grow fewer—tell us sometimes that the war will be ended before America is ready to intervene. That is obviously nonsense, for the United States is already actively in the war, as the welcome given to a body of her troops in London on Wednesday should make people understand. To be sure, the number of American troops in Europe is not yet large, only a few divisions perhaps at most, but the troops composing them are of the highest quality, and their number is continually on the increase. Still better, American flying men and machines are coming over in gathering force, and American torpedo-destroyers are helping us to keep the Atlantic routes clear of the German submarines. Moreover, the financial help given to the Allies by the Government of Washington has been on the most liberal scale, and yet has not in the least degree hindered the enormous necessary war expenditure of that Government itself. Money is pouring out in the United States at a speed which equals, if it does not exceed, our own, and the equipment being got ready will be of such magnitude and excellence as to give President Wilson almost a determining voice in shaping the conditions upon which the Allies will be ready to grant peace to an infamous and treacherous enemy. Oh, certainly America is already in the war, and will remain in it for our good.

The same thoroughness is being shown in dealing with the food supply, which from the first the President and his Ministers have seen to be in its way as essential to a sure victory as abundance of guns and ammunition. Mr. Hoover, the excellent and experienced administrator of United States relief to the Belgians in the first two years of the war, is showing grasp and thoroughness in the shaping of his policy. If necessary, he will buy the entire wheat crop of the Republic, and profiteering of all descriptions has been taken in hand, not only for the benefit of the United States Treasury and people, but for the good of the Allies as well. Thus the Power over whose entry into the struggle German military authorities and their

obsequious professors and journalists sneered, is mustering resources and forces to prove herself an Ally of irresistible might in the world's war. The additional war estimates presented to the Senate in the end of last month brought the total to £1,000,000,000, and, as we said the other week, the revenue has been screwed up by the Senate to more than £400,000,000. Whatever money more may be needed will be found.

There is no fear either of any financial breakdown. Look, for instance, at the exhibit of the trust companies in New York State. Between the end of February and June 20 last their resources increased by about £2,000,000, notwithstanding the financing meanwhile of the Liberty Loan, and their total deposits are now almost £500,000,000. Compared with the end of November last year the increase has been £42,300,000, or 8.3 per cent. In November, 1906, 87 companies then reporting their position showed total resources of little more than £275,000,000. Further back still, in 1897, when there were 39 companies reporting, as against 87 in November, 1914, the resources shown were only £79,550,000. And that is just a sample.

A fairly transformation is presented in the report of the International Mercantile Marine for 1916. Its appearance comes rather late in the day, but the interest is really nowise lessened by the delay. Just before the war broke out in 1914 this extravagantly ambitious creation of the late J. Pierpont Morgan had been falling into what seemed a hopeless mess, and the war, by stopping its traffic, especially its passenger traffic, had seemingly completed its ruin. It had defaulted on its bonded debt, and by the middle of 1915 had passed into the hands of receivers, Mr. Franklin, vice-president of the company, in April, 1915, and in August, Mr. Chauncey G. Parker, who was added by the Chancery Court of New Jersey, in which State the company was incorporated. For 1914 its nett revenue was only \$6,920,000, and the profit, before providing for depreciation of ships, but after meeting fixed charges, was only \$3,307,000. But the war changed the whole position and outlook, and in 1915 the profits rose to \$17,341,000, after meeting the slightly increased fixed charges of \$3,800,000, and for the past year the profit, also after deducting \$3,698,000 on account of fixed charges, rose to \$25,947,000, or nearly £5,200,000. Gross receipts, after providing for British excess profits duty, were \$88,450,000, or fully £17,700,000 last year, and the expenses, including income-tax and interest on debenture bonds of subsidiary companies, were \$55,061,000, or upwards of £11,012,000. The entire nett earnings therefore came to \$33,388,000, or £6,677,000, but \$4,169,000 was deducted from this for depreciation over and above the company's own bonded debt interest of \$3,192,000.

These results do not tally exactly with the exhibit of profits mentioned in the text of the report, but the variations may be accounted for by oddments of outgo included in one summary and not in the other. Most of the company's profits come from the dividends paid to it by British steamship companies owned by it or controlled. Thus it holds all the capital of the Oceanic Steam Navigation Co., the well-known "White Star," all the share capital of the Atlantic Transport Co., and all except five £10 shares of the British and North Atlantic Steam Navigation Co. The Atlantic Transport of West Virginia is also owned by it, and of the total capital of Frederick Leyland and Co. of 120,000 ordinary and 141,435 preference shares, the International Mercantile Marine owns 118,463 ordinary and 58,703 preference. Of foreign shipping it owns the share capital of the Belge-Americaine Navigation Co. Thus most of its property is subject to British taxation, and before the owning American company can get any return from the bulk of its investment the income and excess profit taxes due here have first to be satisfied. But the company is now in a much better position owing to the opportunity given by its collapse in 1914 to shed off a portion of its mortgage debt. The total has been brought down from \$70,226,000 to \$39,497,000 in accordance with the plan of readjustment or, as we

should say, with the composition imposed upon the company's creditors. This accomplished, the receivership was cancelled and the property restored to the company on October 19 last. Consequently the board is now able to give the Mercantile Marine preferred stock a 6 per cent. dividend, and has money over in hand for many purposes.

The company, for instance, had an unappropriated surplus on December 31 last of \$24,686,000, or just upon £5,000,000, and it has purchased an interest in the New York Shipbuilding Corporation, whose yards are at Camden, New Jersey, so that it may be in a position of independence with regard to the construction and maintenance of its fleet. This shipbuilding company has at present three steamers under construction in its yards, and the I.M.M. combination already possesses six fine boats of its own. If one asks how long this prosperity can continue, by the very inability to give a satisfactory answer one is brought face to face with unfathomable possibilities, and the changed character of the business forces itself into view. Formerly the larger part of the revenue was derived from passenger traffic, we fear extravagantly conducted and not perhaps always so profitable as it looked. Now the passenger traffic has gone and freight traffic, mostly of an exceedingly profitable description, has taken its place. Will the characteristics of the trade be reversed again when the war ends? Probably, but by no means certainly, for mankind will not have the money to spend in getting about the earth which it had in the glorious pre-war days of development and progress by over-capitalisation and debt. And if there is less money available for luxurious pleasure, will there not also be less available for commerce?

Insurance News.

A full statement of the terms offered to the shareholders of the Provident Accident and Guarantee Co. (recently known as the Provident Clerks' and General Guarantee and Accident Co.) has now been issued. The reports associating the offer with the Northern Assurance Corporation prove to have been well founded. The Northern offers to purchase the shares of the Provident Accident upon the following conditions:—A payment of £1 1s. 9d. in cash and the transfer of £24 stock of the 5 per cent. War Loan for each £4 paid up on the shares of the Accident company, the agreement to take effect provided the offer of the Northern is accepted by shareholders representing 80 per cent. of the paid-up capital (or such less proportion as may be agreed) on or before September 1, or within such extended time as may be arranged between the two boards of directors. Taking the present price of War Loan at 94½, the total payment works out at about £23 15s. 3d. per share, which approximates very closely to recent estimates.

The Provident Accident company is to be continued as a separate undertaking under its present directorate and management. Established in 1836, the Northern transacts all classes of insurance business, and possesses assets of over eight millions. The Provident Accident, which dates from 1865, though chiefly concerned with accident business, also transacts fire and marine insurance, and has funds of £581,000; its trading profits have averaged some £20,000 per annum during the past few years, and the addition of this business should prove a useful connection for the purchasing office. At the same time, the Provident Accident shareholders are receiving distinctly attractive terms for the purchase of their holdings.

A statement by the Official Receiver has been issued to the creditors and shareholders of the London and Midland Insurance Co. The accounts filed under the liquidation show liabilities £88,808, with assets valued at sufficient to yield a surplus of £3,056 after meeting the debts, and a deficiency of £109,290 as regards contributories. It is pointed out that the surplus in assets must be considered a very optimistic estimate. The uncalled capital of £29,806 will have to be called

up by the liquidator for the benefit of the debenture-holders. The failure of the company is attributed by its officials to the large amount of money locked up since 1912 in the London Mutual Co., and to the heavy losses on the foreign business, chiefly in the fire department.

Following the entrance of the United States into the European War there arises the question as to the effect on the liability of life offices to those of their policy-holders who become soldiers. One rather curious result of the prevailing optimistic pacificism of the past 25 years in the United States appears in the fact that most of the companies had come to think of a great war as a virtual impossibility, and had ceased to include a "war restriction" clause in their policies. They now find themselves not quite so free to follow their more generous inclinations as those which had clung to such a clause. A considerable number of policy-holders are now likely to be exposed to the hazard of military service whose policies are incontestable on this ground, and who cannot be required to pay an additional premium for the risk. Companies already carrying a greater or less number of war risks will now have to be more careful in their attitude with regard to new policies involving this risk.

Having obtained the sanction of the Treasury, the terms of the provisional agreement between the London and Lancashire Fire Insurance Co. and the Marine Insurance Co. have now been issued to the shareholders. The London and Lancashire proposes to purchase individual holdings at the rate of approximately £57 for each share of the Marine Co., which will be paid for—(1) as to £23 10s. by the allotment and issue as fully paid of £24 14s. 9d. nominal amount of 5 per cent. debenture stock of the purchasing company to be taken at 95 per cent.; (2) as to £16 10s. by the allotment of one share of the London and Lancashire of the nominal value of £25, with £2 10s. paid (such shares being taken at the agreed market value of £33), for every two shares of the Marine, and in the case of any odd share of the Marine by the payment in cash of £16 10s., and (3) by the transfer of the nearest possible nominal amount of 5 per cent. War Loan, taken at 95 per cent. The debenture stock offered is redeemable at par at the option of the London and Lancashire in 1937, the company having the right at any time to purchase the stock in the market. Shares issued to the Marine shareholders will rank as regards dividend with the existing shares. As regards the War Loan, all assenting shareholders will get all interest accruing thereon as from June 1 last. The offer is conditional upon holders of at least 90 per cent., or such less proportion as may be considered sufficient, accepting the terms before September 15. In the event of the agreement becoming absolute the Marine will declare a special dividend or bonus of £3 per share, less tax, payable at the same time as the purchase consideration is handed over.

By the Grain (Prices) Order, 1917, the Food Controller fixes the following maximum prices for wheat, rye, oats, and barley:—

For Delivery—	Wheat and Rye per quarter of 504 lbs.	Oats per quarter of 336 lbs.	Barley per quarter of 448 lbs.
	s. d.	s. d.	s. d.
Before December 1, 1917	73 6	44 3	62 9
In December, 1917, or January, 1918	74 6	45 3	62 9
In February or March, 1918	75 6	46 3	62 9
In April or May, 1918	76 9	47 3	62 9
On or after June 1, 1918	77 9	48 6	62 9

Where oats are bought by a miller specifically for the manufacture of oatmeal, rolled oats, or flaked oats for human consumption, or by a recognised dealer for re-sale for such manufacture, 3s. per quarter may be added to the maximum rate. Where barley is bought by a licensed manufacturer for the purpose of his business or by a recognised dealer for re-sale for such manufacture, 5s. 3d. per quarter may be added to the standard rate. In the case of damaged wheat or rye, or tailings and dressings, 7s. per quarter shall be deducted from the standard rate; in the case of barley, 7s. 9d. per quarter; and in the case of improperly cleaned oats or tailings and dressings, 5s. per quarter.

Tea, Oil and Rubber.

Restrictions with regard to rubber shipments have not yet had any appreciable effect. Last week 910 tons were landed (certainly less than the recent average), but only 710 tons were delivered, with the result that stocks are now 13,130 tons, against 7,670 tons at the corresponding date last year. Meantime the price of standard crêpe has fallen to 2s. 5³/₄d., and that for smoked sheet is no better than 2s. 4¹/₄d.; why there should be this difference when prices used to rule the same for both qualities, we do not know; only technical experts could tell. Business has tended to favour the better-class shares, but there has also been support for some of the younger concerns, which are only beginning to produce substantial quantities because there is a good chance of capital appreciation in their case, especially when the excess profits duty is removed. On the other hand, it must not be forgotten that most of these estates floated in 1909-11 were pretty liberally capitalised at the start, and they can never hope to pay the liberal—the gorgeous—dividends that some of the earlier plantations have yielded.

Imports of rubber last month amounted to 159,340 centals, valued at £2,003,280, against 121,246 centals, valued at £1,462,000, in July, 1916. For the seven months imports have been 1,283,409 centals, valued at £17,659,090, against 982,807 centals, valued at £13,730,030, for the corresponding period. Exports for the month were 75,500 centals against 73,200, and the value was £1,126,840 against £936,700. For the seven months exports amounted to 887,157 centals against 670,910 centals, and the respective values were £12,748,910 and £10,125,250. It will be seen, therefore, that this year we have retained 396,250 centals for home consumption as compared with 311,900 centals in 1915, and there does not appear to be any reason to anticipate a shortage in supplies, especially as the United States take the bulk of their requirements direct from the East. But that does not necessarily mean that the London market will lose its supremacy when normal conditions are restored.

Jeram Rubber Estates, Ltd., in the year to March 31 produced 263,000 lbs., an increase of 37,200 lbs., but 7,000 lbs. below the estimate, probably because the trees have been nursed so as not to have to pay too much excess profits duty. Average price realised was 2s. 7.89d., against 2s. 6.82d., and the gross revenue was £29,700, an increase of £3,000, while the nett profit was only a few hundreds higher at £17,290. On this occasion nothing is set aside for reserve or depreciation, and the dividend is raised from 20 per cent. to 22¹/₂ per cent., while the carry forward is reduced from £3,620 to £2,090. That may be gratifying to existing shareholders, but we doubt if it is prudent finance in spite of the fact that 65 per cent. of the profits in excess of £8,500 has to be paid to the Government. For the current year the crop is estimated at 300,000 lbs. Last year the yield per acre was 410 lbs. from trees planted in 1908 or earlier, and 293 lbs. from trees planted in 1910-11, so that there is room for a considerably increased output when all the trees are in full bearing.

We get the following rather dismal statement with regard to the tea position from the Tea Brokers' Association of London:—"The experience of the past few months has done much to correct the prejudice and exaggeration prevalent a short time since. The tea difficulty is now being recognised as entirely a question of small imports and dwindling stocks, but we are quite sure that the public does not yet realise the impending scarcity, and the growing need for economy. The increasing troubles attending the import of tea during the past three years have probably been little understood or appreciated by those not actually concerned, and it is therefore not surprising that the certainty of an actual shortage of tea is even now regarded with incredulity in many quarters. An inexhaustible supply is apparently the assumption on which arrangements are still based, and consumption and probably waste continue unchecked." We do not like to enter the lists with experts in their own trade, but we do not think this presents a fair statement of the case. Unlike wheat and

other grain, in which there is a real world shortage, there is not the smallest reason to fear a scarcity of tea except temporarily owing to lack of tonnage. There are enormous stocks in India and Ceylon, and, as we suggest elsewhere, the diversion of a ship or two would put matters here right very quickly.

What Balance Sheets Tell.

NORTH CENTRAL WAGON CO., LTD.

A further recovery took place in the position of the company in the financial year ended June last. Wagon rents, works, and other profits produced £8,050 more at £90,050, and although expenses, income-tax, and debenture interest absorbed a larger sum, nett profit shows an increase of £4,370 at £33,600. No increase is, however, made in the rate of distribution, the dividend being repeated at 14 per cent. The increased profit goes to augment the reserve, £10,000 being allocated to that fund, compared with £7,500 a year ago, and to increase the carry-forward from £7,850 to £13,400. It is not clear whether the company will be called upon to disburse any portion of this in the form of excess profits duty, but in this regard we may recall that the average nett profit of the three years prior to the war was somewhere about £28,000. The company has reduced its number of wagons by 4,070 to 29,200, and the book value of these and other investments is £130,950 down at £932,750, while there is £79,850 owing to the bank. On the other hand, however, debentures and loans are £159,800 less at £736,600, and items for wagon rents and stores and wagons at works and outstations display increases of £24,950 and £34,550 respectively.

S. P. AUSTIN AND SON, LTD.

Another very satisfactory year has been experienced by this Sunderland shipbuilding and repairing firm. The report for the year ended April shows profits on new ships, repairing work, &c., after providing for taxation, to have risen £4,400 to £23,150. Depreciation, directors' fees, and debenture interest absorb £6,600, leaving £16,550, an improvement of £4,380, available for dividend, which is maintained at 10 per cent., and the carry forward is increased by £6,550 to £36,780. This surplus is described as being available for equalisation of dividends or for other purposes. Stocks and work in progress are £20,500 down at £19,000, and creditors are £48,260 more at £60,100, but cash has risen £68,370 to £115,650, and the liquid position seems to be satisfactory enough.

TOTTENHAM DISTRICT LIGHT, HEAT AND POWER CO.

A larger quantity of gas was supplied for domestic and industrial purposes in the half-year ended June last, but, owing to the lighting restrictions, a heavy reduction took place in sales for public lighting, and total sales are only 364,000 cubic feet more at 1,314,000,000. This realised a higher average price, and revenue from sales of gas, residual products, and rentals shows an increase of £35,500 at £267,700; but fuel cost £28,000 more, £4,000 is set aside to renewals fund, and other items display an increase on balance. The nett revenue, therefore, including £215 profit from the Electricity Department, only exhibits an increase of £740 at £31,450. Debenture interest and income-tax then take £1,900 more, with the result that the profit available for dividend is £1,170 down at £18,500. The distributions on the "A" and "B" stock are governed by a sliding scale based on the price of gas, and have undergone rather a big reduction, the dividend on the "A" stock being scaled down from 7¹/₂ per cent. to 5¹/₂ per cent., and that on the "B" from 5¹/₂ per cent. to 4 per cent. The carry forward is £4,400 up at £4,470. The company has during the half-year spent a further considerable sum on capital account, and the balance at debit of that account is £67,900 higher than twelve months ago. The temporary loan has been increased £90,000 to £160,000.

CANADIAN NORTHERN PRAIRIE LANDS CO., LTD.

The report of this company, inasmuch as it shows the 10 per cent. dividend to have been almost earned, and also that there has been an improvement in collections on mortgage loans, is not unsatisfactory, but we cannot say it is calculated to put us into optimistic vein. No sales of land took place during 1916, and it may be necessary to take back certain areas from the colonisation companies to whom the company disposed of lands in large areas in its earlier operations. High prices are, of course, helping the community out West, and have resulted in the putting of a larger area under cultivation; but land sales are governed, to a large extent, by the supply of labour, and with immigration at a standstill, and the needs of the Army denuding the countryside, this is at the moment an insoluble problem. That the land business in Canada will eventually right itself we believe, but the period of waiting is likely to be a tedious one. Gross revenue shows a decrease of \$15,360 at \$184,820, but taxes take \$1,100 less, and nett revenue, after providing for depreciation, comes out at \$142,260, a decrease of \$3,700. The dividend of 10 per cent. calls for \$150,000, so that \$7,730 of it has to come out of the amount brought forward; this is left, however, at the very substantial sum of \$386,700. The company has during the year succeeded in reducing the balance due on land contracts by \$73,750, which has gone into investment, loans, &c., which are \$83,825 up at \$2,611,500. The company now owns 66,059 acres of land, standing in the books at a cost price of \$300 per acre, and, as a considerable portion of the company's property is close to the railway, the land should eventually realise a higher price.

The Week in Mines.

Although business has not been particularly active, the mining markets have this week shown a rather cheerful tone, thanks to the news of a fresh "push" on the Western front, and more encouraging advices from Petrograd. Russian shares have developed a distinctly better tone in spite of the continued adverse movement of the exchange, while Eastern Rand, Mexican, Rhodesian, and tin shares have been prominently firm.

SOUTH AND WEST AFRICANS.

In the South African market a good inquiry has been reported for Eastern Rand descriptions, particularly for Modder "B's" and Modder Deep. The former have risen 5-32 to 8 $\frac{1}{16}$, and the latter $\frac{7}{16}$ to $\frac{3}{4}$. Brakpans at 5 $\frac{1}{16}$, Goerz at 13s., Consolidated Mines Selection at 25s. 3d., Springs at 3 $\frac{1}{2}$, and Village Deep at 17-32 are all higher on the week. On the other hand, Bantjes, on the prospective closing down of the mine, have fallen 1s. 6d. further to 2s. 6d., Gold Fields have relapsed 3-32 to 17-32, and Central Minings have declined $\frac{1}{8}$ to 6 $\frac{1}{16}$. Diamond shares have been firmer, and De Beers Deferreds at 13 $\frac{1}{2}$ and Premier Prefs at 7 $\frac{1}{2}$ are both slightly higher. There have been several rather striking movements in the Rhodesian department, where Lonely Reefs have risen 1s. 9d. to 26s. 9d., on a good development cable, and Rezendes have jumped $\frac{1}{8}$ to 1 $\frac{1}{8}$ for some unexplained reason. Interest in Tanganyikas and Zambesias has revived; the former have risen 5-32 to 3 15-32, and the latter, which have been particularly active, show an advance of 1s. 9d. to 23s. 3d. Gold Fields Rhodesian Developments have been supported at 7s. 9d. Among West African shares, Ashanti Goldfields have risen 9d. to 20s. 6d., ex dividend, but Presteas declined to 5s.

COPPER AND MISCELLANEOUS.

Copper shares have been very neglected, but Arizonas have weakened to 2 $\frac{1}{2}$ ex dividend on the labour troubles at the mine. Tin shares continued to meet with support on the high price of the metal. East Pools, which are now of 5s. denomination, rose 1s. to 14s., ex dividend, Renongs $\frac{1}{16}$ to 2 $\frac{1}{2}$, and Malaysians and Tronohs $\frac{1}{8}$ each to 2 and 1 $\frac{1}{2}$ respectively. In spite of the steady rise in silver, the shares of companies producing the metal have been little affected thereby. Mining Corporations of Canada are actually a shade lower at 16s. 3d., and in the Broken Hill group British Props have fallen 1s. to 36s. North, on the declaration of a 2s. dividend, have risen 1-32 to 2 $\frac{1}{2}$, and Broken Hill Proprietary at 47s. 3d. and Sulphides at 27s. 3d. are both higher. There has been persistent selling of Burma Corporations, which are 3-32 lower at 3 $\frac{1}{2}$.

Mexican shares have scored a general advance on an impression that the Mexican situation is improving. Mexico of 1 $\frac{1}{2}$ Oros have risen $\frac{1}{4}$ to 4 $\frac{1}{2}$. Indications of a clearing of the political situation in Russia prompted buying of Kyshtims and other shares. Kyshtims have advanced 5-32 to 2 3-32, and Russo-Asiatics are $\frac{1}{8}$ higher at 4 $\frac{1}{2}$. Waihis, which have been in steady request for some time past, have jumped 2s. to 38s. 6d. Sons of Gwalia have hardened to 13s. on the quarterly dividend declaration of 6d. per share.

MINING NEWS.

ANOTHER RHODESIAN RECONSTRUCTION.—The Transvaal and Rhodesian Estates, an undertaking allied to the Amalgamated Properties of Rhodesia, now in course of reconstruction as the Rhodesia Exploration Co., proposes to follow the example of its stable companion. It is proposed to reduce the capital from £987,374 to £592,424, by writing off 2s. per share, making the nominal value of each share 3s. No assessment is to be made on the shareholders, and in this respect the scheme differs from the Amalgamated reconstruction, which involved an assessment of 1s. per share, or 25 per cent. The object of the scheme is to bring the capital down to the level of the ascertained value of the company's assets, so as to permit of the distribution of dividends. If the scheme is approved, the issued capital will be £429,005. From present sources, the company's revenue is at the rate of £45,000 per annum, less the cost of administration, which next year is expected not to exceed £5,000. But whether the company will be able to pay more than a very modest dividend then is questionable. At any rate, the shareholders had better not jump to conclusions yet awhile. The company has never succeeded in paying a dividend so far.

TRANSVAAL GOLD PRODUCTION.—The production of gold in July amounted to £3,219,094, a decrease of £13,797 on the same month of last year. The following table shows the monthly production since January, 1912:—

Month.	1912.	1913.	1914.	1915.	1916.	1917.
	£	£	£	£	£	£
January ..	3,130,830	3,353,116	2,708,470	3,037,058	3,344,948	3,324,418
February ..	2,989,832	3,118,325	2,660,186	2,872,406	3,201,063	3,063,976
March ..	3,528,688	3,358,050	2,917,346	3,202,514	3,384,121	3,343,363
April ..	3,133,383	3,334,358	2,904,024	3,160,651	3,205,643	3,155,121
May ..	3,311,794	3,373,998	3,059,340	3,243,347	3,235,777	3,310,618
June ..	3,202,517	3,173,382	3,049,558	3,208,224	3,235,707	3,227,101
July ..	3,255,198	2,783,917	3,111,398	3,272,258	3,232,891	3,219,094
August ..	3,248,205	3,092,754	3,024,037	3,307,975	3,318,116	—
September ..	3,176,846	2,999,686	2,982,630	3,299,423	3,277,408	—
October ..	3,265,150	3,051,701	3,116,754	3,388,122	3,365,642	—
November ..	3,216,965	2,860,788	3,040,677	3,317,534	3,326,251	—
December ..	3,297,962	2,857,938	2,952,755	3,317,949	3,289,705	—
Total..	38,757,560	37,358,040	35,588,075	38,627,461	39,484,934	22,643,691

For the seven months to date the total shows a decrease of £264,119.

NATIVE LABOUR RETURNS.—These returns show a decrease amounting to 4,097, which compares with a decrease of 5,051 in June. There was a decrease of 4,074 at the gold mines:—

Month.	Natives on Gold mines.	Natives on Coal mines.	Natives on Diamond mines.	Total natives.
June, 1916	192,809	9,859	2,105	204,773
July	192,130	9,932	3,339	205,401
August	194,112	10,086	5,146	209,344
September	197,734	10,239	6,527	214,500
October	199,330	10,907	6,358	216,595
November	196,132	11,118	5,928	213,178
December	191,547	11,487	5,194	208,228
January, 1917	188,624	11,611	5,591	205,826
February	191,695	11,598	6,268	209,561
March	190,028	11,494	6,020	207,542
April	185,975	11,435	6,314	203,724
May	180,168	11,432	5,805	197,405
June	175,727	11,258	5,399	192,384
July	171,653	11,381	5,223	188,257

The total at the gold mines is the smallest since December, 1914, when the figure was 164,650.

NATOMAS CO. OF CALIFORNIA.—In the year ended December 31 the output of gold of this concern, in which the Gold Fields Co. is interested, decreased from \$2,416,960 to \$2,137,120, while the nett operating profit fell from \$1,313,800 to \$988,885. The reclamation and drainage of the company's lands have now been practically completed, and the larger proportion of them have been planted with crops. To date the total cost of the reclamation work has been \$2,650,000 in one district and \$1,620,000 in another, and 85 per cent. of the former and 43 per cent. of the latter have been charged against the company's lands. There was a loss on the year's working, the surplus of \$2,174 brought in being converted into a debit balance of \$377,442.

MINING RETURNS FOR JULY.

Ashanti.—9,681 tons; value, £40,274 (June, £40,419).
Aurora West.—15,100 tons; profit, £3,909 (June, £4,303).
Bantjes.—21,530 tons; loss, £3,252 (June, loss, £2,080).
Brakpan.—55,000 tons; profit, £42,756 (June, £41,816).
Champion Reef.—31,339 tons; 7,556 ozs. fine (June, 7,728 ozs.).
City and Sub.—27,000 tons; profit, £14,551 (June, £14,002).
City Deep.—67,000 tons; profit, £62,564 (June, £55,449).
Cons. Langlaagte.—49,600 tons; profit, £20,171 (June, £20,256).
Cons. Main Reef.—25,590 tons; profit, £11,437 (June, £14,839).
Crown.—181,000 tons; profit, £61,407 (June, £62,718).
Durban Road Deep.—28,000 tons; profit, £3,619 (June, £2,707).
East Rand Prop.—150,000 tons; profit, £6,432 (June, £10,022).
Ferreira Deep.—43,330 tons; profit, £16,154 (June, £19,219).
Geduld.—37,600 tons; profit, £20,037 (June, £19,701).
Geldenhuys Deep.—55,000 tons; profit, £9,011 (June, £8,847).
Ginsberg.—15,490 tons, £13,584; profit, £1,443 (June, £1,569).
Glencairn.—21,600 tons; profit, £1,339 (June, £1,131).
Glynn's Lydenburg.—4,300 tons; profit, £2,012 (June, £3,048).
Gov. Areas Mod.—109,000 tons; profit, £58,561 (June, £59,000).
Ivanhoe G. Corp.—18,716 tons; profit, £9,005.
Jupiter.—23,900 tons; profit, £3,661 (June, £2,754).
Knight Central.—26,500 tons; profit, £1,337 (June, £159).
Knight's Deep.—93,100 tons; loss, £969 (June, £3,671).
Langlaagte Estate.—41,680 tons; profit, £9,443 (June, £10,778).
Luipaard's Vlei.—23,150 tons; profit, £1,216 (June, £2,007).
Main Reef West.—24,740 tons; profit, £1,614 (June, £2,016).
Meyer & Charlton.—14,770 tons; profit, £26,257 (June, £24,290).
Modder "B."—43,700 tons; profit, £61,217 (June, £59,984).
Modder Deep.—41,000 tons; profit, £47,671 (June, £47,991).
New Goch.—20,400 tons; profit, £3,047 (June, £3,534).
New Heriot.—13,500 tons; profit, £6,809 (June, £6,580).
New Kleinfontein.—69,020 tons; profit, £20,000 (June, £20,240).
New Modder.—53,500 tons; £64,768 (June, £66,998).
New Primrose.—20,300 tons; profit, £1,508 (June, £1,008).
New Unified.—13,750 tons; profit, £4,046 (June, £4,042).
Nigel.—12,600 tons; profit, £3,841 (June, £3,358).
Nourse.—41,400 tons; £55,320; profit, £8,411 (June, £5,086).
Nundydroog.—20,289 tons, 6,300 ozs. fine gold (June, 6,627 ozs.).
Ooregam.—7,531 ozs. fine gold (June, 7,567 ozs.).
Pahang Cons.—Ore treated, 15,000 tons; black tin produced, 220 tons.
Princess Estate.—22,200 tons; profit, £1,276 (June, £1,260).
Randfontein Cent.—167,493 tons; profit, £38,502 (June, £40,003).
Robinson Deep.—46,000 tons; profit, £11,571 (June, £3,817).
Robinson.—53,500 tons; profit, £33,329 (June, £32,911).
Roodepoort United.—23,722 tons; profit, £230 (June, £2,002).
Rose Deep.—58,400 tons; profit, £23,392 (June, £18,481).
Sheba.—6,596 tons; 1,593 ozs.; loss, £1,739 (June, loss, £1,980).
Simmer and Jack.—60,600 tons; profit, £21,549 (June, £22,530).
Simmer Deep.—49,700 tons; profit, £5,056 (June, £2,619).
Springs.—29,700 tons; profit, £30,296 (June, £30,111).
Sub Nigel.—9,680 tons; £22,558; profit, £7,760 (June, £7,593).
Transvaal Gold.—16,635 tons; profit, £9,688 (June, £9,599).
Van Ryn Deep.—42,052 tons; profit, £52,560 (June, £52,563).
Van Ryn.—36,200 tons; profit, £15,772 (June, £18,852).
Village Deep.—54,800 tons; profit, £20,704 (June, £20,443).
Village Main Reef.—26,200 tons; profit, £10,036 (June, £13,036).
Wanderer.—13,455 tons; profit, £2,233 (June, £3,191).
West Rand.—34,310 tons; profit, £1,744 (June, £2,453).
Witwatersrand.—40,800 tons; profit, £16,077 (June, £16,156).
Wit Deep.—33,520 tons; profit, £3,035 (June, £6,343).
Wolhuter.—34,000 tons; profit, £11,751 (June, £11,424).

JULY RUBBER OUTPUTS.

Company.	Current Estimate.	Last All-in Cost.	July, lbs.	(+) or (-) lbs.	Months	Aggregate lbs.	(+) or (-) lbs.
Aboyne Clyde	1,444,374	1/0.50	41,257	+ 3,630	7	41,257	+ 3,630
Allagar	360,000	1/1.62	29,000	+ 2,500	7	202,300	+ 49,100
Alliance	163,716	—	18,014	+ 7,394	7	86,174	+ 19,312
Alor Pongsu	275,000	1/0.75	23,743	+ 924	7	150,683	+ 9,308
Ampat	180,000	1/1.35	18,800	+ 6,110	9	173,300	+ 47,500
Anglo-Java	2,624,000	—	192,500	+ 81,280	7	1,512,931	+ 592,011
Anglo-Johore	300,000	1/3.20	23,623	+ 4,020	4	93,933	+ 15,990
Anglo-Malay	1,720,000	1/1.23	136,244	+ 13,756	7	933,859	+ 18,714
Anglo-Sum.	945,575	1/0.75	74,068	+ 521	2	148,549	+ 4,156
Asahan	360,000	1/3.40	34,633	+ 10,569	12	428,791	+ 171,295
As. T. Ceylon	257,067	1/1.55	20,570	+ 5,481	1	20,570	+ 5,481
Ayer Kuning	724,457	1/0.34	67,000	+ 1,000	7	450,271	+ 177,349
Bagan Serai	417,000	1/1.82	34,000	+ 1,830	7	233,826	+ 48,942
Bah Lias	—	1/9.46	31,842	+ 21,995	9	197,187	+ 129,550
Bajoe Kidol	250,986	1/8.85	22,000	+ 13,389	4	118,000	+ 61,039
Bakap	274,350	—	17,200	+ 10,100	1	17,200	+ 10,100
Bambrakelly	235,000	1/4.96	19,062	+ 3,575	4	80,034	+ 23,063
Bandar Sum.	360,000	—	36,993	+ 7,135	12	395,456	+ 104,906
Bandarsari	259,000	1/2.48	11,994	+ 4,526	7	154,579	+ 11,679
Bandarapala	250,000	—	26,000	+ 10,000	7	146,000	+ 47,000
Bandarawa	308,458	—	2,674	+ 15,606	1	2,674	+ 15,606
Bantam	854,681	1/1.75	71,038	+ 2,382	7	71,038	+ 2,382
Banteng	388,750	1/1.13	34,950	+ 2,610	3	99,470	+ 12,150
Batak Rabil	378,970	1/1.99	36,000	+ 2,736	1	36,000	+ 2,736
Batang Mal.	400,000	1/3	28,335	+ 7,235	7	174,084	+ 26,924
Batu Caves	697,819	1/9.13	80,701	+ 17,362	7	461,474	+ 102,332
" Matang	164,989	—	13,439	+ 479	1	13,439	+ 479
" Rata	493,930	1/1.50	41,000	+ 8,300	1	41,000	+ 8,300
" Tiga	—	1/0.45	66,500	+ 3,954	7	446,500	+ 23,936
Be'ur'ri'n'o	236,000	1/5.75	16,000	+ 4,000	3	48,000	+ 8,500
Bekoh	486,978	1/2.8	44,719	+ 11,719	1	44,719	+ 11,719
Bentota	240,000	1/3.08	21,228	+ 627	6	95,934	+ 8,226
Beranang	294,168	1/5.9	34,729	+ 7,160	7	34,729	+ 7,160
Bernam-Perk	260,000	1/2.86	24,800	+ 1,400	1	24,800	+ 1,400
Bidor	419,500	1/1.83	42,500	+ 7,150	4	161,000	+ 30,500
Bikam	420,000	1/3.62	33,400	+ 2,300	7	216,332	+ 6,668
Bode	273,000	1/5.22	19,600	+ 2,884	7	143,560	+ 43,546
Bradwall	480,000	1/2.58	34,223	+ 767	7	371,818	+ 44,213
Braunston	450,000	1/1.26	45,250	+ 11,250	10	371,221	+ 75,821
Brit Born Para	220,000	1/1	15,780	+ 6,220	3	45,030	+ 10,970
British Malay	750,000	—	60,500	+ 45,490	7	360,551	+ 237,854
Brooklands	601,310	1/1.47	64,808	+ 18,139	1	64,808	+ 18,139
Broom	382,610	1/4.57	33,878	+ 2,157	1	33,878	+ 2,157
Brus-Perak	111,000	1/6.47	8,571	+ 4,650	5	41,164	+ 27,155
Bukit Cioh	260,000	1/0.38	16,000	+ 6,000	7	120,500	+ 1,500
" Ijok	340,000	1/1.57	28,500	+ 1,500	7	169,500	+ 6,500
" Kajang	941,280	—	81,226	+ 6,774	1	81,226	+ 6,774
" Lintang	274,990	1/1.12	20,000	+ 6,000	1	20,000	+ 6,000
" Mert'jin	935,000	1/0.74	58,727	+ 1,166	4	257,075	+ 33,282
" Pan'ing	520,000	1/0.45	41,500	+ 5,000	7	285,900	+ 20,400
" Rajah	1,071,000	1/1.20	77,988	+ 13,932	4	260,999	+ 27,843
" Sembu	800,000	1/3.17	64,450	+ 1,999	7	440,950	+ 56,150
Carey United	571,342	—	32,717	+ 4,002	10	257,935	+ 77,941
Castlefield	280,000	1/2.34	52,707	+ 7,582	1	52,707	+ 7,582
Cent. Trav.	280,000	—	100,632	+ 6,873	7	106,466	+ 22,253
Ceylon Para	570,000	—	100,539	+ 41,785	7	547,827	+ 134,635
Ceylon T. & R.	—	1/4.31	20,302	+ 5,965	7	117,744	+ 3,337
Changkat-Sal.	925,000	1/0.47	87,000	+ 10,000	7	539,000	+ 119,000
Chemb Malay	440,000	1/1.37	38,004	+ 6,854	7	245,734	+ 31,313
Cheras	260,000	1/5.39	25,500	+ 9,533	7	145,800	+ 61,751
Chersonese	750,000	1/0.58	58,437	+ 1,176	7	402,522	+ 33,300
Chivot	610,000	1/3.24	61,600	+ 38,990	6	333,850	+ 136,800
Chimpul	228,641	—	21,735	+ 7,336	4	86,975	+ 31,026
Chota	230,000	—	19,949	+ 3,528	7	129,483	+ 12,547
Cicely	364,405	1/1.08	31,982	+ 2,164	4	128,384	+ 11,980
Cluny	265,000	1/2.54	24,167	+ 4,752	7	136,683	+ 16,366
Cons. Malay	906,350	—	75,323	+ 11,622	7	470,549	+ 50,396
Dalkeith	475,000	1/4.78	39,500	+ 15,000	7	211,000	+ 38,000
Damansara	830,000	1/1.05	77,707	+ 16,322	7	499,469	+ 70,447
Dangan	227,278	1/1.12	24,820	+ 7,150	1	24,820	+ 7,150
Dennistown	650,000	—	49,100	+ 3,266	7	333,688	+ 19,787
Devittair	340,000	1/1.90	25,000	+ 13,200	7	178,990	+ 33,590
Dimbula	340,700	1/0.36	25,000	+ 905	7	135,067	+ 22,846
Disinga	433,554	1/7.39	42,000	+ 12,602	1	42,000	+ 12,602
Djember	250,000	—	11,000	+ 2,300	7	140,000	+ 51,000
Doranakande	215,000	1/4.47	18,400	+ 4,279	7	97,600	+ 21,658
Duff Develop.	400,400	1/7.40	71,700	+ 15,200	7	436,350	+ 101,350
Dusun Durian	820,000	1/0.71	67,080	+ 2,535	7	429,138	+ 53,645
E. Ind. & Cey.	210,000	1/1.15	17,960	+ 4,893	7	102,235	+ 16,620
Edinburgh	465,000	1/9.14	41,500	+ 1,500	7	249,500	+ 25,000
Elphih	252,000	1/5.88	22,799	+ 7,797	7	78,965	+ 23,112
Emerald	377,700	1/2	44,900	+ 15,900	6	241,850	+ 97,450
Eow Seng	185,000	—	14,545	+ 505	7	96,870	+ 11,372
Escot	245,000	1/2.32	24,000	+ 4,000	10	202,800	+ 25,764
Fed. Malay S.	1,845,000	1/9.50	168,000	+ 11,000	2	317,000	+ 10,000
Fed. Selangor	370,000	1/1.68	37,723	+ 6,873	4	134,999	+ 24,396
Galah	143,500	—	11,425	+ 993	7	50,288	+ 1,169
Galang Besar	400,000	1/8.91	36,560	+ 3,560	1	36,560	+ 3,560
Gan Kee	170,136	—	12,146	+ 1,631	1	12,146	+ 1,631
Garing	200,000	1/1.99	18,200	+ 3,200	10	159,383	+ 29,833
Gedong	229,000	1/1.75	26,412	+ 6,233	9	159,266	+ 64,647
Gen. Ceylon	1,012,000	1/1.27	102,400	+ 39,540	7	544,434	+ 126,265
Glen Bervie	275,000	—	24,842	+ 4,522	10	218,027	+ 27,727
Glendon	270,000	—	22,460	+ 7,227	10	206,342	+ 25,029
Glenshiel	458,500	1/2.18	45,100	+ 12,957	7	280,000	+ 85,459
Goconda	594,000	1/1.36	49,228	+ 4,633	7	360,797	+ 45,785
Golden Hope	305,000	1/1.41	31,926	+ 6,766	7	177,106	+ 44,477
Grand Cent.	413,861	1/0.72	413,303	+ 120,052	7	2,523,981	+ 537,794
Gula Kal'p'g	1,370,000	1/1.2	102,000	+ 8,369	7	781,421	+ 173,329
Harpenden	568,000	1/1.49	61,830	+ 10,580	7	301,408	+ 29,251
Hayoepp	520,000	—	42,816	+ 1,083	7	270,640	+ 17,700
Heawood	275,000	1/1.5	21,000	+ 2,497	7	137,610	+ 35,745
Hewagang	646,200	1/2.80	60,505	+ 14,505	7	301,705	+ 28,505
Hid. Streams	240,000	—	20,500	+ 1,200	7	144,088	+ 21,888
Highlands	1,353,000	1/0.01	119,662	+ 4,997	7	766,662	+ 55,079
Inch-Kenneth	437,580	1/3.41	40,400	+ 4,000	2	81,720	+ 15,570
Insulind	268,000	—	21,100	+ 3,700	1	21,100	+ 3,700
Java Amal.	315,000	—	37,600	+ 9,400	7	373,400	+ 83,400
Java R & Prod	620,000	—	19,000	+ 1,587	7	205,300	+ 28,067
Java Para	265,692	1/1.20	28,000	+ 9,994	7	234,021	+ 99,021
Jeram	300,000	—	17,682	+ 6,476	4	67,113	+ 9,205
Johore Para	190,362	1/2.14	17,200	+ 4,600	1	17,200	+ 4,600
" Rub. Lds	1,268,000	1/3.1	100,514	+ 23,643	7	612,203	+ 210,290
Jong Landor	659,670	—	56,162	+ 2,731	1	56,162	+ 2,731
Jugra Estate	378,613	1/0.60	34,930	+ 4,758	4	127,542	+ 15,057
Jugra Land	1,133,088	1/1.35	91,450	+ 10,773	3	258,790	+ 39,928
Juru Estates	200,000	1/1.88	13,500	+ 69	4	57,500	+ 9,044
Kajang	263,709	1/1.95	34,500	+ 9,250	7	222,200	+ 107,825
Kali Glagah	192,200	—	11,700	+ 2,900	4	62,600	+ 10,400
Kamp Kua't'n	360,000	1/2.07	31,000	+ 1,000	7	210,500	+ 13,000
Kamuning	810,000	1/1.49	59,130	+ 7,460	1	59,130	+ 7,460
Kapar Para	954,000	1/0.91	66,327	+ 6,262	7	564,566	+ 147,847
Karak	220,000	—	20,875	+ 3,745	7	138,795	+ 35,781
Kasintoe	400,000	1/8.56	37,000	+ 25,521	7	355,075	+ 225,881
Kawie Java	499,200	—	33,600	+ 4,000	4	187,865	+ 31,965
Kepitigalla	640,000	—	51,686	+ 5,536	4	189,489	+ 5,774
Kepong	335,000	—	31,000	+ 5,000	7	178,500	+ 16,000
Kerala	250,000	—	28,174	+ 6,814	7	122,219	+ 47,563
Khota Tampin	202,000	1/3.30	21,750	+ 5,750	6	102,250	+ 16,250
Killinghall	305,359	—	23,367	+ 373	1	23,367	+ 373
Kimanis	420,000	1/9.22	26,700	+ 5,700	6	199,900	+ 77,900
Kinta Kellas	515,000	1/2.81	55,316	+ 11,993	4	176,452	+ 21,487
Klabang	315,000	1/4.30	26,004	+ 7,521	7	177,146	+ 60,802
Klangan	505,125	1/1.02	42,000	+ 9,817	7	259,840	+ 38,196
Kombok	594,000	1/1.88	50,720	+ 450	7	338,080	+ 46,550
Kuala Klang	195,000	1/0.39	16,174	+ 1,377	11	167,026	+ 9,106
" Kubu	138,950	—	12,794	+ 404	1	12,794	+ 404
" Lumpur	1,685,010	1/0.64	158,400	+ 25,740	1	158,400	+ 25,740
" Nal	187,800	1/2.36	24,500	+ 7,500	7	117,450	+ 47,500
" Pahi	200,000	—					

Taiping..	675,000	1/10.88	49,042	—	9,110	10	—	—
Tali Ayer	1,022,324	1/1.35	87,000	+	9,942	3	256,500	+ 35,303
Tamang	700,000	—	65,525	+	14,587	10	626,744	+ 191,213
Tanga Batu	180,000	1/3.59	11,091	—	3,109	7	99,870	+ 18,643
Tangkah	440,000	1/6	46,079	+	12,713	10	386,831	+ 84,659
Tanj. Malim.	1,227,600a	1/2.97	122,700	+	47,460	1	122,700	+ 47,460
Tandjong	1,381,023a	1/0.59	108,388	—	13,098	1	108,388	— 13,098
Tangoei	284,286a	1/5.67	11,880	—	1,507	1	11,880	— 1,507
Tebrau	885,500a	1/2.65	60,832	—	17,447	1	60,832	— 17,447
Teekoy	250,000	1/5.12	25,639	+	3,424	12	—	—
Teloregdoj	750,000	—	58,500	+	30,500	7	497,520	+ 313,144
TenomB'neo	630,000	1/11.98	46,200	—	3,000	7	324,300	+ 16,600
Third Mile	283,000	—	17,030	—	28,324	7	97,535	— 152,904
Tremelbye	682,000a	1/0.80	47,000	—	11,000	1	47,000	— 11,000
Trolak	280,000	1/2	27,161	+	2,441	10	277,610	+ 60,832
Ulu Rantau	250,000	1/1.16	26,031	+	1,574	7	159,893	+ 28,889
U. SuaBetong	900,000	1/1.15	75,831	+	10,678	7	521,472	+ 112,742
U. Serdang	3,265,000	1/0.60	256,245	+	15,613	11	3,001,481	+ 220,257
U. Sumatra	967,500	1/0.73	83,760	—	19,447	7	543,266	+ 106,425
U. Temiang	645,000	1/5.63	69,480	—	22,910	12	647,220	+ 259,490
Uva	189,833a	—	14,641	—	2,014	7	103,170	— 1,328
Val d'Or	375,000	—	28,000	+	1,000	8	223,200	+ 49,151
Victoria	179,976a	1/5.28	23,000	+	12,020	1	23,000	+ 12,020
Windsor	320,000	1/4.10	36,200	+	14,148	7	224,800	+ 88,004
Woodend	220,000	—	25,521	+	11,785	7	130,741	+ 50,002
Yam Seng	375,000	—	34,773	+	2,748	9	132,660	+ 6,172
Yatiantota	490,000	—	47,170	+	15,318	7	257,008	+ 70,299

a Last year's crop.

* For June, or previous month.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Assam Bengal	June 23	Rs. 1,33,000	+ 7,037	15,28,213	Rs. 10,621	—
Barsi	" 16	10,500	+ 800	2,00,400	11,900	—
Bengal & N.W.	" 23	4,19,380	+ 8,971	54,68,732	1,02,613	—
Bengal Nagpur	" 30	10,80,000	+ 48,000	1,39,55,932	9,52,364	—
Bombay, Baroda	Aug. 4	12,11,000	+ 69,000	2,67,94,000	13,53,400	—
Burma	July 17	26,288	+ 52	32,47,412	29,082	—
Delhi Umballa	Aug. 4	62,000	+ 5,321	13,61,700	1,79,013	—
East Indian	" 11	17,07,000	+ 3,68,000	4,24,12,000	4,92,000	—
Gt. Indian Penin.	" 4	17,92,100	+ 2,46,800	3,86,23,198	27,75,896	—
Lucknow-Bareilly	June 9	45,713	+ 2,600	5,05,709	5,601	—
Madras and S.	" 16	10,60,000	+ 37,421	1,18,22,000	1,51,841	—
Mahratta	" 30	1,24,212	+ 8,398	17,37,067	34,019	—
Nizam's Gd. (Broad)	" 30	65,605	+ 7,125	10,39,210	32,003	—
(Metre)	" 30	—	—	—	—	—
Rohilkund and	" 23	94,507	+ 5,937	12,27,646	50,575	—
Kumaon	" 30	7,15,182	+ 1,02,784	88,08,038	4,79,511	—
South India	" 30	—	—	—	—	—

† April 1.

† October 1.

TRAMWAY AND OMNIBUS.—HOME.

		£	£	£	£
Bristol	Aug. 10	14,358	+ 1,456	339,046	+ 21,413
Dublin United	" 10	8,458	+ 638	210,614	+ 22,785
Hastings and Dist.	" 12	2,380	+ 298	36,864	+ 5,917
Isle of Thanet	" 11	713	+ 310	13,314	+ 1,351
Lancashire United.	" 8	3,929	+ 1,601	71,454	+ 15,060
Provincial	" 4	2,679	+ 413	97,593	+ 176
Yorks. (Wst. Rdng.)	" 12	3,186	+ 994	66,298	+ 10,892

* From Oct. 1.

† From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

		£		£	Ms.	£		£
Alabama Power ..	June 8	108,062	+	39,124	12	1,162,729	+	388,158
Argio-Argentine ..	Aug. 12	51,017	+	2,255		1,639,043	+	12,413
Auckland Electric ..	June 30	23,593	+	1,888		282,694	+	7,931
Brazilian Traction ..		M4,022,000	+	M92,000	5	M24,402,000	+	M138,000
Brisbane Elec. Inv. ..	July	32,720	—	160	7	225,315	—	915
British Columbia ..	June 8	72,729	+	9,890	11	1,042,130	+	244,747
B.A. Lacroze ..	July	38,063	+	376	1	38,063	+	376
Burmah Electric ..	May 17b	Rs. 24,906	+	Rs. 1,321	—	—	+	Rs. 27,698
Calcutta ..	Aug. 11	Rs. 68,300	—	Rs. 1,436	*	Rs. 202,005	+	Rs. 15,779
Cordoba Light ..								
P. & T. ..	June	14,416	+	296	3	41,811	—	1,250
Hongkong ..	30	13,365	—	1,861	6	344,642	—	984
La Plata ..	July 6	3,875	—	35	7	29,019	—	816
Lima ..	June	16,843	+	1,977	6	100,160	+	5,662
Madras Electric ..	July 31c	Rs. 36,535	+	Rs. 3,773	3	Rs. 481,034	+	Rs. 43,923
Mexico ..	Nov. 8	215,256	—	108,669	6	3,193,106	—	197,227
Rangoon ..	July 8	4,783	+	426	*	33,500	+	1,465
Singapore Electric ..	June 23	12,455	—	287	*	326,593	+	16,598
Toronto ..	8	475,408	+	27,552	6	271,393	+	55,105
United of Monte V. ..	July	28,597	+	3,377	3	242,796	+	1,728
Vera Cruz ..	May 8	35,000	—		4	250,800	—	
Winnipeg ..	June 8	49,664	—	37,907	5	435,897	—	194,611

b 28 days. * From Jan. 1. § Nett. a From July 1. c Two weeks.

UNITED STATES OF AMERICA.

			\$		\$		\$
Chesapeake & Ohio	July 31	1,482,000	+ 43,000	†	30,477,000	+ 1,904,000	
Chicago G.W.	" 31	370,000	+ 13,000	†	9,159,000	+ 419,000	
Colorado & South'n	" 31	467,000	+ 25,000	†	10,095,000	+ 1,326,000	
Denver & Rio Gran.	" 31	489,000	+ 25,000	†	14,773,000	+ 2,063,000	
Louisville & Nashv'e	" 31	2,148,000	+ 461,000	†	40,002,000	+ 6,068,000	
Minn. S.P.(Soo)§	" 21	705,000	+ 4,000	†	17,879,000	+ 500,000	
Missouri Kansas	" 31	1,211,000	+ 160,000	†	23,071,000	+ 4,214,000	
Southern	" 31	2,944,000	+ 963,000	†	62,261,000	+ 7,863,000	

§ Includes Wisconsin Central.

† From Jan. 1.

‡ From June.

COLONIAL RAILWAYS.

		£	+	£	8	£	+	£
Belra	May *	65,700	+	2,798	8	542,673	+	21,073
Canadian Northern	Aug. 7	775,500	—	92,500	8	4,620,400	—	81,800
Canadian Pacific ..	" 7	2,559,000	—	842,000	8	886,841,000	—	8,597,000
Gr. Trk. Main Line	" 7	216,844	+	12,753	8	6,180,396	+	789,114
Gr. Trk. Western ..	" 7	41,404	+	303	8	1,180,014	+	24,063
Detroit G. H. & M.	" 7	13,130	+	158	8	411,655	+	4,316
Gr Trk Pac Prairie Se	" 7	24,197	+	9,937	8	125,009	+	35,518
Mashonaland ..	May *	65,700	+	2,798	8	442,673	+	17,545
Mid. of Westn. Aus.	" 7	6,438	—	513	9	84,036	+	870
New Cape Central ..	July 7	1,706	+	1	9	50,793	—	7,322
Rhodesia	May *	90,170	+	3,916	8	664,832	+	46,029

* Months. † July 1. ‡ Jan. 1. c From Oct. 1.

FOREIGN RAILWAYS.

			£	+	£		£	—	£
Alooy and Gandia ..	Aug. 11	Pa.	13,000	+	3,000		Ps. 304,870	—	Ps. 83,030
Antofagasta (Chili) ..	" 12		42,170	+	9,685	1	1,264,360	+	196,050
Arauco ..	June 30		10,000	+	1,200		55,000	+	11,800
Argentine N.E. ..	Aug. 11		9,100	+	900		51,800	+	11,898
Bilbao R. and Canta ..	July ..		3,644	+	1,619	7	24,653	—	5,408
Bolivar ..	" "		11,000	+	4,921		11,000	+	4,928
Brazil ..	May ..	M	3,869,000	+	M471,175		M 197,500	+	M183,544
Brazil Gt. Southern ..	April ..	Mis	45,680	—	M10,280		M170,990	+	M29,600
B. Ayres & Pacific ..	Aug. 11		76,000	—	10,000		411,000	—	81,000
Do. Central ..	May ..		25,929	—	22	11	268,840	+	1,740
Do. Gt. South'n ..	Aug. 12		92,000	—	3,000		531,705	—	62,549
Do. Western ..	" 12		37,000	—	13,000		232,000	—	60,000
Central Argentine ..	" 11		83,000	—	36,000	1	501,800	—	181,100
C. Ur'g'ay of Mts V. ..	" 11		14,881	+	4,557		94,940	+	27,428
Do. East'n Ex. ..	" 11		3,912	+	20		27,331	+	4,191
Do. North'n Ex. ..	" 11		2,859	+	961		18,336	+	7,351
Do. West'n Ex. ..	" 11		1,449	—	104		7,912	—	1,500
Cordoba Central ..	" 11		36,200	+	110		214,100	—	14,230
Costa Rica ..	Mar. 31		5.7	+	434		206,606	—	4,673
Cuban Central ..	Aug. 4		12,546	+	3,106		65,891	+	17,366
Dorada Extension ..	July ..		9,500	—			64,900	+	10,400
Egyptian Delta ..	June 30		4,792	—	192		50,183	+	6,453
Entre Rios ..	Aug. 11		14,000	+	2,800		74,500	+	4,700
French Sante Fé ..	Dec. ..		81,752	—	1,139	12	1,030,727	+	156,858
Gt. South. of Spain ..	July 28	Pa.	97,004	+	Ps. 22,793		Ps. 271,846	+	Ps. 613,552
Gt. West. of Brazil ..	Aug. 11		11,300	+	4,500	1	392,650	+	105,630
Havana Central ..	July 21		6,923	+	1,198	20	20,213	+	2,183
Inter. of C. Amer. ..	July c*		14,589	—	6,325		199,480	—	24,452
La Guaira and Car. ..	July ..		6,250	—	2,000		56,250	+	1,250
Leopoldina ..	Aug. 11		38,555	+	10,307		837,675	+	148,397
Manila (N. & Sth.) ..	Apr. 6		10,389	+	1,997		10,389	+	1,997
Midland Uruguay ..	July ..		12,128	+	2,481	1	12,128	+	2,481
Mogiana ..	April ..	M	1,476,000	—	M253,117		M 5,386,000	—	M117,162
N.W. of Uruguay ..	June ..		26,000	+	960	9	295,778	+	26,693
Nitrate ..	July 31b		31,786	+	1,888		446,806	+	69,789
Paraguay Central ..	Aug. 11		3,170	+	270		17,350	—	700
Paulista ..	April ..	M	1,880,000	+	M230,979	4	M 7,721,000	+	M240,648
Peruvian Corp'n ..	July ..	S	975,000	+	S139,570	12	S12103,092	+	S144,165
Salvador ..	" 28		16,830	+	3,600		71,630	+	17,680
S. Paulo (Brazilian) ..	Aug. 5		37,210	—	3,596		179,453	—	37,782
Sorocabana ..	May ..	M	1,497,000	+	M274,702	5	M7,819,000	+	M859,539
Taitai ..	June ..		22,635	+	1,492	12	234,090	+	8,101
United of Havana ..	Aug. 11		38,862	+	10,297		216,283	+	35,677
West'n of Havana ..	July 28		6,416	+	188	1	27,418	+	3,050
Zafraand Huelva ..	June ..		13,350	+	3,708	5	65,590	—	1,810

* Months. † From Jan. 1. ‡ From July 1. c Nett. b 15 days. a 10 days.

MONTHLY STATEMENTS.

NETT EARNINGS FOR MONTH.				NETT EARNINGS TO DATE.			
NAME.	Month.	Amount.	In. or Dec. on last year	No. of Mths.	Amount.	In. or Dec. on last year	
		Dols.	Dols.		Dols.	Dols.	
Atabson T. & S. Fé	June	3,623,000	— 79,000	12	51,952,000	+ 8,172,000	
Atlantic Coast Line	"	665,000	— 109,000	6	6,471,000	+ 214,000	
Baltimore & Ohio ..	"	2,869,000	— 335,000	6	14,447,000	+ 300,000	
Canadian Northern	"	1,087,600	+ 102,600	12	10,401,400	+ 1,866,600	
Canadian Pacific ..	"	3,916,000	+ 226,000	12	20,998,000	+ 1,396,000	
Chesapeake & Ohio	"	1,139,000	+ 357,000	6	6,799,000	+ 411,000	
Chicago & N.W. ..	"	2,341,000	+ 3,000	6	11,052,000	+ 1,339,000	
Chicago Burl. & Q. .	May	3,489,000	+ 620,000	5	17,144,000	+ 1,436,000	
Chicago G.W. ..	June	462,000	+ 1,000	6	1,492,000	+ 423,000	
Chicago Mil. & S.P.	"	2,320,000	+ 426,000	6	10,843,000	+ 1,380,000	
Chicago, Rock I. & P.	May	1,526,000	+ 81,000	5	6,468,000	+ 504,000	
Colorado & Southern	June	542,000	+ 150,000	6	2,830,000	+ 531,000	
Cuba ..	May	149,000	+ 200,000	11	1,553,000	+ 1,047,000	
Delaware & Hud. . .	June	734,000	+ 74,000	6	2,651,000	+ 1,202,000	
Denver & Rio Gran. .	May	779,000	+ 19,000	5	3,240,000	+ 72,000	
Erie ..	June	1,610,000	+ 117,000	6	4,849,000	+ 3,803,000	
Gr. Tr. Main Line. .	"	£ 268,800	+ 8,650	6	£ 1,018,200	+ £ 145,450	
Grand Trunk Westn	"	£ 36,400	+ £ 24,600	11	£ 12,250	+ £ 27,250	
Detroit G.H. & Mil. .	"	651,200	+ 10,200	6	3,850	+ £ 59,600	
Gt. Northern ..	"	2,899,000	+ 496,000	11	9,288,000	+ 217,000	
Illinois Central ..	"	1,720,000	+ 230,000	6	9,653,000	+ 2,404,000	
Kansas City Southn.	"	360,000	+ 59,000	6	2,179,000	+ 456,000	
Lehigh Valley ..	"	1,362,000	+ 212,000	6	4,669,000	+ 1,231,000	
Louisville & Nashvi.	May	1,730,000	+ 39,000	5	8,051,000	+ 51,000	
Minn. S.P. (Soo) § .	"	839,000	+ 212,000	5	3,072,000	+ 1,790,000	
Miss. K. & Texas ..	June	840,000	+ 510,000	6	2,957,000	+ 1,878,000	
Missouri Pacific ..	"	1,869,000	+ 1,259,000	6	9,988,000	+ 4,970,000	
New York Cent. & H. .	"	5,494,000	+ 8,000	6	20,889,000	+ 8,649,000	
N. Y. N. Haven & H. .	May	2,070,000	+ 131,000	5	8,500,000	+ 437,000	
New York Ont. & W. .	June	238,000	+ 36,000	6	426,000	+ 205,000	
Norfolk & Western. .	"	1,677,000	+ 324,000	6	10,140,000	+ 1,735,000	
Northern Pacific ..	"	3,013,000	+ 950,000	6	14,212,000	+ 1,524,000	
Pennsylvania East and West Lines. .	May	9,120,000	+ 1,653,000	5	29,555,000	+ 10,368,000	
St. Louis & San F. .	"	1,391,000	+ 121,000	11	15,124,000	+ 2,795,000	
Seaboard Air Line. .	"	608,000	+ 33,000	5	3,476,000	+ 47,000	
Southern ..	June	2,050,000	+ 423,000	12	24,330,000	+ 2,953,000	
Southern Pacific ..	"	6,013,000	+ 1,192,000	6	28,875,000	+ 3,433,000	
Union Pacific ..	"	4,453,000	+ 673,000	6	18,850,000	+ 175,000	
Wabash ..	"	1,075,000	+ 109,000	6	5,700,600	+ 45,000	

COMPANY MEETINGS.

WATNEY, COMBE, REID, AND CO.

The ordinary general meeting of Watney, Combe, Reid, and Co., Limited, was held on Tuesday at the Charing Cross Hotel, Mr. H. Cosmo O. Bonsor, the chairman, presiding.

The Secretary (Mr. W. S. Bradley) having read the notice convening the meeting and the auditors' report,

The Chairman said: Ladies and Gentlemen,—A certain amount of surprise has been shown by those gentlemen who write articles in the financial newspapers and for the City Press as regards our report and our dividend, but I do not think there is anything very remarkable about it, and I am quite certain that there is nothing sensational. After all said and done, we are only proposing to pay a dividend of 8 per cent. on our reduced deferred stock, which is equal to 2 per cent. on the amount that was originally invested. Nor do I think that those of you who follow our reports can be very surprised that we have at last got back to dividend-paying on our deferred stock. The 1914 balance-sheet was a certain indication that we should in the immediate future have something to divide among our deferred stockholders, and I think I am justified in saying that if the war had not intervened, we should in July, 1915, have been in the same position as we are happily in to-day. It has been suggested that, in consequence of the political outlook, brewers generally were taking from what are called their "secret reserves" to increase the distribution among the shareholders. I can only give you an assurance that, so far as this company is concerned, we have never deviated from the way in which we have continuously made up our accounts since the company came into existence. We provide, as far as we are able, for all possible contingencies, and we show to our shareholders what we have earned in the twelve months, and ask them to deal with it. In our report we begin by telling you that we have brewed and sold all the beer that we were permitted to. I think that that fact should be given out, because some people might suggest that the shortage of beer was due to the brewers' action. As a matter of fact, we were, I think, on March 31 within 30 barrels of the whole amount that we could possibly have brewed. I regret to say that the shortage has caused an enormous amount of inconvenience to the beer consumers in this country, and I am also sorry to tell you that since July 1, when a certain amount of extra beer was let out by the Government, the shortage has become more acute, and the discontent among consumers through not being able to obtain what they want has become more aggravated. I should like to remind you that last year, in calling your attention to the fact that our cash balances were down, I informed you that we were carrying instead a large stock of barley and malt. I think I said that we had thought it prudent to insure ourselves against the possible shortage of raw materials, and that if we were right, you would not thank us, but that if we were wrong, you would certainly blame us. Well, in the result, we were right; not only were we able to brew at a less cost than we should have done if we had been depending on market supplies, but we were also in a position to keep completely off the market when the submarine menace became acute. We go on in our report to tell you that we bought and redeemed during the 12 months just under £250,000 of our prior stocks—about half debenture and half preference stock. We also applied for £200,000 of War Loan, £120,000 of it being new money. We also sold to the Government, at their request, a certain amount of Canadian stocks that we held; we sold them at a loss, and the loss and the depreciation on the other securities appear in the profit and loss account. Coming to the balance-sheet, you will observe on the creditor side that sundry creditors amount to £246,000. That appears to be a big figure, and certain people have asked why, with £300,000 of cash on the other side, we do not pay off our creditors. As a matter of fact, we have really no creditors at all outside the Government. The amount is made up as regards four-fifths of it of beer duty and income-tax, which we have to deduct from the various stocks and collect for the Government, and which does not become due for some months. We are, therefore, as I have told you on many occasions, in the happy position of having practically no money owing on trade or otherwise. On the debtor side, you will observe that our trade investments are down. We were repaid during the 12 months a loan which we had made on excellent security for trade purposes, and we have realised that amount. In our profit and loss account you will notice that rates, taxes, and insurance are up, but I think we understand the reason of that from our own individual experience. I might mention that we are fully insured against aircraft and bombardment, both at our maltings and our breweries, and we have recently taken out policies for insuring our houses in London. The repairs and renewals and depreciation, which are put together in one figure, show an increase. We have added the amount that we estimate we should have spent under that head if there had been no war. Consequently, when peace happily comes, we shall have a sum provided to get rid at once of any arrears we have, and to find what I anticipate will be necessary employment for a number of people. Another item which is frequently alluded to is bad debts, which I think amount to £33,000. I have told you on more than one occasion that that is practically a misnomer; it is not a bad trading debt, but it is bad in the sense that it is irrecoverable. The restrictions by the Government have not fallen equitably over the whole of the London area and our trade, and we have

found it necessary to compensate or make allowance off rent to certain of our tenants who have been badly hit by the restrictions. I think the amount is less this year than it was last year, and I understand from our management that our licensed victuallers are practically doing better now, having accommodated themselves to the restricted circumstances. I hope, therefore, that that amount will be smaller in the future. Ladies and gentlemen, that is our record, and I have every hope that you are more or less satisfied with it.

The Deputy-Chairman (Mr. Charles J. Phillips) seconded the resolution, which was carried unanimously.

SOUTH METROPOLITAN GAS CO.

The ordinary half-yearly general meeting of the proprietors of the South Metropolitan Gas Company was held, on Wednesday, at the Cannon Street Hotel, Dr. Charles Carpenter, the chairman of the company, presiding.

The Secretary (Mr. F. McLeod) read the notice convening the meeting; and, after the disposal of other formal business,

The Chairman said: As both report and accounts tell you, in order to balance our expenditure we have had to bring in surpluses accumulated from last year's operations. It has not been our custom to budget for a large carry-forward, and if we had any idea of any variation in this policy we have now the excess profits tax staring us in the face. I think shareholders will agree that it is better to cut things fine and work to a close margin rather than be placed in the anomalous position of paying to the Government, over and above the present heavy taxation, a large proportion of profits simultaneously with the shareholders receiving dividends considerably below pre-war figures. Yet this is exactly what would happen unless by lowering the price of gas we keep our profit down to the figure used in the comparison year. The man in the street would probably find it difficult to understand why gas companies should be excluded from the provision of an Act regulating profits made as a result of the war. An exception should certainly have been made in the case of statutory gas undertakings working under sliding scales, for their dividends depend, not upon how dearly they can make the nation pay for its necessities, but upon how cheaply they can provide them. As regards the various by-products of gas making required by the Government, it fixes its own prices for them, so that gas undertakings are automatically relieved of any temptation in the direction of profiteering—another name, I suppose, for taking advantage of the nation's need for the purpose of extra gain. While speaking of profits, I ought to remind you of a circumstance noted in the second paragraph of the report, the significance of which might easily escape notice. It is that the price of gas has been raised to 3s. 1d. per 1,000 cubic feet of gas. Now, this is the standard price of gas, at which figure we are entitled to pay 4 per cent. upon our ordinary stock, so that the dividend for the current half-year will be at that figure. There is every reason to think we shall get through to the termination of the war at no lower rate. Our main expenses are, of course, for labour and raw materials. If further increases in the cost of living is checked, and even reduced, as one is entitled to hope will now be the case, labour should be content with its present remuneration, and a maximum price having been fixed for coal, we should have reached the peak in our costs with present prices; and as long as this continues to be the case I do not see how we could expect any relief from Parliament while the war rages. It is obvious, however, that a revision of our sliding-scale must be made to suit altered conditions. In this connection we must not forget that in common with other coal-users we owe a substantial advantage to the fixing of a maximum price. If the price of coal had been allowed to get as out of hand as was that of freight, the consequences would have been serious in the extreme, and we must bear this in mind when we think of the sliding-scale trouble. The other dominant factor is, as I have stated, the remuneration of our employees. The costs of war allowances to those fighting for our country and for those left behind to carry on have, as the report tells you, been at the rate of over 4d. per 1,000 cubic feet of gas; at the present time they are, in fact, about 5d. Another heavy item of expenditure referred to in the same paragraph of the report is that of interest—that is, other than on debenture stock. This, as I have before stated, arises from the fact that materials are so much dearer that we require a greater floating balance to deal in them. Coal is the outstanding instance. The Controller tells us we must take in greatly increased stocks, and we have done and are doing so. But they have to be paid for. We are to day putting coal into stock for the products from which we shall probably not be paid until next spring. This state of things arises, of course, entirely out of war conditions, and it is in order to meet them that we are issuing what may be called temporary capital, to enable us to carry on under these exceptional conditions without being saddled afterwards with surplus of capital and constituting a permanent charge for interest. We have recently decided to issue £250,000 of 5 per cent. stock at 94. You will see in the papers to-morrow the announcement that this stock is on the market, and it will be redeemable stock. I have now dealt, I hope adequately, with the more sombre features of the accounts. There is, fortunately, an excellent silver lining to the clouds upon our working. First, I must mention the remarkable increase in the sales of gas, which, as the report tells you, have exceeded 12 per cent. I think this is a unique experience in the company's history. This expansion of the demand, arising partly from industrial needs, forcibly brings home to us what the authorities

are now awakening to—namely, that gas companies have ceased to be purely a public necessity and have become a national one. The nation must entrust them to a greater extent than ever before with the utilisation of our coal resources. Gas undertakings must have an important share in reconstruction after the war. The official request to use gas wherever possible is not likely soon to be discontinued or forgotten. Why should the country have imported enormous quantities of oil for the purpose of making gas to light and heat our towns and cities, while at the same time we were exporting enormous quantities of raw coal, much of which would be used against us by our industrial competitors? We can greatly increase our own liquid fuel supplies, whether for use under boilers or in motor engines, if to do so is made part of a broad, comprehensive scheme of national policy.

Mr. Frank H. Jones (deputy-chairman) seconded the motion, which was carried unanimously.

HUDSON'S BAY.

A general Court of the Governor and Company of Adventurers of England trading into Hudson's Bay was held on Wednesday, at Cannon Street Hotel, E.C., Mr. R. M. Kindersley (the governor) presiding.

The Secretary (Mr. F. C. Ingrams) read the notice convening the meeting and the report of the auditor.

The Governor, in moving the adoption of the report, expressed regret at the death of their late colleague, Sir Richard Burbidge, who, he said, had devoted so much time and energy to the affairs of the company during a difficult period of its history. Referring to the accounts, he remarked that there was a profit on furs of £37,548, against a profit of £23,000 last year. Salesshops and other trading showed a profit of £214,433, or £32,870 less than last year. Turning to the land account, he pointed out that taxes were up again, while there was an increase in various expenses of, roughly, £10,000. On the whole, he thought he might congratulate the shareholders on the financial situation of the company and the results obtained during the past year. Dealing with the various departments, he said that the land department results were exceedingly satisfactory so far as farm lands were concerned. The acres sold were more than three times as many as last year, while the price per acre had increased from £3 5s. 11d. to £3 8s. 3d., the total sale price payable (of course, over a series of years) being £870,050. Only three times in the history of the company had they exceeded the acreage sold, while the total price exceeded by nearly £102,740 any previous record of the company. The sales were distributed as follows:—Manitoba, 5,010 acres; Saskatchewan, 171,067 acres; and Alberta, 78,864 acres. As a result of the marked increase in the stock-raising industry, they had been able to sell lands which were suitable largely only for this purpose. Of course, those lands did not fetch the same price as agricultural lands, their price varying from £1 12s. 6d. to £3 per acre, but it was satisfactory to note that the market for this class of land was extending. Their land commissioner was of opinion that while the activity in farm lands had been influenced in a great measure by the high prices prevailing for all products, it was quite apparent that a "back to the land" movement was rapidly developing in Western Canada. It would interest the shareholders to know that for the four months ended July 31 132,784 acres had been sold for £492,630, at an average price of £3 14s. 3d. per acre, against 59,086 acres for £191,547, or an average per acre of £3 4s. 10d. for the corresponding period of last year, the gross receipts for the same period of four months being £173,198, as against £97,930. The receipts from town lots this year were only £15,352, as against £30,140 last year, while taxes on town sites and suburban properties amounted to about £64,726, or more than four times the amount of the receipts. They had been successful in obtaining a reduction in the valuation for assessment of their town sites and suburban properties of £926,430. Those properties were now valued for assessment at £3,271,000. It was hoped that they might secure an even further reduction this year. The taxes on farm lands amounted to £107,132, or an increase of £13,140. With regard to the fur trade, the directors were glad to be able again to report an improvement, the profits being £37,548, against £23,000, or an increase of about £14,500. Those figures were still far from coming up to the pre-war standard, but he hoped that if nothing unforeseen occurred they might again be in a position to report satisfactory progress during this year. Referring to the salesshops and other trading, he remarked that they continued to carry on a large business for the French Government, and, as before, the profit of £214,433 included profits from that source. He was glad to be able to report a continued improvement in results from their salesshops. Last year the directors were able to announce that the expenditure incurred in that department was bearing fruit, and he was happy to-day to be able to inform the shareholders that they felt confident that the policy of the last few years of building up-to-date stores in the big cities was being justified by results. Having expressed appreciation of the loyal co-operation of the staff, both in England and Canada, the Governor said that in times such as those through which we were passing the shareholders would not expect him, nor would it be wise on his part to prophesy with any degree of certainty as to the future. The directors could, however, say with confidence that in their opinion the company to-day stood in a thoroughly sound position, both from the financial and commercial standpoint. The land commissioner cabled that the present estimated yield of the wheat crop would represent about 150,000,000

bushels; the fur commissioner reported that the fur collections from interior points were in excess of those of last year, and that the general trading showed a satisfactory increase, while the stores commissioner cabled that the trade for the first six months would show a substantial increase over that of the previous year.

Mr. Charles V. Sale (Deputy-Governor) seconded the motion, which was unanimously agreed to.

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and August 11, 1917:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to August 11, 1917.	Total Receipts into the Exchequer from April 1, 1916, to August 12, 1916.
Balances in Exchequer on April 1—	£	£	£
Bank of England	—	25,209,947	25,111,065
Bank of Ireland	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs	70,750,000	25,082,000	23,554,000
Excise	34,950,000	12,358,000	16,598,000
Estate, &c., Duties	29,000,000	11,585,000	11,725,000
Stamps	8,000,000	2,477,000	2,698,000
Land Tax			
House Duty	2,600,000	320,000	310,000
Property and Income Tax and Super Tax	224,000,000	40,228,000	27,381,000
Excess Profits Duty (including Munitions Levy)	200,000,000	62,557,000	14,828,000
Land Value Duties	400,000	207,000	80,000
Post Office	33,700,000	11,600,000	11,600,000
Crown Lands	600,000	160,000	160,000
Receipts from Sundry Loans, &c.	7,500,000	648,581	495,894
Miscellaneous	27,100,000	15,141,126	2,278,163
Revenue	638,600,000	182,363,707	111,708,057
Total, including Balance		208,799,566	137,283,063
OTHER RECEIPTS.			
Repayment of Advances for Bullion		880,000	1,650,000
For Treasury Bills (for supply)		765,205,000	622,616,000
For 4½ per Cent. War Loan, 1925-1945		—	424
For 5 per Cent. Exchequer Bonds, 1919		—	30,542,000
For 5½ Exchequer Bonds, 1920		—	80,314,500
For 5 per Cent. Exchequer Bonds, 1921		—	50,568,000
For 3 per Cent. Exchequer Bonds, 1922		65,632,000	—
For War Expenditure Certificates		—	18,381,500
For War Savings Certificates		13,650,000	17,100,000
For other Debt created under the War Loan Acts, 1914-1916		226,371,907	10,000,000
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947		66,550,000	—
Temporary Advances—			
Ways and Means (including Treasury Bills £345,000,000 in 1916-1917)		373,631,500	409,306,500
Total		1,820,719,973	1,377,851,987

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to August 11, 1917.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to August 12, 1916.
EXPENDITURE AND OTHER ISSUES.			
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	17,000,000	7,339,439	11,265,351
Interest, &c., on War Debt ..	194,500,000	59,086,859	43,843,979
Payments to Local Taxation			
Accounts, &c.	9,700,000	1,300,583	1,638,501
Other Consolidated Fund			
Services	1,695,000	676,247	680,701
Supply Services	2,067,526,000	919,320,722	592,821,280
Expenditure	2,290,421,000	987,723,850	650,249,812
OTHER ISSUES.			
For Advances for Bullion		890,000	1,840,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		84,909	60,914
Under Telegraph (Money) Act, 1913		55,000	150,000
Under Post Office (London) Railway Act, 1913		50,000	135,000
Under Housing Act, 1914		175,400	18,900
For Treasury Bills for Supply		451,618,000	565,697,000
For Exchequer Bonds under Section 61 of the Finance Act, 1916		180,630	—
For other Debt under the War Loan Acts, 1914 to 1916		14,467,156	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908		—	38,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..		—	20,000
Temporary Advances repaid—			
Ways and Means (including Treasury Bills £96,511,000 in 1916-17)		342,526,500	127,407,500
Total		1,797,771,445	1,345,617,126
	1917. August 11.	1916. August 12.	
Balances in Exchequer—	£	£	
Bank of England	21,899,807	30,997,096	
Bank of Ireland	1,048,721	1,237,765	
Total		22,948,528	32,234,861
		1,820,719,973	1,377,851,987

MEMO.—Treasury Bills outstanding on August 11, 1917.... *£777,531,000.

* Includes £247,000, the proceeds of which were not carried to the Exchequer within the period of the account.

The RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

Head Office :
PETROGRAD, MORSKAIA, 15.

Capital (Paid-up) - Rs. 35,000,000 = £3,703,704.
 Reserve Fund - - Rs. 11,608,589 = £1,228,422.

COUNCIL:

PRESIDENT D. E. KOURILENKO.
 VICE-PRESIDENT F. J. SCHMIDT.

BOARD:

PRESIDENT F. M. MELENEVSKY.
 VICE-PRESIDENT PRINCE D. N. SCHAHOVSKOY.
 MEMBERS PRINCE S. V. KOUDASHEFF.
 T. A. PSTROGOVSKY.
 V. N. ALEVSKY.
 J. F. TCHERNIAVSKY.

The ORDINARY GENERAL MEETING of the Bank was held at the Head Office in Petrograd on the 19th May, 1917, when the Reports of the Council and Board of Directors of the Bank were presented to and duly adopted by the Shareholders.

BALANCE SHEET—1/14th January, 1917.

Converted from Roubles into Sterling at the conventional rate of 94.50 Roubles per £10, and reduced to the form commonly adopted by the English Banks.

LIABILITIES.		ASSETS.	
	£		£
Capital fully paid	3,703,704	Cash in hand and at Bankers	3,570,435
Reserves	1,228,422	Investments	2,753,334
Current, Deposit and other Accounts	75,424,367	Bills, etc., discounted	19,076,712
Bills Accepted and Cheques Outstanding... ..	918,722	Foreign Moneys, Bills & Cheques	27,839
Interest carried to 1917	351,076	Loans, Advances, and other accounts, including	
Amount of Net Profit for 1916, including £3,313		Liabilities of Customers for Acceptances	56,197,101
brought forward from previous year	987,935	Bank Premises at cost less amount written off	988,805
	<u>£82,614,226</u>		<u>£82,614,226</u>
		Bills, Bills of Carriage and other Documents held for Collection	£17,098,910.

PROFIT AND LOSS ACCOUNT.

DEBIT.		CREDIT.	
	£		£
Current Expenses	726,601	Interest Account	1,311,161
Government Tax on Profit	48,269	Commission	472,828
Expenses in connection with issue of Bank's Shares	2,280	Exchange	20,245
Installation and Furniture Account	9,806	Stocks and Bonds	397,138
Bank Premises Redemption Account	7,902	Purchases and Sales of Gold and Silver Bullion	
Depreciation of Investments and other assets	481,414	Account	3,863
NETT PROFIT, 1916	984,622	Debts recovered—previously written off	55,659
	<u>£2,260,894</u>		<u>£2,260,894</u>

A Dividend of 30 Roubles per share was declared for the year 1916, and the relative Coupons, No. 46, are now payable at the London Office of the Bank, 24-28, Lombard street, E.C. 3, at the rate of exchange of the day of presentation.

10th August, 1917.

V. C. B. JONES, Acting Manager.

The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

Vol. XL.—No. 1,025.]
NEW SERIES.

[Registered as a
Newspaper.]

SATURDAY, AUG. 25, 1917.

[Price 6d.]

CONTENTS.

Passing Events:—Revenue—Corn Production Bill—Crop Prospects—Stockholm Conference—Self-Government for India—Position of Constantinople—Cargo Fleet Iron Co.—South Durham Steel and Iron Co.—Swan, Hunter and Wigham Richardson—Tootal Broadhurst Lee Co.—Pulloch, Lade and Co.—Railway Strike Averted—Argentine Navigation Co.—Gamble in Chaffers Checked (pp. 199-203).

Leading Articles:—Mr. Gerard's Disclosure of Prussia's "Peace Terms"—Direction of Foreign Trade—Brazil Railway Reorganisation—Big Dunlop Deal—By-the-Way War Notes (pp. 204-7 and pp. 213-14).

Money and Credit Notes:—Fluctuating Exchanges—Uninteresting Bank Return—Australian Commonwealth Loan—New Zealand's Internal Loan—Controlled Russian Exchange—British Treasury Bill Sales in New York—Silver (pp. 208-10).

Books Received (p. 207).

Oilfields Items (p. 207).

The Week's Stock Markets (p. 211).

London Produce Markets (p. 212).

Dividends Announced (p. 212).

American Business Notes:—War Taxation—Foreign Trade—Gold Movements—Railway Statistics—U.S. Steel Corporation (pp. 214-16).

Insurance News:—Workmen's Compensation (War Addition) Bill—Fire Losses in Canada and the United States—German Post-War Preparations—City Life Absorbs Irish United Society (p. 216).

Tea, Oil, and Rubber:—Rubber Market—Jugra Land and Rubber Estates (pp. 116-17).

Mining News:—Rand Collieries—African Land and Investment (p. 217).

What Balance Sheets Tell:—Croydon Gas Co.—Dailuaine-Talisker Distilleries—Clarkson's Old Brewery (Barnsley)—Normanby Iron Works—South Suburban Gas Co.—Queensland National Bank—W. H. Chaplin and Co.—Lochelly Iron and Coal Co. (pp. 217-18).

Company Meeting:—Liebig's Extract of Meat Co. (p. 219).

The Week in Mines (p. 217).

Public Income and Expenditure (p. 218).

Answers to Correspondents (p. 219).

Traffic Returns (p. 220).

BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital ... £3,705,320
Reserve Fund ... 2,725,000
Reserve Liability of
Proprietors ... 3,705,320
£10,135,640

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.

H. L. M. TRITTON, Esq.

WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager.

J. S. CAMPBELL, Secretary.

HALKERSTONE MELDUM,

DAVID GEDDIE,

Assistant Manager.

Accountant.

The Bank has 338 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - - - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital £4,000,000
Paid-up Capital 1,800,000
Reserve Fund 2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, São Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILE—Valparaíso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital Yen 48,000,000
Capital Paid Up Yen 36,000,000
Reserve Fund Yen 21,300,000

Head Office: YOKOHAMA.

Branches and Agencies at

Antung-Hsien.	Harbin.	Nagasaki.	Shanghai.
Bombay.	Honolulu.	Newchang.	Singapore.
Calcutta.	Hong Kong.	New York.	Sydney.
Changchun.	Kobe.	Osaka.	Tientsin.
Dairen (Dainy).	Liaoyang.	Peking.	Tokyo.
Fengtien (Mukden).	Los Angeles.	Ryojun (Port Arthur).	Tsinanfu.
Hankow.	Lyons.	San Francisco.	Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

SCOTTISH AMICABLE

LIFE ASSURANCE SOCIETY.

(Established 1826.)

A MUTUAL PROFIT-SHARING OFFICE.
COMPOUND BONUSES.

Bonus Declared at Latest Investigation £1 15s.
per cent. to £4 12s. per cent. according to duration.

Head Office:

35, ST. VINCENT PLACE, GLASGOW.

London Office:

7, THREADNEEDLE STREET, E.C. 2.

THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,980,000; together £3,980,000

Reserve Liability of Proprietors 4,000,000

Total Capital and Reserves £7,980,000

HEAD OFFICE - - - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

LONDON COUNTY & WESTMINSTER BANK, LIMITED.

ESTABLISHED IN 1836.

CAPITAL £14,000,000, in 700,000 Shares of £20 each.

Paid-up Capital - - - £3,500,000.

Reserve - - - £4,000,000.

Chairman: The Right Hon. The VISCOUNT GOSCHEN. Deputy Chairman: WALTER LEAF, Esq.

HEAD OFFICE: 41, LOTHBURY, E.C. 2.

Joint General Managers: F. J. BARTHORPE. J. W. BUCKHURST.

The Bank is represented by Branches or Agents in all the Principal Cities and Towns of the United Kingdom and has Correspondents throughout the World.

Madrid Branch: Calle de Alcalá 43.

Paris: London County and Westminster Bank (Paris) Limited, 22, Place Vendôme

SUMS OF £10 AND UPWARDS RECEIVED ON DEPOSIT, AND INTEREST ALLOWED THEREON.

EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED
EXECUTOR AND TRUSTEE DUTIES UNDERTAKEN.

STANDARD BANK OF SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province, to the Imperial Government in South Africa, and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL	£6,194,100
PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

BOARD OF DIRECTORS.

Wm. Reijerson Arbuthnot, Esq.	Horace Peel, Esq.
Sir David Miller Barbour, K.C.S.I., K.C.M.G.	William Smart, Esq.
Robert E. Dickinson, Esq.	Right Hon. Lord Sydenham, G.C.S.I., G.C.M.G., G.C.I.E.
James Fairbairn Finlay, Esq., C.S.I.	H. L. M. Tritton, Esq.

HEAD OFFICE: 10, CLEMENTS LANE, LOMBARD ST., LONDON, E.C. 4.

New York Agency: 55, WALL STREET.

OVER 250 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, South-West Africa Protectorate and the Belgian Congo, and with the Bank's Agencies in New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.
DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.
BILLS NEGOTIATED AND COLLECTED.
MAIL and TELEGRAPHIC REMITTANCES made.
LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.
THE BANK issues CIRCULAR LETTERS OF CREDIT available in all parts of the world.
COMMERCIAL LETTERS OF CREDIT issued.
PURCHASE and SALE of Stocks and Shares effected.
DIVIDENDS, ANNUITIES, Etc., received.
EXECUTOR and TRUSTEE BUSINESS undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

FRANCIS SHIPTON, London Manager.

ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

CAPITAL PAID UP £2,000,000

REST & UNDIVIDED PROFITS £800,986

Head Office: ST. ANDREW SQUARE, EDINBURGH.

A. K. WRIGHT, Cashier and General Manager

J. B. ADSHEAD, Secretary.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager.

166 Branch Offices throughout Scotland.

Banking Business of every description transacted. Accounts opened for Foreign and Colonial Correspondents. Bills, Cheques, and other documents collected. Deposit received at interest repayable at call or at notice.

THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71 Old Broad Street, E.C. 4.

Subscribed Capital	£1,276,747 10 0
Paid up Capital	669,670 0 0
Reserve Fund and Undivided Profits ..	375,680 11 8
Reserve Liability of Proprietors	606,962 10 0

REMITTANCES made by CABLE.
DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.
DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

THE WESTERN AUSTRALIAN BANK.

Established 1841.

Paid-up Capital .. £250,000 0 0 25,000 Shares of £10 each.

Reserve Fund .. £280,000 0 0 | Reserve Profits .. £29,979

Reserved Liability of Shareholders £280,000.

Drafts issued, Remittances cabled, Bills negotiated or collected, Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents, The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	£1,500,000
Capital Issued	1,125,000
Capital Paid Up	562,500
Reserve Fund	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.
On current accounts interest is allowed at 2 per cent. per annum on daily balances.

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital - £1,000,000.	Subscribed Capital - £215,000
Paid-up Capital	£300,000
Reserve Fund	540,000
	£1,040,000
Uncalled Capital	125,000
Reserve Liability of Shareholders	625,000
	£1,790,000

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office—38, Lombard Street, E.C. 3.

Subscribed Capital	£1,078,875 0 0
Paid-up Capital	539,437 10 0
Further Liability of Proprietors	539,437 10 0
Reserve Fund	450,000 0 0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION, Manager.

BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, Queen Victoria Street, London, E.C. 4.

AUTHORISED CAPITAL £5,500,000

SUBSCRIBED CAPITAL.

Four per Cent. Guaranteed Stock	£529,988
"A" Preference Shares issued to New Zealand Government ..	500,000
"B" Preference Shares issued to New Zealand Government ..	250,000
Ordinary Shares	1,500,000
	£2,779,988

Reserve Fund and Undivided Profits £2,246,59

Negotiates and collects Bills of Exchange.

Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

The Investors' Review.

Vol. XL.—No. 1,025.
New Series.

SATURDAY, AUG. 25, 1917.

(Registered as a Newspaper.) Price 6d.

PUBLISHER'S NOTICES.

The Investors' Review is a Subscription Journal, and will be delivered to subscribers in London by the first post, or sent to the country and abroad by the first mail, on Saturday Morning, on the following terms:—

One Year, £1 5s. 0d. Six Months, 12s. 6d. Three Months, 6s. 6d.

For the Colonies and Abroad the charge is

One Year, £1 8s. 0d. Six Months, 14s. 0d. Three Months, 7s. 0d.
Short of Three months the Price is 6½d. per Copy Inland, and 7d. Abroad, Post Free.

Cloth cases for binding the Half Yearly Volumes price 1s. 6d., postage 4d. extra. Bound Volumes 15s. 6d., or 16s. 3d. postfree.

Cheques and P.O. Drafts should be made payable to

"Investors' Review,"

Norfolk House, Norfolk Street,
London, W.C.

Telephone No.:
Gerrard 9132.

Telegraphic Address:
"Unveiling, London."

The Editor cannot undertake to return rejected communications.

Letters from correspondents must, in every case, be authenticated by the name and address of the writer.

The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and they cannot accept responsibility for statements made therein.

ANSWERS TO QUERIES.

One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

Telegrams advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

Private Letters in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

Passing Events.

Taxes showed up better last week, and, including the proceeds of State monopolies, showed a yield of £11,978,000, which was £2,385,000 ahead of the previous week, and brought up the total income for the fiscal year to date to £194,342,000, but up to the like date the total expenditure has been £1,042,000,000 in round figures. At the rate we are spending, moreover, the estimated outlay of £2,292 millions for the entire year will be considerably exceeded, as has been already admitted by the Chancellor of the Exchequer. The prospect, therefore, is that borrowing must continue strenuous if the war lasts throughout another winter—indeed must whether or not, so much will there be to do—but it would not be wise to take too depressed a view of monetary prospects merely because the revenue to date has only amounted to a mere 19 per cent. of the outgoings. This is the dearest quarter of the year in tax collections, and also the time of year when, as the range and determination of the fighting shows, the expenditure on war is bound to be at its maximum. Last week's gross outlay, for instance, rose to £102,866,000, or £14,695,000 per day. This compares with a total expenditure in the previous week of £83,723,000, or £11,960,000 per day, but these figures include the cross entries relating to finance operations connected with our borrowing, and the outlay upon supply was merely £48,540,000, and only £6,777,000 per day—if the word "only" is permissible—which was just about £300,000 more than the week before. Debt interest, however, absorbed £4,608,000 last week, and altogether the actual outgoings of the week came to £54,047,000, or £7,721,000 per day. In addition £30,769,000 in Treasury bills fell due for repayment as well as £18,000,000 of temporary advances, so the Government sold £57,411,000 of new Treasury bills, raised £11,000,000 on new temporary advances, and obtained £21,616,000 from "other war debt," the source of which we put down to the United States. Also Exchequer bonds sold a little more freely and yielded £3,150,000, or £167,000 more than in the week ended August 11. The total of these Exchequer bills outstanding now therefore amounts to £68,782,000, and the total of Treasury bills afloat has now expanded to £804,126,000, an overshadowing mass. We should be glad if the total debt in Exchequer bonds of all issues could be tabulated

and made public in the way done last week by the Chancellor of the Exchequer with the £1 War Savings certificates. According to the statement he then furnished, in reply to a question in the House, the total amount netted by the sale of these certificates up to the 11th inst. has been £88,926,291, and their face value to be paid at maturity is £114,743,602. Between February, 1916, and the 11th of this month the cash received by this type of debt has been £21,636,856, and represents 27,918,524 of £1 certificates sold. Of that number little more than 209,000 were disposed of in Ireland, but 2,079,000 went off in Scotland, and 25,630,000 in England. Are we not right in regarding this method of raising money as a device which touches only the fringe of the people's capacity to save? Many people, however, evidently still believe that it would be better to force the country into bankruptcy than to ruffle their mistaken conceptions of business straightforwardness and honour.

Newspapers have been busy congratulating Mr. Prothero and the Government of which he is a member on the success with which the Food Production Bill has been framed and piloted by him through Parliament. The praise is deserved, for Mr. Prothero had a difficult operation to perform, and whatever the ultimate success of the revolution he has effected in rural economy may be, there is not a doubt that he has been successful where many would have failed. Primarily the object aimed at was an increase in the home production of food, chiefly of cereals, and in order to attain this desired result the inertia of the agricultural classes had to be stimulated and overcome, and at the same time the labourer awakened had to be given the encouragement of better pay, while landlords were at least kept from a strike resembling rebellion by the device of guarantees that the farmers would be no losers through the fixing of prices, thus safeguarding present rents. To be sure, when the Bill was in the Lords there was no small grumbling at the proviso it contains forbidding the raising of rents, but inasmuch as the State is seen to be now intimately joined with the tillers of the soil and the receivers of rents in maintaining a certain standard of prosperity, the grumbling went for little, was taken as the rustic way of concealing triumph. Anyway, Mr. Prothero and his department have triumphed, and the Bill became law on Tuesday. Its principal provisions

are a six-years schedule of minimum prices for wheat and oats—given by us last week—a minimum wage of 25s. a week for the agricultural labourer, plus the above-mentioned restriction of the landlords' rent-levying power and the endowment of the Board of Agriculture with power to compel land to be cultivated whether the owner thereof likes or not. And now all that remains is to see this new, autocratic, levelling State department in active operation. To begin prophesying results—disaster especially—at this stage, when the labourer has only begun to get his 25s. a week, when the mixed flour loaf is still threepence per pound, and while the farmer is still shouting "We are ruined," would be foolish. So we confine this notice to the praise of those in charge of the Bill, congratulate them on their success, and wish that this initial success may go on and increase until they have triumphed indeed in making the United Kingdom one of the most fertile of the self-supporting countries in the world.

Forecasts about American crops are not so encouraging as we should like to see them, but crop estimates are always apt to lean towards one extreme or the other, and the latest news from Canada at least is better than that prevalent some weeks ago. No such harvest as was reaped in the West in 1915 is to be expected this year, but the general manager of the Canadian Bank of Commerce, who is an authority, now estimates the crop at 200,000,000 bushels, which would be 33,000,000 bushels more than last year, and 59,000,000 bushels more than in 1914, but upwards of 176,000,000 below 1915. Conflicting guesses come also from the United States, whose Food Board a few days ago estimated that the crops of Canada and the United States would show a wheat deficit of 400,000,000 bushels in the amount required from North America for the Allies and European neutrals. This estimate goes on to say that the Allies require 577,000,000 bushels, whereas the North American surplus will be only 208,000,000 bushels. Adding to this shortage the quantity required to meet the vital necessities of neutrals, the 400,000,000 bushels shortage is reached. This estimate may not be far from the mark, but whether or not the recommendation of the Food Administrator in Washington to the people to substitute a pound of other cereals for a pound of wheat flour weekly per head is dictated by a prudent foresight. And crops generally will not be so abundant as to relieve any country from the obligation to exercise strict economy. Here are the latest forecasts received by the Board of Agriculture from the International Agricultural Institute. They show that the United States wheat crop is anticipated to give no more than a 2 per cent. increase, and including its crop with the crops of other countries—Spain, France, Ireland, India, and Japan—the increase is only .7 per cent. Other cereals, however, show considerable increases, and the consumers will have to fall back upon them. The following table should be useful for reference and comparison. Every crop shows an increase except linseed, which is down 17.2 per cent. :—

WHEAT.

United States—349,829,000 cwts.; + 2 per cent.
Spain, France, Ireland, United States, India, Japan—731,724,000 cwts.; + .7 per cent.

RYE.

United States—28,001,000 cwts.; + 18.2 per cent.
Spain, Ireland, United States—42,000,000 cwts.; + 10 per cent.

BARLEY.

United States—86,999,000 cwts.; + 12.2 per cent.
Spain, Ireland, United States—123,354,000 cwts.; + 4.9 per cent.

OATS.

United States—416,004,000 cwts.; + 16.3 per cent.
Spain, Ireland, United States—449,570,000 cwts.; + 16.9 per cent.

Maize—United States, 1,595,503,000 cwts.; + 23.5 per cent.
Rice—United States, 22,521,000 cwts.; + 37.7 per cent.
Linseed—United States, 6,399,000 cwts.; —17.2 per cent.
Potatoes—United States, 250,185,000 cwts.; + 63.6 per cent.
Sugar Beet—United States, 139,644,000 cwts.; + 17.2 per cent.
Tobacco—United States, 11,340,000 cwts.; + 10.4 per cent.
Ginned Cotton—United States, 53,126,000 cwts.; + 2.3 per cent.

We are disposed to hope that the agitation about a Stockholm Conference with assassins will fizzle itself out if the working men are not worried about it. On the second effort to come to a decision the side of the Labour party favourable to a conference with German Socialists in Stockholm won by a majority of no more than 3,000 on a total vote of 2,465,000, whereas the majority on August 10 was 1,296,000 in a poll of 2,396,000. This seems a tremendous overturn of opinion in one week, but the change is perhaps more apparent than real so far as the miscellaneous bodies of the Labour army are concerned; the miners alone having changed sides, taking 600,000 votes with them which were in favour of the motion at the previous meeting. We believe that the result might have been different from the first had the management of the Government been better. Mr. Lloyd George unfortunately lost his temper—as an impulsive, flarey man is prone to do—but that alone would not have put up the backs of the working men to the extent it did, hardening to doggedness the adherents to the policy of intercourse with the German Socialists, had it not been that the *Junkers* in the War Cabinet were held to have assumed airs of superiority towards Mr. Arthur Henderson, a member thereof. He was shut out of the room, boycotted at the War Cabinet, or snubbed, and in the end hustled out of office, accused of concealing facts, of playing a dishonest game in short, and he naturally protested with vigour, and took the majority of the working men with him. His explanation made at the meeting held last Tuesday seemed to be clear on all points, and reasonably satisfactory, especially when the treatment he received is considered. He did not, it would seem, keep back a message from Mr. Kerensky, and yet he said, almost with passion, that he would have given everything he possessed to have been able to read that telegram to the meeting on August 10. Unfortunately he had already sent it back to the Prime Minister.

Tiffs and misunderstandings like those we indicate are unfortunate, but worst of all are the attempts to play the superior person over the representatives of Labour who have been given and accepted posts in the Government. That sort of treatment excites feelings which ought not to be stirred, least of all in a time like the present. Our superior person still often appears to forget that the country is being defended by its working men with a loyalty and an energy unsurpassed in any land or by any class in the community. Not only are the men giving up their lives freely in fighting lines more murderous than any mankind ever faced before, but at home they are toiling to wear themselves out in supplying those who fight with material and weapons of destruction. And the men who are doing this are not going to sit still and to accept patronising in meekness as of old. They have fought the fight and they mean to have their say in settling the terms of peace. To them the "Union of Democratic Control" has a meaning which is quite different from the man Morel's. They aim at the bringing to justice of the originators and arch criminals of this war. And this purpose lies at the back of this demand for passports, in order to go to Stockholm and confer with German representatives of the same class. There is no thought of betrayal. They do not understand the intricacies of diplomatic usage or the etiquette in force between nations at war; probably also they are not sufficiently educated about the character of the German aggression, nor do they recognise the greedy tenacity with which the Germans, be they aristocrats or democrats, cling to the plunder they have seized. They think that to talk with men in the same position in life as themselves might lead to an agreement that would pave the way to ending this horrible bloodshed. Probably they are wrong, probably they will find that they could not do any good with these Germans, but also their idea has nothing traitorous or ignoble in it, and we cannot see how there can be harm in letting them make their try. Let them find out what the real character and representative position of the enemy Socialists are. Unfortu-

nately, even did the Government think better of it and give way, there is one body of working men who still bar the way. The sailors of our mercantile marine, who have experience of the enemy's crimes, would still refuse to carry the delegates—few of whom are real working men—to Stockholm. If they went, therefore, they would have to go in ships of war, and probably that alone will put an end to the whole scheme, for we should have no ships of war to spare or to risk for such a purpose at an hour like the present. But whether they go to Stockholm or not, the men mean to be on the spot at the making of the peace, and meanwhile the less they are patronised and bullied the better.

At last a genuinely practical move seems to have been resolved upon towards the bestowal of a wide measure of self-government upon the peoples of India. Mr. Montagu has taken the right, the honest, attitude upon this question, and he is going to India this coming winter to study the by no means easy problem on the spot. That is the proper way, and we think that, on the whole, Mr. Montagu is a man who can be trusted to go the right way to work. His mind is alert and practical; he has considerable experience in dealing with men, and he cannot possibly be filled with the prejudices and routine conceptions dominant among our old British castes, whether in civil life or military. It will not be the work of a day or a year to arrange for the self-government of the Indian Empire in accordance with the conditions, relationships, and dreams of its inhabitants; but it need not be so difficult as some might conclude if the work begins at the right end. The fabric of an Indian Empire, self-supporting and self-ruling, should be built from the foundation upwards, and not imposed from the top downwards by the Viceroy's Council assisted perhaps by a body of politicians or of officials at the India Office in London. A writer in the *Times* the other day was on the right lines in insisting upon the fact that the foundation of civilised government in India is really the village community, and it ought not to be an insuperable task to frame a ladder of authorities, so to say, based upon these village communities which should lead up to the provincial council and the ultimate Supreme Government. For the foundation upon which all government must rest everywhere in future is equality; equal rights, equal privileges, each in his place under an equality of obligations, all must stand equal in the eye of the law, in the action of Government. Indians will understand, enlightened Indians already do, that Great Britain cannot surrender her right to the ultimate decision in any important question of public policy or of State economies. And the duty to maintain order between the numerous races, creeds and principalities of the peninsula will still rest in ultimate resort upon us, but in most other respects the Indians must be at liberty to manage their own affairs. Full control over the revenue they cannot expect to have for some considerable time to come, but they must be given liberty to regulate and in great measure control the expenditure inside India, whether civil or military, and British officials must more and more give place to native in all branches of the administration. In law and justice the Indians have proved as upright, loyal and capable servants of the State as any Englishman could be. Their names as advocates and judges are honoured in the land. Why should they not be equally distinguished, equally trustworthy in dealing with the collection and disbursement of the revenue, with the management of the railways, in the handling of crime, and in connection with all other branches of the civil administration? We see no reason why not, and of one thing we are sure—they must be given the chance. At last we are glad to see that commissions in the Army have been opened to Indian natives. It is a long-called-for reform, and we are sure that this concession alone will do much to strengthen the ties binding India to Britain, provided it is shown to be a genuine advance and not a mere sop grudgingly tendered to a passing sentiment.

Some interesting information about the state of Constantinople has been given to *Les Annales* by a person in a position to know what is going on in Constantinople. His news is very interesting. The Turks are apathetic and passive under their affliction. They do not love the Germans, quite the contrary, but they have learned to obey them, and their fatalism enables them to endure miseries that would drive most people to revolt. Hunger gnaws the life out of the population of Constantinople, but there are no outbreaks against either the German masters or their tool Enver. The poor must have the greatest difficulty in keeping body and soul together, and are perishing, but they die in silence. Prices have risen for essentials of life to a degree probably not excelled even in Vienna and Budapest. Thus butter is 12.50 frs., cheese 17 frs., olives 4 frs., sugar 12.50 frs., rice 5 frs., and Turkish sweets 10 frs. per lb., and these prices can only be paid by the people still well-to-do, and these are few, very few. But only once, says this interesting letter, were the Turks roused out of their apathy, and that was when they beheld thousands of their wounded emptied out upon Constantinople from the Dardanelles. The war, however, has stirred up the women of Turkey to emancipate themselves from the swathings of a barbarous Islamic usage, and that, we may hope, will prove a change fertile in good when the Turks are given a new home and deprived of all means of oppressing and murdering their neighbours. The authorities took offence at the discarding of veils and the wearing of short skirts in the Western European manner by Mohammedan women, and issued an order that they should return to the old fashions. It was not only disobeyed, but the disobedience was so outspoken and decisive that the authorities hastily cancelled the order. For the women in Turkey have had to take the posts of the vanished males, even as with us. Not only have the male Turks disappeared in the wars, but the Greeks and Armenians who did all the work requiring intelligence and education have either been banished or massacred, and in the post and telephone offices women and young girls have taken their places. So the authorities had to surrender, but the Turks remain the slaves of their Teutonic masters. Turkey as a State is kept alive by these masters alone as a source of gun-fodder and in the clinging hope of grasping the succession to the Osmanli.

The belated report of the Cargo Fleet Iron Co., Ltd., for the year ended Sept. 30 last has now been published. Good reason was given for holding it back at the annual ordinary general meeting of the shareholders, held on November 29 last. The company has been controlled

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Paid-up Capital	-	-	4,780,792
Reserve Fund	-	-	4,000,000

Deposits	(26th J ly, 1917)	£182,517,486
Cash Reserve	(Ditto)	42,075,526

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under the Munitions of War Act since November 8, 1915, and it has been impossible to adjust the accounts or to ascertain the profits within the usual time. Now that the report has come it will interest the shareholders to note that the amount of profits coming to them for the work they are doing for the Government is not so stupendous as common talk would lead people to suppose. In fact, the advance in the actual profits of the year was only £9,133, and the total amount available is only £26,181 larger because £17,047 more was brought forward. Profits, that is, were £171,410, and the free balance before deducting debenture interest £220,607, including the balance brought forward. Debenture interest took £719 less at £44,510, and thus the final amount available for the shareholders is £26,899 up at £176,097. From this the directors again pay a dividend of 5 per cent., the same as for the preceding year, but £25,000 more at £75,000 is set aside to depreciation. This leaves £1,899 more at £51,097 to be carried forward. During the year £16,500 of the company's 4½ per cent. first debentures were cancelled, thereby completing the annual redemption for 1917, and anticipating to the extent of £6,600 the redemption for 1918. The total of these debentures now outstanding is therefore reduced to £183,100, but the 6 per cent. "A" mortgage debentures, originally £500,000, remain at £496,500. They are redeemable after January 1, 1925, at 5 per cent. premium, but up to September 30 £3,500 of them had been bought in and cancelled. An enormous increase of £556,868 is shown in the entry "sundry creditors," but this includes provision for estimated liabilities to the Government. The total is thus brought up to £722,344. A small increase of £8,791 has also occurred in bills payable, so that the total current debts of the company are £566,173 up at £738,071. The property, goodwill, &c., is reduced £32,259 in value, and now stands at £1,678,292, but there is an increase of £69,833 in the investments of the company in shares and debentures of other companies. It has also invested £298,220 in Treasury bills, being the price, less discount, of £300,000 nominal. Stock-in-trade is only £10,240 higher at £256,881, but sundry debtors owe £144,391 more at £298,747, and cash is £97,985 up at £194,520. Thus the increased assets to be put against the trade liabilities due to the new conditions under which the business is conducted are ample for the purpose, and the balance-sheet looks in all respects satisfactory.

The same remark may be made about the South Durham Steel and Iron Co., Ltd., which is a twin business under the control of practically the same boards with Lord Furness and Captain J. E. Rogerson at the head. As with the Cargo Fleet, the South Durham Steel had to keep back its accounts until the position of the company in relation to its liabilities to the Government were adjusted, and now that the accounts are made public for the twelve months ended June 30 last it is seen that the profits did not advance at the speed shown in the previous year's statement. The increase for last year was only £39,953, whereas in the previous year it was £89,611. The total was £279,821, and adding the £29,585 brought forward, which was £2,327 up, the available total was £309,406, an increase of £42,280. Presumably this aggregate is arrived at after deducting the excess profits tax and the munitions levy, but income-tax itself appears in the summary, and at £58,700 shows an increase of £39,599 on the previous year. That in its turn was £13,034 higher than the charge for 1913-14. The dividend is the same as for the previous year, viz., two distributions of 1s. per share, the last paid on November 29, making 10 per cent. for the year, but £25,000 more at £75,000 is set aside for depreciation, and in addition £75,000 is appropriated to cover exceptional wear and tear of plant, buildings, and machinery. A year ago £100,000 was placed to a special reserve against unexecuted pre-war low-priced contracts, and that appears to be still in hand, as the reserve account shows an increase of £100,000 on the previous year, making it £350,000, exclusive of the £25,000 set aside to equalise dividends,

which remains unaltered. Debts owing to sundry creditors are up £57,663 to £291,066. Thanks to the larger amount set aside for depreciation and of proceeds of sales amounting to £10,552, the decrease in the value of the property and goodwill for the year was £75,181, bringing it down to £752,156, only £10,371 of new money having been laid out. Stock-in-trade is less by £130,743 at £431,918, but sundry debtors owe £82,399 more at £274,579, and cash is £18,194 up at £48,789. The directors have also bought £250,000 Treasury bills at a cost of £240,260. Altogether a very good exhibit.

What the actual profits made last year by the well-known shipbuilding firm of Swan, Hunter and Wigham Richardson, Ltd., may have been we can neither say nor estimate, because no profit and loss account is appended to the balance-sheet. All that the board does reveal in its report is that the nett profit on the trading of 1916 was £313,753, after providing for depreciation and for income-tax, munitions levy, &c., and in the balance-sheet we find that the depreciation allowance for the past year was £69,893. A year ago the similar credit was £43,654, so the increase was £26,239. In this and other ways profit is brought out at £7,923 less, but as the balance of £43,576 brought forward was £11,149 up, the clear total available for distribution is £3,226 better at £357,329, out of which, after paying debenture interest and the £1,000 instalment for the sinking fund, the dividends are continued at the same rates as in previous year, the ordinary shares again getting 12½ per cent. Also, £100,000 is again transferred to the reserve, and this time £50,000 is set aside to meet special depreciation, as against £25,000 each set aside to insurance reserve and income-tax accounts a year ago. The balance then left to carry forward is £3,507 up at £47,083, just the amount of the nett increase in the profits. Additions to the property were £50,632 during the year, so that the nett decline in its book value is only £19,261, bringing it down to £1,126,249. The other items amongst the assets are all up; debts due to the company £210,442 larger at £716,092, and the nett amount due on works in progress £121,618 up at £314,748. Shares and debentures in other companies also show an increase of £104,117 at £986,532, and cash and bills are £162,296 larger at £538,884. Against this trade creditors are owed £503,727 more at £1,015,592. The total reserve will now be £500,000, irrespective of the special reserves mentioned, and the figures altogether indicate a gigantic business of a most prosperous description, but we shall be glad to get a little more information for the sake of comparative statistics.

One of the largest Manchester warehouse businesses, the Tootal Broadhurst Lee Co., Ltd., whose accounts are made up to June 30 each year, make a fine display for the past 12 months. In their report the directors point out that the trade of the year has again been exceptional, and a period of abnormal appreciation in values. With commendable prudence, therefore, they have added £20,350 out of the year's profits to the special reserve of £63,000 created to meet contingent losses on debts owing in foreign countries affected by the war, raising it to £83,350. Also, they have decided to set aside £10,000 a year for five years for research and education, in view of the importance of the coming struggle for the world's trade. The first £10,000 is deducted out of last year's profits, which were £56,049 better than the previous at £160,909. The balance of £70,220 brought forward was £744 down, so that the available total of £216,130 is little more than £55,000 better. It, however, took £1,375 less at £15,000 to pay the preference share dividend, so that the remainder available for the ordinary share dividend and other purposes is £57,590 larger at £216,130. Besides £10,000 credited to a research and education fund, £20,000, as against £10,000 a year ago, is placed to the income-tax reserve, and £50,000, compared with £25,805, is added to the general reserve,

raising it to £250,000, and the ordinary shareholders again get 10 per cent., less income-tax, leaving £85,667, or £15,447 more than was brought in, to be carried forward. There are only one or two figures in the balance-sheet that require mention. Debts due to sundry creditors are £220,886 larger at £639,545, but the debts due to the company, stocks of materials, &c., certified by the chairman and the acting secretary, items all crowded into one entry, show an increase of £374,559 at £1,777,415. Investments are also £53,678 up at £92,666, but cash is down £79,000 to £43,450. The staff of the company has suffered severely by the war, 22 of its members having been killed, four being prisoners of war, and seven missing, besides many wounded.

When restrictions on output are allowed for, it is really surprising that Bulloch, Lade and Co., Ltd., have been able not only to maintain their results, but to increase nett profits by £13,400, after providing for excess profits duty. The total is £68,710, and this allows of an increase in the dividend from 10 per cent. to 12½ per cent., while £3,000 more at £6,500 is set aside for insurance reserve, and the usual £3,500 is written off plant, &c., while the balance forward is increased by £5,800 to £17,130. All this is very satisfactory, under the circumstances, but it can be readily imagined that trading conditions have been extremely difficult, and we are surprised that the results have come out as well as they do. Creditors have increased £18,000 to £69,100, while stocks have risen practically to the same extent. On the other hand, debtors are £43,000 lower, but that is offset by the investment of £50,000 in the War Loan, and the other charges in the balance-sheet are unimportant. The position looks quite healthy, and although the cash balance might be strengthened with advantage, there is little that calls for serious criticism.

Fortunately the danger of a strike of railway engineers has passed for the time being, although over last week-end the position certainly looked very threatening. No doubt the men have grievances, real and imaginary. They have been working long hours under great pressure, and their nerves are probably a good deal on edge for a variety of reasons. But the dislocation of the whole transport system, even for a day, could neither be contemplated nor tolerated at a time like the present, when so much depends on the regular flow of munitions and other supplies to the troops at the front, and the Government were compelled to take the most vigorous action to prevent such a calamity. Now that a settlement has been reached, we should like to learn that a proper investigation is being made into the real origin of the trouble, so that if possible the risk of similar disturbances may be avoided in the future. We can scarcely believe that the men would have taken up such an impracticable position in face of the enemy, however real their grievances may be, and whatever the state of their nerves may be owing to overstrain. They have not done their cause any good by the attitude they adopted; but the real causes of the unrest ought to be probed to the bottom.

For some time past there have been rumours of a deal in the shares of the Argentine Navigation Co. (Nicolas Mihanovitch), Ltd., which have had a sharp rise from 7s. 6d. to 18s. during the past few weeks, and it is now announced that the line has been purchased by a Franco-British syndicate. Neither the names of the purchasers nor the terms have yet transpired, but the fleet will be a welcome addition to the tonnage of the Allies. The company has a capital of £2,000,000 in 1,600,000 ordinary and 400,000 participating preference shares, in addition to which there are 6 per cent. debentures for £1,100,000, so that the deal must involve a considerable sum. The company, which sprang from the most modest beginnings, has a large coasting steamer and tug business in Argentina, and until just before

the war it paid substantial dividends. For the year 1914-15, however, there was a loss of £50,920 owing to the commercial and financial depression in the country, but these were only passing troubles, and under strong management the fortunes of the company will quickly revive.

We are unfeignedly glad to see that the Committee of the Stock Exchange has at last taken steps to check the gamble in Chaffers. In our issue of August 4 we said that "these shares ought to be left severely alone by the public. The attempt to galvanise them into life was a professional operation, the object of which should deceive no one." It has been obvious for some weeks from the industrious tipping of the shares by outside cliques and interested financial sheets that some group of persons was anxious to get rid of the shares, and it is much to be deplored that the Committee did not see fit to take action earlier. As it is, it had been reported that the cliques had succeeded in disposing of the greater proportion of their holdings, and that the plug was to be withdrawn very shortly. The action of the Committee in prohibiting the publication of transactions in the shares on Tuesday, however, caused the price to fall 1s. to 1s. 3d.—1s. 9d., with the market described as very nominal. The victims who have been left high and dry with their shares will have to make the best of a bad job. But they have none but themselves to thank for paying attention to the recommendations of financial sharks. The rigging of such markets, however, does the Stock Exchange an infinite amount of harm. Cases of the kind are by no means isolated; they are constantly occurring. We know the Committee's difficulties in dealing with these swindling operations, but it ought not to be beyond the wit of the members to devise some form of supervision of dealings which would reduce these schemes for snaring the public to a minimum, and bring swift retribution upon those found to be participating in them.



At

No. 1

THE AMERICAN'S LONDON.

No. 1.—Around Charing Cross.

To Americans No. 36, Craven Street, near Charing Cross Station, should be the most interesting house in London. It was here that Benjamin Franklin, the legislative leader of the colonists in the dispute with the mother land which led to the creation of the United States, resided for nearly seventeen years; from 1757 until 1762, as the agent of the assembly of Pennsylvania in its appeal against the exemption of the proprietary estates from taxation; and from 1764 until 1775, as delegate of Pennsylvania, Massachusetts, New Jersey, and Georgia in their protest against taxation without representation. Here, on Sunday, January 29, 1775, Franklin was visited by his friend and admirer, the Earl of Chatham—"he staid with me near two hours, his equipage waiting at the door, and being there while people were coming from Church," it was much taken notice of and talked of" (*Letters*). During the same month Chatham had introduced him to the floor of the House of Lords. From the house in Craven Street the greater part of Franklin's *Letters* are addressed.

On the site of Charing Cross is the statue of Charles I., the king who, after the first settlement by the Pilgrim Fathers, granted in 1629 a charter for the London Plantation of Massachusetts. Maryland, the territory which he bestowed upon Lord Baltimore in 1632, bears the name of his queen, Henrietta Maria. Near by, in Cockspur Street, is the statue of George III., the last King of the thirteen colonies; by a strange irony the American shipping offices have grown up around his monument. Passing through Spring Gardens, one may see before the Admiralty Grinling Gibbons' statue of James II., whose ducal titles of York and Albany are borne by New York State and City and by the legislative capital, Albany.

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Mr. Gerard's Disclosure of Prussia's "Peace Terms."

My commission had read "Ambassador to Germany," writes Mr. Gerard. "It is characteristic of American deep ignorance of all foreign affairs that I was appointed Ambassador to a place which does not exist." And he proceeds to recall to his readers the fact that "politically there is no such place as Germany." Twenty-five States have combined to form the "German Empire, but there is no such thing as political entity in Germany." This is all perfectly true; but the ignorance Mr. Gerard speaks of is by no means exclusively American. We have all grown accustomed to think and talk of Germany as a homogeneous State, and the purely artificial and irresponsible position of the Empire, with its "debating club" Reichstag and its fungoid, sham patriotism, too often lie hidden for us behind the hocus-pocus of imperial power, "divine right," and the rest of the fraud. Prussia, in short, has arrogated to herself the assumption that she is Germany. The fantastic dreams of the Pan-Germans, their claims that this and the other territory annexed by Prussia is "German," and their extravagant assumption based on the language spoken would be without meaning if we always substituted "Prussia" for "Germany" in our references to them. But we say "German" and cheat ourselves.

In the light of that distinction, what are honest men everywhere to think of Bethmann-Hollweg's German "terms of peace" as outlined to Mr. Gerard in January last, and made public in last Monday's *Daily Telegraph*? The American Ambassador had tried several times to get a definite statement about the Prussian notions of peace from others besides the Chancellor; and, finally, last January, when that functionary was "again talking of peace," doubtless in the vague elusive Prussian manner, Mr. Gerard pinned him down thus:—

"What are these peace terms to which you refer continually? Will you allow me to ask a few questions as to specific terms of peace? First, are the Germans willing to withdraw from Belgium?"

The Chancellor answered: "Yes, but with guarantees."

I said: "What are these guarantees?"

He replied: "We must possibly have the forts of Liège and Namur. We must have other forts and garrisons throughout Belgium. We must have possession of the railroad lines. We must have possession of the ports and other means of communication. The Belgians will not be allowed to maintain an army, but we must be allowed to retain a large army in Belgium. We must have commercial control of Belgium."

I said: "I don't see that you have left much for the Belgians, excepting that King Albert will have the right to reside at Brussels with a guard of honour."

And the Chancellor answered: "We cannot allow Belgium to be an outpost (Vorwerk) of England."

"I do not suppose the English, on the other hand, wish it to become an outpost of Germany," I returned, "especially as Tirpitz said the coast of Flanders should be retained in order to make war on England and America."

I then asked: "How about Northern France?"

"We are willing to leave Northern France," the Chancellor responded, "but there must be a rectification of the frontier."

"How about the Eastern frontier?" I asked him.

"We must have a very substantial rectification of our frontier."

"How about Rumania?"

"We shall leave Bulgaria to deal with Rumania."

"How about Serbia?"

"A very small Serbia may be allowed to exist, but that question is for Austria. Austria must be left to do what she wishes to Italy, and we must have indemnities from all the countries and all our ships and colonies back."

The revelation of the Prussian mind given to the world in the above colloquy must be made known to all the ends of the earth, and the fact insisted upon that the schemes of conquest and annexation here confessed are put forward by Prussia as the peace terms of a country which does not exist as an entity capable of collective volition and free to express its will. "Germany" is Prussia's name for a low-Dutch-speaking population of, including Austria proper, perhaps even now more than 70,000,000. That population, now thrust forward as a world-swayer, has never been a "nation" in the whole course of its existence. But the Prussian savage—probably not a Teuton at all, but,

in origin, some debased Slav tribe akin to the Bulgars—with his persistence, his domineering self-assertiveness, and his diligence in the use of coercion, was able after the success of his felonious onslaught on France in 1870 gradually to assume the mastery. Never a great soldier—even Carlyle's Frederick was not that—this covetous and grasp-all Prussian heathen, nevertheless, by his methodical ways and by the cunning with which he contrived to dupe the undeveloped child mind of the German serf, worked himself up to be master, not merely of all German bodies, but of their souls. It is this impostor of insatiable covetousness and barbaric cunning who confessed by the mouth of Hollweg the obsequious to the American Ambassador that he still thinks he has the right, because the power, to annex Belgium, to wrench away from France all the rest of her mineral wealth in the north and to abandon all the races for whom he has no immediate use to the massacring Turk and the stealthy Bulgarian assassin.

The reasonableness of this thieving—from the Prussian point of view—was obligingly explained to such of the British public as could be reached by the *Cambridge Magazine* in an article called "Alsace-Lorraine and the Nationality Problem"—a suggestive and curious article signed Louise E. Matthaei—to be because of the mineral value of Longwy and Briey to Prussia. An extremist in the Prussian Diet is cunningly quoted in support with a carefully trimmed air of impartiality; but the whole tone and drift of the article shows the sympathy of the ignorant, shall we say, with the resetter of stolen goods, who declared:—"We cannot afford to allow France to be in possession of these districts: it would be absolutely fatal to us in the next war. We should be again blockaded, and we must have this steel for our guns. Nor could we reckon on swiftly occupying the industrial districts of France and Belgium, on the declaration of war, as we have done this time. Experience alone would teach the English and French to take measures to prevent that. It is therefore a question of life and death for Germany."

Ah, those dear sophisticated pessimists! There you have the Prussian ideal—the cunning robber calls it "the German ideal," being modest in his lusts. And the German political serfs are such craven-hearted children in all that concerns the higher interests of men and nations that they not only accept, but cling to and glory in the subterfuge. The Prussian thief and his Jew master of industry and trade, through their military thoroughness and their well-in-hand Press, tell the poor dupe that by thieving thus and thus the German race has grown great and rich, and by continuance in the good way will become the masters of the world. They cling to that belief, too, after, by their abominable cruelties and butcheries on land and sea, they have succeeded in ranging the entire world against them; so that, although there has never in history been a German nation one and indivisible as there was and is a French or a British nation, there is now a Prussia-dominated German race upon whom the crimes of this war have stamped an indelible infamy—but of which it seems unaware. In some minds there still lingers the hope that a revolution may break out in German-speaking Prussian dominions, and that a fellowship of German democrats with similar bodies in France, Italy, Great Britain, and Russia may be trusted to bring us a real peace. So incapable are some people of comprehending facts.

The dream is a vain one, and too late. Prussia has led the German race to its destruction as a civilised people, and centuries of expiation must elapse before it can again claim its place among the humane, self-respecting and law-abiding nations or races of men. For the true measure of the degradation into which the crimes of the Hohenzollern degenerate and his *Junkers* have plunged all who are of the German race you must not go to the phrase-peddling philosophers and professors, but to the genuine working man. Your word-twister and trader in phrases that drape foul crimes—

like "rectification of the frontier," which means scoundrelly robbery—and, it is hoped, cover the horrors of the greatest war mankind has ever suffered from, is no guide at all, because himself deceived. But even the truth-scorning Prussian cannot hide *facts*, lie as he may, and the memory of the crimes this abandoned being has perpetrated during this war of his creation by the peoples who obey him, the folk calling themselves Germans, will shut the whole race out from the society of honest men, and set it apart as a race accursed. The true drift of popular feeling outside the doomed Empires is far better seen in the utterances at meetings like those of the National Sailors' and Firemen's Union than in the assemblies of the "learned and refined." At the meetings of that union held in the end of last and beginning of this week the attitude of seafaring men towards Germans was ominous and unmistakable, and it means that for a generation, possibly enough for centuries to come, the German will be regarded as an outlaw on the ocean, as a leper to be shunned in every port.

Will it not be the same on land, among manufacturers and merchants, with the investing classes also? Perhaps; of that we cannot be so sure. But one thing is probable, nay, almost inevitable. The credit of the German Empire and race on the money markets of the world has vanished, and will never revive. The Empire has dissipated the wealth its servile tools had amassed—under Jewish leadership almost entirely be it noted. And now the foolish, gulled and stripped bankers, ship-owners, merchants, iron masters, &c., &c., who allowed themselves to be snared by the grotesque and hideously immoral pan-Germanist madness, and who dream still of returning to the old routes and routine, of resuming the former methods of "trade expansion" as their predatory business habits were named, are about to have a lesson in morals they must learn though it takes them centuries. Hitherto they would seem to have learnt nothing from all they have suffered. But when *our* peace comes they will find no country open to them, no friendly hand held out. Their ships should not be allowed on the ocean at all until reparation has been made or guaranteed, but even then no harbours anywhere in the world will give them spontaneous welcome. No treaty stipulations will be required to bar the way to any resumption of the old confiding intercourse. Hated England, whose "freedom of the sea" is the only true freedom there the world has ever enjoyed—a freedom by which the Germans have profited more than any other people—will not need to frame rules and define routes in German despite. The Germans themselves have barred all routes to their shipping by their own abominable inhumanity, by their worse than savage cruelties perpetrated on the helpless and unarmed, and they made brutes of themselves at the bidding of the Prussians. But they seem unaware of their sins, and therein lies the certainty of their punishment.

And how about the credit of this Empire of blood and iron? Will it be able to raise loans on the money markets of other countries in order to stave off or mitigate the consequences of its insolvency? No, there will be no room for German finance when this war ends. The domineering Prussian has seen to that. When his war has ended he will have left the German banks with neither assets nor business. Rather than let go his clutch after world dominion, or rather than surrender the booty he has already grabbed, he is ready to allow everything the German people hold dear, including their overpraised banks, to be destroyed, such as he is seeing to it that German manhood will not survive in mass adequate to bring him to book for his crimes. Not even the cleverness of the cosmopolitan Jew, too often and too long the cringing tool of the tyrant, can now save the German Empire and all the States embraced in it from the bottomless pit of bankruptcy towards which they are plunging. The bankruptcy would be complete and irretrievable even were the war to end with this month, for the Germans themselves have consumed in it all the wealth they had accumulated during more than half a century, and now

they are without industries, save those given over to destruction and murder, without credit in any land and without friends. Yet such is the childish pride instilled into the undeveloped minds of a slave-souled people by Prussian cunning, such the dominance of Prussian arrogance that Hollweigs can still be found to parade claims a proud victor would hardly venture to advance at this stage of the war, and when they are rejected or ignored, to start a Press in leash to yell in the world's astonished ear, "I offered peace and the Allies rejected it; on them be the guilt of this war." What can we do with a people so mad? We can only go on killing, killing, killing until they are put beyond the power to trouble the world with their devastating rabies.

Direction of Foreign Trade.

In the abbreviated form in which the Board of Trade returns are now issued we only get a little light on the direction of our overseas trade at intervals, and even then all details of the nature of the goods bought or sold are omitted, total values alone being given. Still, the figures supplied for the first half of the year are not without interest, and in the following table we show the movements to and from the principal countries since 1915:—

	Six Mos. Imports From.			Six Months' Exports To.		
	1915.	1916.	1917.	1915.	1916.	1917.
	£	£	£	£	£	£
Russia	5,376	4,590	2,363	4,611	8,895	15,156
Sweden	6,837	8,829	4,544	3,875	3,247	1,261
Norway	6,881	8,935	8,315	3,803	5,134	4,380
Denmark	12,371	10,475	10,744	3,696	5,059	3,809
Netherlands	11,951	10,632	11,787	9,024	12,035	9,731
France	15,670	15,322	11,588	33,745	47,406	55,416
Switzerland	7,489	8,551	5,830	2,433	1,949	3,164
Spain	9,044	12,765	12,268	3,109	3,720	2,677
Italy	6,140	6,400	5,551	6,082	9,739	13,278
Japan	4,537	5,046	7,328	2,226	3,633	2,592
United States	124,149	152,756	153,380	12,330	17,156	19,179
Cuba	3,839	8,822	7,430	860	976	1,046
Brazil	4,665	5,096	5,607	2,310	2,885	3,437
Argentina	32,297	24,335	26,850	5,553	6,857	6,214
Egypt	12,849	16,221	22,674	3,493	5,530	7,257
India	26,082	35,402	36,174	22,274	26,644	28,516
Straits Settlements	9,621	8,685	8,530	1,740	2,454	2,160
Australia	28,794	19,165	41,750	13,518	17,040	10,148
New Zealand	20,228	18,398	16,153	4,272	5,800	3,618
Canada	14,487	23,384	27,310	6,496	8,735	9,121

Total imports from foreign countries amounted to £311,590,000 in the past six months, as compared with £320,482,000 in 1916, and with £286,497,000 in 1915. Those from British Possessions amounted to £188,809,000, against £153,719,000 last year and £142,606,000 in 1915, so that our entire imports for the three periods dealt with were £500,400,000, £474,200,000, and £429,104,000 respectively. Exports to foreign countries in the half-year were £167,107,000, against £152,970,000 in 1916 and £112,845,000 in 1915, while those to British Possessions were £84,040,000, against £88,838,000 and £70,778,000 respectively. Total exports were therefore £251,148,000 in the past half-year, £241,808,000 in 1916, and £183,623,000 in 1915. It will be seen that in the latest period we have drawn considerably increased supplies from British Possessions and smaller amounts from foreign countries, but with regard to exports the position is exactly reversed, and there are numerous signs that our general export trade, as was inevitable, is suffering in many directions, although the loss is to a certain extent concealed by the exceptional amount of special goods we are sending to France, Russia, and Italy. Most of the changes may be directly attributed to the effects of the war, but, except where special influences have been at work, we are afraid the indications point to a serious curtailment of our overseas business, and much of it may be difficult to recapture. At the same time, some consolation is to be found in the fact that our total commerce has been maintained at a far higher level than could reasonably have been expected in the circumstances.

Imports from Russia have fallen off heavily, owing to difficulties of transport, but we have sent into that country three and a-half times the amount exported in 1915, and it is certainly disappointing to find that the return flow is so small. We cannot be sure, but it

looks as though, in order to give Russia necessary supplies, a great many ships must have come back empty, as there is such a big disparity between imports and exports. That would not matter greatly in ordinary circumstances, but it is of vital importance when almost the only available port is Archangel, more than 2,000 miles distant from these shores, and better arrangements might surely have been possible. Imports from Sweden have been nearly cut in half since last year, and critics of the naval blockade ought to rejoice that exports have been reduced to one-third of the 1915 amount, while there has been a substantial decrease as compared with last year in the case of Norway, Denmark, and the Netherlands. On the other hand, imports from these countries have been well maintained, and that is very encouraging. French trade displays extraordinary fluctuations, but here the sea journey is so short that the wastage of tonnage is not nearly so important as in the case of Russia. Imports have fallen four millions as compared with the two corresponding periods, while exports have advanced 66 per cent. on the 1915 figures. Similarly we have sent to Italy more than double the value we did two years ago, and these figures only reveal a small portion of the effective help we have fortunately been able to afford our gallant Allies. Japan has sent us nearly three millions more than two years ago, and has bought a little more, but not so much as last year. Of course, when we come to the United States the figures are stupendous. Imports have increased some thirty millions to £153,380,000, and exports, even although they have risen about seven millions, look trifling by comparison at £19,179,000. Nor must it be forgotten that imports do not include munitions and other supplies (except foodstuffs) purchased by the Government, which must swell the adverse trade balance to incredible dimensions. No wonder that the exchange problem gave rise to so much anxiety until the United States threw its weight into the balance in favour of the Allies and world liberties. The increase in trade with Cuba is doubtless mainly owing to sugar purchases, and we are glad to note that we have been able to send more of our goods to the island. Shipments from Argentina have fallen heavily, but the return trade has been well maintained. Egypt has done remarkably well, having sold us ten millions more and taking in return more than twice the amount of two years ago. India also has increased her sales to us by ten millions, and has taken six millions more in return. Imports from Australia fell sharply last year, but jumped thirteen millions in the past six months as compared with 1915, but our sales to the Commonwealth have fallen seven millions since last year. New Zealand imports and exports have both fallen in a rather disconcerting manner, but we have almost doubled our imports from Canada and have considerably increased our exports. It is, however, evident that we are losing a great deal of our normal trade with the Dominions beyond the seas, and at least some of it will probably never be recovered, but no doubt when at long last peace is restored other channels of business will open out. While there is plenty of room for anxiety about the future there are also good grounds for hope.

Brazil Railway Reorganisation.

The scheme for reorganising the affairs of the Brazil Railway Co., which has taken nearly three years to prepare, is set forth in a formidable looking document of 28 pages of closely printed matter supplemented by a memorandum of 19 pages issued this week. Needless to say, the plan is highly complicated, but its salient features may be described quite briefly. No reduction of the enormous capital involved in the undertaking is proposed, but an ingenious arrangement has been evolved for giving an elastic form of relief to the company's obligations during the early period of reconstruction. Nearly all the secured issues will be temporarily converted into income bonds. New capital will be provided by an issue of prior lien bonds, and the

control of the company will be vested in representatives of the bondholders until all the prior charge securities have been converted back again into fixed obligations.

The company is interested in 38 different concerns and controls about 3,500 miles of Brazilian railways, and is largely interested in railways in Uruguay, Chile, Bolivia, and Paraguay. It also controls or is interested in ports, hotels, lands for building and colonisation, timber lands, lumber mills, cattle ranches, cold storage establishments, and electric light and power enterprises. Through its various subsidiaries the company had committed itself to a vast programme of railroad construction in Brazil, Uruguay, and Bolivia, and its industrial undertakings required considerable sums. Mr. Farquhar, an American railway expert of very unusual ability, conceived the scheme whose object was the creation of a vast network of railways linking up Brazil with Uruguay, Argentina, Paraguay, Bolivia, and Chile. The idea, the receiver states in his report, was fundamentally sound, and had it been carried out prudently would probably have been a success. But Mr. Farquhar, who succeeded in raising between 40 and 50 millions for his scheme, was an unbalanced if able enthusiast, who had not the same faculty for administering schemes as for evolving them. Default occurred in 1914, and the various securities were so interlocked that it was difficult to determine the exact position and value of the various securities. The companies were registered under the laws of different countries, and it became necessary to form several committees to represent the different interests. Owing to the difficulty of making a valuation of the assets, many of which have a potential rather than an actual value, it was decided to leave the capital alone.

It is proposed to create 80,000,000 francs of 6 per cent. prior lien bonds. Of these, 21,060,000 will now be subscribed at 95 by a syndicate of French bankers. This issue, at the present rate of exchange, will provide £720,000, which, together with other moneys, will bring the total new capital at the disposal of the company to £800,000. Within the next five years another £700,000 will be required, states the receiver. About £260,000 of the £800,000 will be lent to the Cattle company in the form of prior lien bonds; this company, which is responsible for the development of the Brazilian meat export business, a new industry, is one of the most promising of the industrial subsidiaries. The bond issues, amounting to about £24,000,000, are secured by various collaterals on other parts of the undertaking. With a few exceptions, these collaterals will remain the same. It is improbable that the income from these collaterals for the different issues will be sufficient for a good many years to pay the interest on such issues in full, except in the case of the French series of 4½ per cent. bonds, whose income is to-day sufficient for the purpose. It is, therefore, proposed to convert the 4½ per cent. first mortgage bonds, the 5 per cent. convertible debentures, and 6 per cent. notes into temporary non-cumulative income bonds, the interest on each issue being payable exclusively out of the nett income from its collaterals. In each case the rate of interest will be raised by ½ per cent. When one-half of the interest has been regularly paid for five years that half will become cumulative, and after another five years a fixed obligation. And similarly with the second half of the interest. Dates of maturity are to be extended, all three issues being amortisable between 1922 and 1969. Secured creditors of the Brazil Railway, other than bondholders, are to keep their securities in full satisfaction of their debts. Secured debentures will be created, ranking after the bond issues, which will be exchanged for the present unsecured 5 per cent. 50-year gold debentures, and also, allotted to unsecured creditors.

The other important feature of the scheme is the establishment of a joint committee, consisting of representatives of the bondholders. It will nominate the majority of the board, and will have control of the company until all the bond issues become fixed obligations of the company. A chief executive agent will be appointed in Brazil with wide powers. The bulk of the secured

issues are held by French interests, and the joint committee will therefore be largely French, and will probably have its office in Paris. The scheme is frankly a compromise of many conflicting interests. Considerable ingenuity has been displayed in evolving the scheme, and the absence of capital reduction is compensated for to some extent by the elastic income bond arrangement, which is rather novel. Viewed from the standpoint of the bondholders, the absence of any reduction in capital is a weak spot in the scheme. While the bondholders are called upon to make sacrifices, the shareholders are allowed to go scot free. It is true that the latter's prospects are very poor, but if the concern is a success they stand to benefit in full degree. Some holders of the convertible debentures suggest that they should receive a *quid pro quo* at the expense of the shareholders, who, it is argued, should part with some of their holdings to the bondholders, so that the latter may at some future date possibly recoup some of their past and present losses.

Big Dunlop Deal.

Messrs. Henry Beecham and James White, of Bank Chambers, 218, Strand, W.C., acting on behalf of themselves and others, not named or indicated, have made a somewhat remarkable offer for the purchase of the whole of the ordinary shares in the Dunlop Rubber Co., Ltd. The more we study the proposed deal the more baffling it appears from various points of view, and the only thing we feel at all sure about is that the shareholders need have no hesitation in accepting Messrs. Beecham and White's terms. That may afford an excuse, if not an explanation, for the hustling methods adopted. The circulars are dated August 21, and the offer, so far as the independent shareholders are concerned, is conditional upon acceptance on or before the 25th inst., and also upon its acceptance by the Parent Tyre Co., Ltd. (the holder of about three-fourths of the shares), which cannot be decided till four days later. Why this frantic haste should be necessary in a deal which may involve a payment of £4,340,000 is one of the minor mysteries of the affair, but that Messrs. Beecham and White mean business is shown by the fact that they have already paid a deposit of £150,000, which is to be increased to £300,000 on or before the 27th inst. Some money and some hurry, as our Yankee friends would say.

In these swift-moving times it may be useful to recall that the Parent Tyre Co. was originally the Pneumatic Tyre Co., which, with the aid of the meteoric Hooley's air-pump, got expanded into the Dunlop Pneumatic Tyre Co., with a much heavier load of capital than it could comfortably carry. But there were brains in the business, and although the Tyre Company had more litigation on its hands than dividends to its credit, the management at an early stage saw the possibilities of the plantation industry, and formed the Dunlop Rubber Co., Ltd., as an offshoot. In the course of a few years the great bulk of the Tyre Co.'s profits came from its holding of Dunlop Rubber shares, the trading results of the tyre business having dwindled to an almost negligible quantity. And so in the fulness of time there was another shuffling of the cards; the Dunlop Pneumatic Tyre Co. became a mere holding concern, under the title of the Parent Tyre Co., and practically the whole of the business passed to the Dunlop Rubber Co., which has been very successful; but how the original shareholders in the Tyre Co. fared we need not stop to inquire at present. In the reconstruction the latter received 712,000 odd shares in the Rubber Co. and a royalty on the tyre business, which has yielded an average of £22,000 per annum, or just about what it could make off its own bat. At the beginning of this year Dunlop Rubber shares stood at 2½ and the deferred shares of the Parent Tyre Co. at under 27s. Apparently the impending deal has been under way for some time, as the prices have recently risen to 85s. and 55s. respectively, without any obvious justification so far as public information was concerned.

Briefly stated, Messrs. Beecham and White's offer is to purchase the whole of the million Dunlop Rubber ordinary shares at £4 each, subject to the approval of the Parent Tyre Co., which holds 712,468 of the shares. In addition they propose to commute the royalty payable to the Tyre Co. for £340,000, or over 15 years' purchase. Consequently, if the offer is accepted, the Parent Tyre Co. will receive about £3,190,000. But it is only to retain some £440,000 out of this amount. The offer is conditional upon the company purchasing from the underwriters at 9s. 6d. per share the whole of a proposed issue of 1,500,000 7 per cent. cumulative "C" preference shares of £1 each, 10s. paid, in the Dunlop Rubber Co., and agreeing to purchase a further 1,250,000 of similar shares as and when the same are issued by the Dunlop Co. Evidently such issue is contemplated, as the future position of the Parent Tyre Co. is set forth on that basis. On the average of the past five years the dividend from Dunlop shares has been £106,800 per annum, and the royalty £22,000, making a total of £128,800, which is sufficient to pay the cumulative 8 per cent. dividend on the ordinary shares and leave a margin of 5¼ per cent. for management expenses and dividend on the deferred shares. On the assumption that the company will subscribe £2,750,000 Dunlop preference shares (costing £2,681,250), and that it can invest a balance of £508,750 at 6 per cent., the income would be £223,025, and this is sufficient to provide approximately 24½ per cent. on the deferred, subject to management expenses. From the Parent Tyre Co.'s point of view, therefore, the deal seems a very favourable one, and many of the independent shareholders will also doubtless accept the offer of £4 per share, as indeed, the directors, who are large holders personally, announce that they have decided to do. Of course, the Dunlop Co. has large rubber estates capitalised at about £40 per acre, and not yet fully developed, so that there are considerable speculative possibilities which the purchasers have doubtless taken into account, but they are speculative, and the cash price seems a fairly generous one. It would be interesting to have more information about the group which can raise so large an amount as the deal involves. Evidently they are the underwriters of the "C" preference issue, but the scheme cannot have been designed to relieve them of their liability under this head as they are assuming a much larger one. Possibly more light will be thrown on the subject at next week's meeting, but in the meantime we should recommend holders to accept the terms offered. Certain changes will be made in the board of the Dunlop Co., but no change will be made in its executive management, and it is useless to speculate on what the future of the business will be.

BOOKS RECEIVED.

The Financial Times Income Tax Guide. Produced and published by the Financial Times, Ltd., 72, Coleman Street, London, E.C. Price 6d. nett.

Registration and Publication of Directors' Names Under the Companies (Particulars as to Directors) Act, 1917. By Herbert W. Jordan. Price 6d. nett. Publishers: Jordan and Sons, Ltd., London.

China Stock and Share Handbook. Compiled and published by H. E. Morris and C. R. Maguire, 1917.

OILFIELDS ITEMS.

Baku Russian.—Production week ended Aug. 11, 79,500 poods.
Russian Petroleum.—Production week ended Aug. 11, 39,800 poods.

Spies Petroleum.—Production week ended Aug. 12, 2,762 tons; total production for the year from January 14, 85,200 tons, against 83,715 tons for the corresponding period last year.

United British Oilfields of Trinidad.—Production week ended Aug. 15, 713 tons.

The Broken Hill Proprietary Co., Ltd., has received the following cable from the head office in Melbourne:—"Delay having occurred owing to the dislocation of the European mail service, due to the war, the directors find they will be unable to submit the usual half-yearly report and balance-sheet to the half-yearly meeting to be held on Friday next, the 31st instant. The meeting will therefore be purely formal, and an adjournment will be asked for."

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Incorporated A.D. 1720.

Governor: Vivian Hugh Smith, Esq.

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from $5\frac{1}{2}$ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Incidents have been few in the Money market this week until towards the end. Day-to-day rates fluctuate according as the market is stripped of balances by fresh Government demands upon it, or flushed by the repayment of due Treasury bills, but the only change in rates is for day-to-day loans, which, however, for the entire 24 hours, really never move from 4 per cent., but afternoon money is often $\frac{1}{2}$ per cent. cheaper. Foreign exchanges are nowhere comfortable, but the surprising thing really is that they should hold as they do. Yesterday, however, the Paris rate went up somewhat abruptly from Frs. 27.35 to Frs. 27.45. As recently as Monday last the quotation in Paris was Frs. 27.20. The rouble also continues to depreciate, and most of yesterday's business was done at 226 $\frac{1}{2}$ roubles.

As little movement is visible in the Bank return as in market rates for money, and the only outstanding change is a further increase in the reserve, which has gone up £628,000 to £32,669,000, thanks chiefly to an

increase of £517,000 in the coin and bullion. The active note circulation has shrunk £111,000, hence the increase in the reserve. It is now $\frac{3}{4}$ per cent. better than last week at 19 per cent., which, however, is still $7\frac{1}{2}$ per cent. below this time last year, but the liabilities are now much heavier than they were then. The only other large change was a decrease of £1,086,000 in the other securities due to the just-mentioned increase in the reserve, and to a decline of £809,000 in the public deposits. The other deposits went up £285,000.

That the Commonwealth of Australia Government would be compelled to come on the London market for more money before the year ended was well understood. It cannot help itself unless the Governments of the five States which have agreed to let it borrow for them reduce or stop their outlay on what is called "public works." But they, in turn, cannot do that right off. The machine they have set in motion in the past by their free-handed liberality with borrowed money cannot be abruptly stopped without threatening the whole structure of their bolstered civilisation with collapse. That is the brutal truth, and we must accept the consequences with equanimity, loyally doing our best to tide the young country over the crisis induced by the war, only the speed will have to be slowed. But now a Commonwealth loan of £4,500,000 in $5\frac{1}{2}$ per cent. ten-year debentures to bearer has been underwritten in the City, and is offered for public subscription at 98 $\frac{1}{2}$ per cent. In April last £3,500,000, also in $5\frac{1}{2}$ per cent. debentures, was offered at 98 on the same security. These loans may be redeemed after half the period of their currency on three months' notice, and all who choose to do so may convert their holdings into $5\frac{1}{2}$ per cent. registered stock at any time between November 3 and December 14. All the proceeds of the loan will be utilised for the necessities and at the demand of the various States whose revenues will presumably be primarily responsible for both interest and principal, but the revenues of the Commonwealth of Australia alone are directly liable to the debt holder in respect of this stock and its dividends. Conversion into stock does not alter the date of redemption. The Commonwealth Bank is issuing the loan on behalf of the Commonwealth Government, and as the previous similar issue, including about three months' interest, is quoted over par, there is evidently a demand for this class of security.

New Zealand, also, is raising money, but it is a War loan, and the amount, £12,000,000, is to be sold within New Zealand—is an internal War loan in short—and the citizens are offered a scrip for this amount, bearing $4\frac{1}{2}$ per cent. interest, free of New Zealand income-tax. Subscriptions are to be open until the 3rd prox. The proceeds of the loan must be used for war purposes only. It will be issued either in the form of inscribed stock, or in bearer bonds at option, and £1,000,000 of it is to be reserved for individuals who desire to invest in securities which will be available for payment of New Zealand death duties. Applications of this special description must be specifically marked. There are other particulars transmitted to the Press here by Sir Thomas Mackenzie, the High Commissioner for New Zealand, but the only further point of interest we need concern ourselves with for the present is the announcement that arrangements will be made for all New Zealand War Loan securities to be quoted on the London Stock Exchange "as soon after the war as the British Chancellor of the Exchequer agrees." That is to say, the way will be open for New Zealand to transfer the debt here when the proper time comes, and really in the circumstances we can raise no objection to that. Only we doubt whether our market will be either in the position or the mood to invest much in any securities but its own for a long time after the war is over.

The Russian exchange now stands at about 225 roubles per £10, the lowest level recently reached. This figure, however, is largely nominal, for business is on a very small scale indeed. In fact, since the Russian Government imposed stricter regulations on remittances

abroad, business has become almost non-existent. The reason for this is that no difficulty is placed in the way of making payments for Russian purchases of munitions and other essential supplies. These payments are made at an agreed fixed rate of exchange of 149 roubles to the pound sterling, but payments on account of private imports, of course, have to be made at the market rate. These private purchases cannot now be effected without the permission of the Russian Treasury, with the result that ordinary remittances have practically ceased. Inasmuch, therefore, as the state of the exchange does not represent the condition of Russia's international trade, which is now quite small, it is anticipated that a marked improvement will take place in the sterling value of the rouble as soon as the political situation justifies it. City financiers have been unnecessarily nervous for a long time about Russian politics, and this nervousness has had more to do with the fall in the rouble than the adverse movement in the financial situation.

It is not altogether agreeable to be told that Messrs. Morgan and Co., as agents of the British Government, have begun to sell three months' Treasury bills in New York at $5\frac{1}{2}$ per cent. discount. The first batch offered is for £15,000,000, or £3,000,000, and it is stated that sales will be made regularly in these bills until the arranged for present total of \$150,000,000, or £30,000,000 sterling, is reached. The proceeds will be applied in liquidating the bank loans in America, and no doubt these payments can only be financed in this way; but that we should be in debt to such an embarrassing extent in New York on floating loans, at the same time that the Washington Government is handing money to us to help in carrying on the war with a liberality beyond praise, seems to hint at a lack of grip and breadth of view in the management of our Treasury. We trust it will not potter and hurtle along until it gets our finances into an inextricable mess.

SILVER.

Again the price of silver has gone up, and is now $\frac{3}{4}$ d. above the quotation of a week ago at $44\frac{3}{4}$ d., the highest quotation since 1891, and, as Messrs. Mocatta point out, it is a remarkable fact that this price has been attained in an unbroken advance from $39\frac{1}{4}$ d., the price of July 30. There has been no reaction, and the market is held firm by the China exchange, which renders it profitable for China banks to buy silver in San Francisco. They are taking it away and depriving Europe, so that as the demand here and in France for coinage continues much in excess of the ordinary, no one need be surprised to find the price still going up. Assuredly the market will continue sensitive, and movements may often be abrupt. The Indian currency returns show that the holdings of rupees now amount to more than 27 crores, higher than any figure touched since January, 1916. Messrs. Samuel Montagu and Co. state in their circular that the stock of silver in Bombay consists of 2,200 bars, unaltered from last week. In Shanghai the stock is about 22,200,000 ozs. in sycee, and \$15,700,000, an increase of 500,000 ounces and \$300,000 on August 11.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, August 22, 1917.

ISSUE DEPARTMENT.

	£		£
Notes Issued	70,083,155	Government Debt	11,015,100
		Other Securities	7,434,900
		Gold Coin and Bullion ..	51,633,155
		Silver Bullion	—
	£70,083,155		£70,083,155

BANKING DEPARTMENT.

	£		£
Proprietors Capital ..	14,553,000	Government Securities ..	56,483,328
Reserve	3,526,832	Other Securities	100,889,240
Public Deposits (including		Notes	30,149,640
Exchequer, Savings		Gold and Silver Coin ..	2,519,485
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	44,700,857		
Other Deposits	127,244,116		
Seven Day and other Bills	16,888		
	£190,041,633		£190,041,633

Dated August 23, 1917.

E. M. HARVEY, Deputy Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year, August 23.		August 15, 1917.	August 22, 1917.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,451,483	Rest	3,519,886	3,526,832	6,946	—
51,428,269	Pub. Deposits ..	45,509,651	44,700,857	—	808,794
101,751,017	Other do.	126,953,632	127,244,116	285,484	—
20,855	7 Day Bills ..	16,792	16,888	96	—
	Assets.			Decrease.	Increase.
42,187,602	Gov. Securities ..	56,541,328	56,483,328	58,000	—
89,047,403	Other do.	101,975,407	100,889,240	1,086,167	—
40,060,519	Total Reserve ..	32,041,226	32,069,125	—	627,899
				1,435,693	1,456,693
				Increase.	Decrease.
£	Note Circulation	£	£	£	£
55,536,395	Coin and Bullion	40,044,695	39,933,515	—	111,180
57,146,914	Proportion	53,635,921	54,152,640	627,899	—
26 1/2 p.c.	Bank Rate	18 1/2 p.c.	19 p.c.	4 p.c.	—
6 ..		5 ..	5 ..	—	—

PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended August 18.)

REVENUE.	EXPENDITURE.
£	£
Customs	National Debt Service ..
Excise	Interest, etc., on War Debt
Estate, &c., Duties ..	Development & Road Impvt
Stamps	Payments to Local Taxation
Land Tax and House Duty	Other Consolidated Fund
Property and Income Tax	Charges
Excess Profits Tax ..	Supply Services
Land Values	Bullion Advances
Post Office	For Advance for Interest
Crown Lands	on Exchequer Bonds under
Sundry Loans	Capital Expenditure
Miscellaneous	(Money) Act, 1904
Bullion advances repaid ..	For Treasury Bills
For Treasury Bills for Supply	For Exchequer Bonds issued
5% Exchequer Bonds, 1919 ..	under the War Loan Redemption
5% Exchequer Bonds, 1920 ..	Act, 1916
6% Exchequer Bonds, 1920 ..	Expenditure .. Certificates
War Expenditure Certificates	under War Loan Act, 1916
War Savings Certificates ..	Other Debt under War Loan
4% War Loan, 1929-1942 ..	Acts, 1914-16
5% War Loan, 1929-1947 ..	For Exchequer Bonds under
Other Debts created under	Section 61 of Finance Act,
War Loan Act, 1915, and	1916
Finance Act, 1916	Under Telegraph (Money)
Telegraph Money Act, 1913	Act, 1913
Under Post Office Rly. Act,	Under Post Office (London)
1913	Railway Act, 1913
Under Military Works Acts,	Under Military Works Acts
1897-1903	Under Housing Act, 1914 ..
Under Public Buildings ..	Public Buildings Expendi-
Under Housing Act	ture Act, 1903
Repayment of Advance for	Old Sinking Fund, 1907-8 ..
Interest on Exchequer	Old Sinking Fund, 1910-11 ..
Bonds, 1904	China Indemnity
China Indemnity	East African Protectorate
East African Protectorate	Loan repayment
Loan repayment	Suez Canal Drawn Shares ..
Suez Canal Drawn Shares ..	Temporary Advances repaid
Ways and Means Advances	Increase in Exchequer
Decrease in Exchequer	balances
balances	
£105,654,155	£105,655,155

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,705,000	1,415,416,000	363,289,000	—
June	1,486,612,000	1,147,630,000	338,982,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August 1	336,410,000	290,541,000	45,869,000	—
" 8	306,215,000	281,203,000	25,012,000	—
" 15	341,672,000	276,710,000	64,962,000	—
" 22	326,981,000	259,155,000	67,826,000	—
Total ..	12,272,941,000	9,884,357,000	3,177,249,000	—

CURRENCY NOTES.

Return of Currency Notes for the week ended August 22, 1917.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes	2,751,452	2,574,513	125,840,506
10s. notes	1,664,061	1,161,513	32,429,486
Note certificates	310,000	50,000	15,230,000
Previous total	691,022,584	507,882,079	—
	693, 67,098	517,663,105	173,499,992

Ratio of gold held against notes, this week, 18.00 p.c.; last week, 18.01 p.c.

BANK OF FRANCE (25 francs to the £).

	Aug. 23, 1917.	Aug. 16, 1917.	Aug. 9, 1917.	Aug. 2, 1916.
	£	£	£	£
Gold in hand	130,904,360	130,805,760	130,723,760	192,322,320
Silver in hand	10,413,240	10,415,600	10,429,240	13,573,040
Bills discounted	22,606,480	24,710,800	24,888,040	16,993,520
Advances	44,543,080	44,647,480	44,541,080	47,223,080
Note circulation	818,742,720	818,333,000	817,384,960	655,424,640
Public deposits	716,040	3,218,360	1,598,000	6,340,600
Private deposits	108,627,960	104,054,160	103,200,560	89,612,520
Reserve Rills	55,720	69,520	82,120	8,520

Proportion between bullion and circulation 27.21 per cent., against 27.21 per cent. last week. Advances to the State £441,000,000; increase, £5,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £20,909,760, decrease £12,960, and at the branches £26,010,760, decrease £49,280.

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	July 27, 1917.	July 20, 1917.	July 13, 1917.
Gold coin and certificates ..	92,152,800	97,623,800	94,298,400
Gold Settlement Fund ..	91,147,800	80,764,200	77,670,600
Gold with foreign agencies ..	10,500,000	10,500,000	10,500,200
Total gold held by banks ..	183,800,600	188,888,000	182,469,200
Gold with Federal Res. Agent ..	86,838,600	84,777,800	85,667,600
Gold Redemption Fund ..	1,813,400	2,338,200	2,537,400
Total gold reserves ..	272,452,600	276,004,000	270,674,200
Legal tender notes, silver, &c. ..	10,357,800	10,060,200	9,500,000
Total reserves ..	282,810,400	286,064,200	280,183,200
Bills discounted—Members' ..	27,691,800	32,277,200	28,032,600
Bills bought in open market ..	39,019,400	30,545,000	38,987,400
Total bills on hand ..	66,711,200	71,822,200	67,020,000
U.S. Gov. long-term sec. ..	8,227,000	8,453,000	8,792,200
U.S. Gov. short term sec. ..	7,163,600	6,610,000	6,071,800
Municipal warrants ..	293,800	437,200	488,200
Loans on gold coin and bullion ..	—	—	—
Total earning assets ..	82,395,600	87,322,400	82,372,200
Due fm other Fed Res bnk—n. ..	2,221,200	822,600	1,401,000
Uncollected items ..	40,957,200	48,593,400	50,834,400
Total deducts. fm gross dep. ..	38,730,000	49,416,000	52,235,400
5% Red. Fund ag Fed. Res. bnkts ..	100,000	100,000	100,000
All other resources ..	211,400	322,200	157,200
Total resources ..	404,247,400	423,224,800	415,048,000
Capital paid in ..	11,565,000	11,544,600	11,530,200
Government deposits ..	28,606,400	36,926,200	60,174,400
Due to members—Res. account ..	227,091,200	232,999,000	203,934,400
Due to non-mbrs—clearing ac. ..	1,709,400	953,400	1,369,400
Members' bank deposits—nett ..	27,563,000	33,056,800	30,762,600
Collection items ..	—	—	—
Total gross deposits ..	284,970,000	303,935,400	296,240,800
F.R. notes in actual circulat'n ..	106,803,000	106,845,200	106,501,600
F.R. bnkts in circn—nett liab. ..	491,000	461,200	392,000
All other liab. in for Gov crdts ..	417,600	438,400	377,400
Total liabilities ..	404,247,400	423,224,800	415,048,000
Gold res. ag nett deposit liab. ..	74.6%	74.2%	74.7%
Gold & lawful money reserve ..	78.8%	78.1%	78.6%
against nett deposit liabilities ..	—	—	—
Gold res ag F.R. nts in act circ ..	83.0%	81.5%	82.8%

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Aug. 18, 1917.	Aug. 11, 1917.	Aug. 4, 1917.	Aug. 19, 1916.
Loans ..	770,184,000	759,198,000	750,550,000	648,010,000
Reserve held in own Vaults ..	26,830,000	27,146,000	27,094,000	88,172,000
Reserve held in Fed. Res. Bk. ..	72,446,000	85,034,000	90,688,000	32,100,000
Cash in own Vaults ..	18,222,000	18,550,000	19,044,000	—
Reserve held in Other Depos. ..	12,458,000	13,270,000	14,046,000	10,540,000
Nett Demand Deposits ..	704,070,000	719,814,000	717,767,000	629,440,000
Nett Time Deposits ..	41,332,000	41,116,000	40,914,000	43,408,000
Circulation ..	6,074,000	6,060,000	6,052,000	6,245,000
Excess Lawful Reserve ..	13,038,000	25,216,000	31,778,000	22,356,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Aug. 18, 1917.	Aug. 11, 1917.	Aug. 4, 1917.	Aug. 19, 1916.
Loans ..	170,118,000	166,412,000	166,682,000	142,436,000
Specie ..	11,900,000	11,968,000	12,046,000	11,906,000
Deposits ..	170,104,000	167,135,000	176,522,000	150,522,000
Legal Tenders ..	2,786,000	2,714,000	2,384,000	1,730,000

IMPERIAL BANK OF RUSSIA (10 roubles to the £).

	Aug. 14, 1917.	Aug. 4, 1917.	July 29, 1917.	Aug. 12, 1916.
Notes in reserve ..	13,660,000	11,860,000	14,690,000	10,870,000
Gold ..	129,490,000	129,300,000	129,160,000	154,930,000
Gold in reserve abroad ..	230,800,000	230,800,000	230,800,000	196,230,000
Loans and Discounts, including Treasury Bonds ..	1,344,860,000	1,332,620,000	1,308,360,000	387,330,000
Circulation note issue ..	1,412,540,000	1,391,640,000	1,364,600,000	685,620,000
Deposits, including Treasury deposits ..	331,880,000	313,790,000	327,450,000	20,000,000

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Aug. 15, 1917.	Aug. 7, 1917.	July 31, 1917.	Aug. 15, 1916.
Total Coin & Bullion ..	124,476,800	124,140,900	123,900,050	124,805,150
Treasury Notes ..	27,362,000	27,296,300	26,262,200	18,267,550
Bills discounted ..	568,430,000	551,614,050	556,391,000	335,869,000
Advances ..	682,050	479,900	483,750	607,450
Note circulation ..	446,718,000	445,232,650	442,636,850	346,337,000
Deposits ..	301,019,300	291,857,650	292,398,550	133,554,800

Clearing House return during July, £358,972,790.

NETHERLANDS BANK (12 Florins to the £).

	Aug. 18, 1917.	Aug. 11, 1917.	Aug. 4, 1917.	Aug. 19, 1916.
Gold and Silver ..	55,340,000	55,320,416	54,508,416	49,664,250
Bills and Advances ..	10,393,500	10,504,250	11,330,166	13,129,416
Note circulation ..	64,319,000	64,474,581	65,197,333	52,295,000
Deposits ..	5,257,250	5,273,000	4,544,416	10,971,000

BANK OF SPAIN (25 pesetas to the £).

	Aug 11, 1917.	Aug. 4, 1917.	July 28, 1917.	Aug. 12, 1916.
Gold ..	69,652,985	68,715,448	66,448,199	44,359,379
Silver ..	29,566,149	29,702,921	29,995,769	30,248,719
Foreign Bills ..	3,734,799	3,765,478	3,752,838	3,870,248
Discounts and Short Bills ..	29,312,135	29,611,419	29,764,625	23,544,706
Treasury Account, &c. ..	25,671,168	25,665,939	25,800,332	30,492,040
Notes in Circulation ..	118,267,981	103,390,018	102,107,112	89,502,618
Current Accounts, Deposits ..	34,582,313	34,003,897	33,194,113	31,663,956
Dividends, Interests, &c. ..	1,661,898	1,614,038	1,967,970	1,386,983
Government Securities ..	6,980,638	7,398,585	7,766,876	1,016,103

BANK OF ITALY (25 lire to the £).

	July 20, 1917.	July 10, 1917.	June 30, 1917.	July 20, 1916.
Total cash ..	38,344,800	38,149,400	39,722,560	44,965,240
Inland Bills ..	22,638,040	21,822,160	21,252,560	19,317,520
Foreign Bills ..	832,720	832,720	832,720	832,840
Advances ..	12,672,160	14,952,560	16,933,680	7,740,320
Government securities ..	8,777,040	8,820,120	8,790,880	8,793,080
Circulation ..	181,312,760	181,795,320	178,670,600	134,594,280
Deposits at notice ..	23,260,680	25,645,240	30,843,920	13,555,960
Current accounts ..	12,684,520	13,307,400	12,178,080	15,236,800

BANK OF SWEDEN.

	Aug. 4, 1917.	July 28, 1917.	July 21, 1917.	Aug. 5, 1916.
Gold ..	11,365,000	11,368,000	11,369,000	9,214,000
Balance abroad and Foreign Bills ..	7,240,000	7,286,000	7,237,000	9,144,300
Swedish and Foreign Govt. Securities ..	3,847,000	3,864,000	3,872,000	3,823,000
Discounts and Loans ..	9,632,000	8,872,000	9,639,000	3,346,000
Notes in circulation ..	24,747,000	23,588,000	23,920,000	18,227,000
Deposits at notice ..	7,547,000	8,004,000	8,359,000	6,151,000

BANK OF NORWAY.

	Aug. 7, 1917.	July 31, 1917.	July 23, 1917.	Aug. 7, 1916.
Gold ..	7,151,000	7,154,000	7,154,000	6,326,000
Balance abroad and Foreign Bills ..	4,182,000	4,245,000	4,725,000	6,467,000
Gov't Securities ..	705,000	705,000	705,000	767,000
Discounts & Loans ..	15,719,000	15,512,000	15,189,000	5,251,000
Notes in Circulation ..	16,346,000	16,178,000	16,150,000	11,850,000
Deposits at notice ..	8,250,000	8,229,000	7,911,000	4,481,000

SWISS NATIONAL BANK (25 francs to the £).

	Aug. 7, 1917.	July 31, 1917.	July 23, 1917.	Aug. 7, 1916.
Gold and silver ..	15,866,769	15,676,092	15,718,508	13,269,908
Bills ..	8,301,891	8,327,168	8,353,600	6,817,848
Note circulation ..	21,032,025	21,379,228	20,254,808	16,667,376
Current and deposit accounts ..	5,960,117	5,303,604	4,194,772	5,421,452

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Aug. 21, 1917.		Aug. 23, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	11.35	11.38	11.34	11.37
	Three months' bills ..	11.51	11.54	11.50	11.53
Paris ..	Cable transfers ..	27.47	27.52	27.42	27.47
	Three months' bills ..	27.87	27.92	27.82	27.87
Marseilles ..	Three months' bills ..	27.87	27.91	27.82	27.87
Switzerland ..	Cable transfers ..	20.92	21.02	21.00	21.10
	Three months' bills ..	21.27	21.37	21.25	21.45
Petrograd ..	Cable transfers ..	224½	226½	225	227
Genoa, &c. ..	Cable transfers ..	35.30	35.40	35.52	35.62
Spain ..	Cable transfers ..	21.05	21.15	21.05	21.15
	Three months' bills ..	54	55	54	55
Lisbon and Oporto ..	Cable transfers ..	31½	32½	31½	32½
Copenhagen ..	Cable transfers ..	15.66	15.76	15.58	15.68
Christiania ..	Cable transfers ..	15.58	15.68	15.53	15.63
Stockholm ..	Cable transfers ..	14.24	14.34	14.20	14.30

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22½	27.49	27.40
Amsterdam, cheques ..	Florins to £1 ..	12.107	11.37	11.35½
Italy, sight ..	Lire to £1 ..	25.22½	35.23½	35.55
Madrid, sight ..	Pesetas to £1 ..	25.22½	21.00	21.15
Lisbon, sight ..	Pence to milreis ..	53½d.	32d.	31½d.
Switzerland, sight ..	Francs to £1 ..	25.22½	21.15	21.50
Christiania, sight ..	Kroner to £1 ..	18.159	15.52½	15.50½
Stockholm, sight ..	Kroner to £1 ..	18.159	14.70	14.26
Copenhagen, sight ..	Kroner to £1 ..	18.159	16.65	15.62
Petrograd, sight ..	Roubles to £10 ..	94.57	227	226
Alexandria, sight ..	Piastres to £1 ..	97½	97½	97½
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Hong Kong, T.T. ..	Sterling to dollar ..	—	2/10	2/11½
Shanghai, T.T. ..	Sterling to tael ..	—	4/3	4/3½
Singapore, T.T. ..	Sterling to dollar ..	—	2/4½	2/4½
Yokohama, T.T. ..	Sterling to yen ..	24.58d.	2/1½	2/1½
New York, cable ..	Dollars to £1 ..	4.86½	4.70½	4.70½
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	49½d.	49½d.
Valparaiso, 90 days ..	Pence to peso ..	—	13½d.	13½d.
Montevideo, T.T. ..	Pence to dollar ..	51d.	53½d.	53½d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13½d.	13½d.

OPEN MARKET DISCOUNT. Last week. This week

	Per cent.	Per cent.
Thirty and sixty day remitted ..	48—½	48
Three months ..	48—½	48
Four months ..	48—½	48—½
Six months ..	48—½	48—½
Three months fine inland bills ..	5—½	5—½
Four months ..	5½	5½
Six months ..	5½—½	5½—½

BANK AND DEPOSIT RATES. Last week. This week

	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
" " short loan rates ..	—	—
Bankers' rate on deposits ..	4	4
Bill brokers' deposit rate (call) ..	4	4
" " 7 and 14 days' notice ..	4½	4½
Current rates for 7 day loans ..	4½	4½
" " for call loans ..	3½—4	3½—4

The Week's Stock Markets.

Business started with quite a brisk appearance this week, and the record of dealings looked promising, but it soon fell back to approximately the old level of stagnation. That is not to be wondered at when it is remembered that we are now in the midst of the holiday season, and, having regard to that fact, it is rather surprising to find business so well maintained. Partly it is due to a steady flow of sales from French and other Allied centres, especially in some of the leading Mining shares, which used to be greatly favoured by Continental operators. As the war proceeds, apparently to an indeterminate extent, holders are forced to realise in order to get funds for their current expenses; but it is surprising in a way that the stock offered can be so readily absorbed here without affecting prices to any material extent. The fact seems to be that, in spite of big Government loans, there is still a great deal of money available for speculative investment, and whenever a chance offers there are plenty of people ready to take advantage of it. Consequently, we find several groups of Industrials, which, in our opinion, are already high enough, eagerly sought after, and there is no stopping the flow of money into what we must regard as rather dangerous channels. There used to be a saying that it was always unwise to buy on the strength of two good dividends, but maxims of that sort have no influence with the people who have money to spend at present. If the Government were really wise and far-seeing, it would take advantage of this position of affairs to offer a stock in the shape of premium bonds with speculative possibilities, and it will probably be forced to do so if the war is protracted much longer, but it is wasting time and opportunity now by its hide-bound pedantry, and there may not be such a large margin left to attract when the decision (almost inevitable) is ultimately taken. Apart from that, the war news has had a stimulating effect on the general position, and although the railway trouble caused an uneasy feeling the tone, as a rule, has been very cheerful.

With a fair amount of business passing the gilt-edged section showed up to considerable advantage in the early part of the week, but the $4\frac{1}{2}$ per cent. War Loan sagged a little as the prospective value of the conversion rights became more remote. Other issues as a rule were well supported, and the only stock to show weakness was Bank of England, which dropped a point. Colonials were almost neglected, but they displayed a firm front until the Commonwealth issue made its appearance. This seemed to take the market somewhat by surprise, although it was well known a week ago that another loan would have to be raised, and the fact that New Zealand also is in the market came as no surprise. Foreign stocks have been particularly idle, and almost neglected. Cuban Ports had a smart rally, and there was some support for Russians, Japanese, and Chinese; but, generally speaking, the market was quite undisturbed either by selling or buying, and the fluctuations that have occurred have been entirely without significance.

Home Railways were naturally affected by the threat of the enginemens' strike, not so much because of any immediate effect it might have, but as a symptom of the demands labour may make when, if ever, the systems are handed back to the control of the old boards of directors. Prices were very flabby at the start, but they rallied when the dispute was amicably arranged. Americans did not get much support, but Mexican National improved. Otherwise the tendency generally was dull. Canadian Pacific gained a fraction, and after some reaction managed to retain it, while Grand Trunks scarcely budged, and attracted no attention worth speaking about. Mexicans were fairly good, and Argentines improved on the settlement of the strike on the Central, but traffics are still far from exhilarating. United of Havana, Costa Rica, Antofagasta, and one or two others bucked up nicely.

Bank shares put on a fraction here and there, and Chartered of India gained a point, but Hong Kong and Shanghai fell back a little. Breweries continued to be picked up by venture-some investors, and Allsopps, City of London, Watney, Combe, Meux, and a few others soared to frothy heights, which may be found not to be justified when the present purely artificial conditions are removed, as they must be, judging by the growing irritation of the working classes. Iron and Steel shares were well supported, and a whole string of small advances appear on a comparison of the week's prices, but there is nothing of very much interest to mention. In the Land group Hudson's Bay, Duff Development, Forestal Land, and Nigers showed considerable strength, and Pekin Syndicates were firm on the interim report. Nitrates seemed to rather like the news of the strike; stocks were getting unwieldy, in view of the present restricted demand, but there are difficulties in the way of cutting down the output artificially, and the compulsory closing down of works may prove to be the best solution of the problem. In the Shipping department P. and O. took the lead with a smart advance,

and Court Line recovered part of the recent drop, but Khedivials were weak. Textiles were steady, and there was a good demand for miscellaneous Industrials, many of which show moderate gains.

Oil shares were again well supported, and most of the leading companies gained a good fraction. Royal Dutch, Ural Caspians, and Venezuelan Concessions being most prominent,

	Last Week	This Week		Last Week	This Week
Consols.....	55 $\frac{1}{2}$	56	N.S.W. 4 $\frac{1}{2}$ % 5 yr. bds.....	93 $\frac{1}{2}$	98 $\frac{1}{2}$
War Loan 3 $\frac{1}{2}$ %.....	87 $\frac{1}{2}$	87 $\frac{1}{2}$	" 4 $\frac{1}{2}$ % 1922-7.....	91	91 $\frac{1}{2}$
" 4 $\frac{1}{2}$ %.....	98 $\frac{1}{2}$	97 $\frac{1}{2}$	" 5%, 1921-3.....	96	96
" 5%, 1929-47.....	94 $\frac{1}{2}$	94 $\frac{1}{2}$	" 5 $\frac{1}{2}$ %, 1920-2.....	97 $\frac{1}{2}$	98 $\frac{1}{2}$
" 4%, 1919-47.....	102 $\frac{1}{2}$	102 $\frac{1}{2}$	New Zealand 4%, 1929 ..	86	86
India 3%.....	57	57	Queensland 4%.....	80	80
" 3 $\frac{1}{2}$ %.....	66 $\frac{1}{2}$	66 $\frac{1}{2}$	" 4 $\frac{1}{2}$ % 1920-5.....	93 $\frac{1}{2}$	93 $\frac{1}{2}$
Australian 5 $\frac{1}{2}$ %, 1920-22 ..	100	99 $\frac{1}{2}$	Union of S. Africa 4 $\frac{1}{2}$ % ..	92	92
Canada 4%, 1940-60.....	81 $\frac{1}{2}$	81 $\frac{1}{2}$	1920-5.....	92	92
" 4 $\frac{1}{2}$ %, 1920-5.....	93 $\frac{1}{2}$	93 $\frac{1}{2}$	Victoria 4 $\frac{1}{2}$ %, 1920-5.....	93 $\frac{1}{2}$	93 $\frac{1}{2}$
N.S.W. 4%, 1933.....	82 $\frac{1}{2}$	82 $\frac{1}{2}$	Westn. Aus. 4%.....	81	81
Argentine 4%, 1900.....	65	65	French War Loan, 5% ..	80 $\frac{1}{2}$	81 $\frac{1}{2}$ x
Belgian 3%.....	60	60	Japan 4 $\frac{1}{2}$ % (1st), 1905 ..	95 $\frac{1}{2}$ x	95 $\frac{1}{2}$ x
Brazil, 1913.....	71	71	" 5%, 1907.....	94	94 $\frac{1}{2}$
" 5%, 1914.....	80 $\frac{1}{2}$	80	Mexican 5%, 1899.....	67	67
Chinese 1896.....	94	94	Russia 4%.....	57	57
" 1912.....	78	79	" 4 $\frac{1}{2}$ %, 1909.....	73	75
Egypt Unified 4%.....	84	84	" 5%, 1906.....	62	72
Caledonian defd.....	82	82	London and N.-W.....	92 $\frac{1}{2}$ x	92 $\frac{1}{2}$ x
Gt. Central pref.....	132	132	London and S.-W. dfd.....	22	22 $\frac{1}{2}$
" dfd.....	62	62	Do red. pf. 1914.....	91 $\frac{1}{2}$	92
Gt. Eastern.....	35 $\frac{1}{2}$	35 $\frac{1}{2}$	Metropolitan.....	22 $\frac{1}{2}$	22 $\frac{1}{2}$
Gt. Northern dfd.....	36 $\frac{1}{2}$	36 $\frac{1}{2}$	Do. 5% pf.....	90	90
Gt. Western.....	86 $\frac{1}{2}$	86 $\frac{1}{2}$	Met. District.....	15 $\frac{1}{2}$	15
Lanes. and Yorks.....	65	64 $\frac{1}{2}$	Midland dfd.....	56 $\frac{1}{2}$	56 $\frac{1}{2}$
London Brighton defd.....	58 $\frac{1}{2}$	58 $\frac{1}{2}$	Nth. British dfd.....	13 $\frac{1}{2}$	13 $\frac{1}{2}$
London Chatham ord.....	8 $\frac{1}{2}$	8 $\frac{1}{2}$	Nth.-Eastern.....	99 $\frac{1}{2}$ x	99 $\frac{1}{2}$
Canadian Pacific.....	180 $\frac{1}{2}$	181 $\frac{1}{2}$	Sth.-Eastern dfd.....	26 $\frac{1}{2}$	26 $\frac{1}{2}$
E. Indian Guar. 4 $\frac{1}{2}$ % debts.	86	86	Erie.....	27 $\frac{1}{2}$	27
Grand Trunk ord.....	10 $\frac{1}{2}$	10	Milwaukee.....	86 $\frac{1}{2}$	86 $\frac{1}{2}$
Do. 1st pf.....	65 $\frac{1}{2}$	65 $\frac{1}{2}$	N. Y. Central.....	100 $\frac{1}{2}$	100 $\frac{1}{2}$
Do. 3rd pf.....	25	25	Southern.....	30 $\frac{1}{2}$	28 $\frac{1}{2}$
Atchison.....	107 $\frac{1}{2}$	107 $\frac{1}{2}$	Southern Pacific.....	97 $\frac{1}{2}$	97 $\frac{1}{2}$
Baltimore.....	79 $\frac{1}{2}$	79 $\frac{1}{2}$	Union Pacific.....	142 $\frac{1}{2}$	142 $\frac{1}{2}$
Chesapeake.....	63	61	U. S. Steel.....	116 $\frac{1}{2}$	116 $\frac{1}{2}$
Antofagasta dfd.....	126 $\frac{1}{2}$	126 $\frac{1}{2}$	Cent. Argentine ord.....	62	63
Brazil Common.....	52	52	Leopoldina.....	39	39 $\frac{1}{2}$
B. A. & Pacific.....	40 $\frac{1}{2}$	40 $\frac{1}{2}$	Mexican ord.....	18 $\frac{1}{2}$	19
B. A. Gt. Southern.....	76 $\frac{1}{2}$	77 $\frac{1}{2}$	San Paulo (Brazilian).....	187 $\frac{1}{2}$	187
B. A. Western.....	75	76	United of Havana.....	81 $\frac{1}{2}$	84 $\frac{1}{2}$
Anglo-South American ..	6 $\frac{1}{2}$	6 $\frac{1}{2}$	London & S.W.....	122	122
Bank of Australasia.....	118	118	London City & Midland.....	7 $\frac{1}{2}$	7 $\frac{1}{2}$
Bank of N.S. Wales.....	34 $\frac{1}{2}$ x	34 $\frac{1}{2}$ x	London County & Westm.....	14 $\frac{1}{2}$	14 $\frac{1}{2}$
Barclay & Co. "A".....	7 $\frac{1}{2}$ x	7 $\frac{1}{2}$	London Joint Stock.....	22 $\frac{1}{2}$	23
Do. "B".....	11	11	Nat. Prov. of Eng. (£10 pd)	26 $\frac{1}{2}$	26 $\frac{1}{2}$
Capital & Counties.....	23	23	Do. (£12 pd).....	30	30
Chartered of India.....	63 $\frac{1}{2}$	65	Parr's.....	29	29
Hongkong & Shanghai ..	80x	79 $\frac{1}{2}$ x	Standard of S.A.....	10 $\frac{1}{2}$	10 $\frac{1}{2}$
Lloyds.....	24	24	Union Discount.....	10 $\frac{1}{2}$	10 $\frac{1}{2}$
London & Provincial.....	15	15	Union & Smiths.....	23 $\frac{1}{2}$	23 $\frac{1}{2}$
London & Brazilian.....	23 $\frac{1}{2}$	23 $\frac{1}{2}$	Kynochs.....	32/6	32/6
Armstrong, Whitworth ..	39/6	39/6	Mond Nickel ord.....	34	34
Birmingham Small Arms	54/9	53/6	South Durham Steel.....	35/3x	36/6
Cammell-Laird.....	68	68	Thornycroft.....	36/	36/6
Cargo Fleet.....	22/	21/6	Vickers.....	39/	39/
Dorman, Long.....	39/6	40/	Fine Cotton Spinners.....	30/9	30/9
Associated Cement.....	31 $\frac{1}{2}$	31 $\frac{1}{2}$	Forestal Land.....	45/6	46/
Borax dfd.....	37/6	37/9	Furness, Withy.....	45/10x	45/10x
Bovril.....	19/	19/6	Harrods Stores.....	24 $\frac{1}{2}$	24 $\frac{1}{2}$
Brazil Traction.....	49	48	Hudson's Bay.....	7 $\frac{1}{2}$	7 $\frac{1}{2}$
British Amer. Tobacco ..	18/9	18/9	Imperial Tobacco "C" pf.	34/6	34/9
British Aluminium.....	31/6	32/6	Lever Bros. "C" pf.....	20/	20/
British Oil & Cake.....	30/6	31/	Lyons, J.....	42	4 $\frac{1}{2}$
Brunner, Mond.....	42	42	Marconi.....	34 $\frac{1}{2}$ x	32 $\frac{1}{2}$
Castner-Kellner.....	37 $\frac{1}{2}$	37 $\frac{1}{2}$	Maypole Dairy dfd.....	24/6	24/6
Coats.....	62	62	National Steam Car.....	19/9	19/6
Courtaulds.....	7	7 $\frac{1}{2}$	Pears, A. & F.....	12	12 $\frac{1}{2}$
Cunard.....	3 $\frac{1}{2}$	3 $\frac{1}{2}$	P. & O. dfd.....	318	325 $\frac{1}{2}$
Denniss Bros.....	35/3	36/9	Royal Mail.....	113 $\frac{1}{2}$	113 $\frac{1}{2}$
Eastern Telegraph.....	144	144	Underground Inc. Bds.....	82	83
Eastmans.....	9/	10/6	North Caucasian.....	12 $\frac{1}{2}$	12 $\frac{1}{2}$
English Sewing Cotton ..	48/6	48/6	Roumanian Cons.....	12/3	12/6
Anglo-Egyptian "B".....	17/	18/	Royal Dutch (100 gulden)	48	49 $\frac{1}{2}$
Baku (10s).....	2/9	2/9	Shell.....	5 $\frac{1}{2}$	5 $\frac{1}{2}$
Burmah.....	68	68	Spies (10/-).....	11/9	12/
Lobitos.....	2 $\frac{1}{2}$	2 $\frac{1}{2}$	Ural Caspian.....	1 $\frac{1}{2}$	1 $\frac{1}{2}$
Maikop Pipeline.....	3/	3/	Mertlmau 2/-.....	6/1 $\frac{1}{2}$	6/1 $\frac{1}{2}$
Mexican Eagle pf.....	3 $\frac{1}{2}$	3 $\frac{1}{2}$	Pataling 2/-.....	42/3	43/
Anglo-Java Rub. (2/-).....	7/4	7/4	Port Dickson 2/-.....	41/1x	41/1x
Anglo-Malay 2/-.....	14/10 $\frac{1}{2}$	15/1 $\frac{1}{2}$	Rubber Trust £1.....	28/3	28/4 $\frac{1}{2}$
Ayer Kuning £1.....	50/6	52/	Sapumalkande £1.....	26/6	26/6
Bukit Mertajam 2/-.....	51/3x	53/	Selangor.....	35/	35/10x
Bukit Sembawang 2/-.....	34 $\frac{1}{2}$	34 $\frac{1}{2}$	Sialang £1.....	76/3x	75/6x
Carey United £1.....	47/0	47/6	Singapore Para 2/-.....	47 $\frac{1}{2}$	47 $\frac{1}{2}$
Chersonese.....	3/9	3/9	Singapore United 2/-.....	3/2	3/2
Gula Kalumpung £1.....	36/3	36/3	Taiping 2/-.....	47/	47/
Highlands £1.....	60/6	60/6	Tandjong £1.....	87/6	89/
Java Para £1.....	33/6x	33/3x	Tandjong Mallim £1.....	35/	35/
Johore Rubber Lands £1.....	36/9	36/	Tebrau £1.....	74/	74/
Langen Java £1.....	46/6x	46/	United Serdang 2/-.....	11/9	12/
Linggi 2/-.....	29/9	30/	Vallambrosa 2/-.....	24/3x	24/3x
London Asiatic 2/-.....	9/	9/	Gt. Boulder (2/-).....	12/	12/3
Malacca £1.....	5 $\frac{1}{2}$	5 $\frac{1}{2}$	Kysht.m.....	2 $\frac{1}{2}$	2 $\frac{1}{2}$
Malayalam £1.....	37/	37/6	Mashonaland Agency.....	4/10 $\frac{1}{2}$	5/
Abbotiakoon (10/-).....	4/9	4/9	Meyer & Charlton.....	5 $\frac{1}{2}$	5 $\frac{1}{2}$
Bechuanaland Exp.....	5/10 $\frac{1}{2}$	6/8x	Modder "B".....	8 $\frac{1}{2}$	8 $\frac{1}{2}$
Brakpan.....	5 $\frac{1}{2}$	5 $\frac{1}{2}$	Do. Deep.....	7 $\frac{1}{2}$	7 $\frac{1}{2}$
Broken Hill Prop. (8/-).....	47/3	47/6	Mysore.....	33 $\frac{1}{2}$ x	34 $\frac{1}{2}$
Cam & Motor.....	9/6	9/6	Rand Mines (5/-).....	3 $\frac{1}{2}$	3 $\frac{1}{2}$
Central Mining (£12).....	6 $\frac{1}{2}$ x	6 $\frac{1}{2}$ x	Rio Tinto (£5).....	62	62 $\frac{1}{2}$
Chartered.....	13/7 $\frac{1}{2}$	13/6	Russo-Asiatic.....	4 $\frac{1}{2}$	4 $\frac{1}{2}$
City Deep.....	4 $\frac{1}{2}$	4 $\frac{1}{2}$	Spring Mines.....	3 $\frac{1}{2}$	3 $\frac{1}{2}$
Cons. Gold Fields.....	1 $\frac{1}{2}$	1 $\frac{1}{2}$	Tanganyika.....	3 $\frac{1}{2}$ x	3 $\frac{1}{2}$ x
Cons. Langlaagte.....	22/6x	22/6x	Tanayik.....	1 $\frac{1}{2}$	1 $\frac{1}{2}$
Crown Mines (10/-).....	2 $\frac{1}{2}$	2 $\frac{1}{2}$	Van Kyn Deep.....	3 $\frac{1}{2}$ x	3 $\frac{1}{2}$ x
De Beers dfd. (£2 10s.).....	13 $\frac{1}{2}$	13 $\frac{1}{2}$			
East Rand.....	6/9	7/3			
Goldfield.....	39/6	40/			
Gov. Areas Mod.....	34 $\frac{1}{2}$	34/6			

* Treasury prices.

but North Caucasians were flat. Rubbers enjoyed a good measure of support, and the price of the commodity remains so steady round 2s. 6d., at which very handsome profits can be made, that investors feel more security than when the quotation fluctuated wildly between, say, 2s. 2d. and 4s. If it can only be kept at the present level for some time to come no one will have any reason to complain.

LONDON PRODUCE MARKETS.

SUGAR.—No alteration was made in quotations, and a good demand prevailed for available supplies.

COFFEE.—Steady absorption ensued with regard to spot parcels, and all suitable home-trade qualities realised a full range of values. Future delivery market idle, and quotations, though firmer, are largely nominal.

COCOA.—Auctions totalled 11,809 bags, of which 10,472 bags consisted of Colonial import, including 4,487 bags Grenada. Fair competition ensued, particularly for Grenada, and whilst this quality ruled 1s. 6d. to 2s. per cwt. dearer, a firm tone prevailed regarding other kinds. Good to fine Grenada sold, 8rs. to 85s.; fine Ameroon, 80s. 6d.; ditto Trinidad, 87s.

CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING AUGUST 24, 1917.

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt., duty 14l. 98% polarisation	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granu-			Greasy Crossbred	nom.	nom.
lated, first marks			New Zealand	nom.	nom.
f.o.b., spot	nom.	nom.	(scoured) Merino	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Greasy Crossbred	nom.	nom.
French Cube	nom.	nom.	Cape snow white	nom.	nom.
prompt	nom.	nom.	India-rubber p. lb.		
Crystallised, West			Plantation, Spot		
India ..	2 6 9	2 6 9	Crepe ..	0 2 5½	0 2 6½
Beet, 88% f.o.b.	nom.	nom.	Coal —per ton		
Tea —per lb., duty	s. d. s. d.	s. d. s. d.	Durham, best ..	nom.	nom.
1/- lb.			Seconds ..	nom.	nom.
Indian Pekoe ..	11-1 6	11-1 6	East Hartlepool ..	nom.	nom.
Broken ..	1 0-2 2½	1 0-2 0½	Seconds ..	nom.	nom.
Orange ..	1 0-1 8½	1 1½-1 9	Steamers, best ..	30 0	30 0
Broken ..	1 0-2 2½	1 3-2 1	Seconds ..	27 0	27 0
Pekoe Souchong	11-1 3	11-1 0	Lead —per ton.	£ s. d.	£ s. d.
Ceylon Pekoe ..	11-1 3	11-1 5	English Pig ..	nom.	nom.
Broken ..	1 0-1 10½	1 3-1 10	Foreign soft ..	£ 30½-£ 29½	£ 30½-29½
Orange ..	1 1½-1 3	1 1½-1 3	Quicksilver —per		
Broken ..	1 3-2 4	1 3-2 2	bottle firsthand	nom.	nom.
Pekoe Souchong	11-1 0	11-1 0	Tin —per ton		
Cocoa —per cwt.	s. s.	s. s.	English Ingots	£ 243-244	£ 239-240
duty 6d. per lb.			Do. bars ..	£ 244-245	£ 240-241
Trinidad—per cwt.	82 0-87 0	82 0-87 0	Standard cash ..	£ 244-244½	£ 240½-241
Grenada ..	67 0-82 0	67 0-84 0	Tin Plates, per bo	nom.	nom.
West Africa ..	57 0-65 0	57 0-65 0	Copper —per ton.		
Ceylon Plantation	70 0-85 0	70 0-85 0	English, Tough	nom.	nom.
Guayaquil Arriba ..	93 0-98 0	93 0-98 0	per ton ..	nom.	nom.
Coffee —per cwt.			Best Selected ..	£ 135-£ 131	£ 135-131
duty 42/- per cwt.			Sheets ..	£ 160	£ 160
East India ..	77 0-103 0	77 0-113 0	Standard ..	£ 120-120½	£ 120-120½
Jamaica ..	66 0-120 0	66 0-120 0	Jute —per ton.		
Costa Rica ..	76 6-102 6	76 6-102 6	Native firsts for	nom.	£ 18 10
Provisions —			shipment		f.o.b.
Butter, per cwt.			Oils —		
Australian finest	206/-209/-	206/-209/-	Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Irish Creameries	nom.	206/-211/-	Rape, refined	£ 71	£ 71
Dutch ditto ..	230/-270/-	240/-250/-	" crude ..	£ 66	£ 66
Russian finest ..	nom.	nom.	Cott'n Seed, crude	£ 60	£ 60
Normandy basket	nom.	nom.	Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
Danish finest ..	260/-270/-	280/-	Petroleum Oil, pe		
Brittany rolls ..	23½-24½	24½-24½	8 lbs. ..	1/3½	1/3½
Bacon —per cwt.			Water White ..	1/4½	1/4½
Irish ..	155/-157/-	155/-157/-	Oil Seeds, Linsee	—	—
Continental ..	150/-157/-	150/-157/-	Calcutta—per ton		
Canadian ..	150/-155/-	153/-	Spot ..	30 0 0	30 0 0
American ..	138/-150/-	146/-150/-	Rape ..	30 0 0	30 0 0
Hams —per cwt.			Iron —per ton		
Irish ..	170/-	176/-180/-	Cleveland Cash ..	nom.	nom.
Canadian ..	138/-142/-	140/-142/-	Tobacco —duty		
American ..	110/-137/-	110/-137/-	unmanufacture-		
Cheese —per cwt.			7/4 to 8/0 per lb		
Dutch ..	112/-128/-	116/-130/-	Maryland & Ohio	nom.	nom.
Canadian ..	nom.	nom.	per lb. bond ..	nom.	nom.
English Cheddar	132/-	132/-	Virginiateat ..	0 8-2 1	0 8-2 1
Wilt's loaf ..	nom.	nom.	Kentucky leaf ..	0 7-0 11	0 7-0 11
New Zealand ..	nom.	nom.	Latakia ..	2 0-5 0	2 0-5 0
Rice —per cwt.	s. d. s. d.	s. d. s. d.	Havana ..	1 6-6 6	1 6-6 6
Japan ..	29 6	29 6	Manila ..	nom.	nom.
Rangoon 2 stars ..	26 3	26 3	Cigars, duty 10/-		
Eggs —per 120.			per lb. ..	2/ upds.	2/ upds.
English ..	27 0-28 0	27 0-28 0	Timber —Wood.		
Irish ..	24 0-26 0	25 0-26 0	Pitch Pine ..	300/-400/-	300/-400/-
Danish ..	23 6-25 0	23 6-25 0	Indian Teak ..	38½/-700/-	38½/-700/-
Spelter —			Turpentine —		
G.O.B. as to posi-			American Spot ..	2 17 3	2 17 3
tion ..	£ 54-£ 50	£ 54-£ 50	Copra —per ton	46 0 0	46 0 0
Flour —per sack.					
Country Straight					
Runs ex Mill ..	59/-61/-	59/-61/-			

TEA.—4,700 packages Indian and 11,000 packages Ceylon were offered by auction this week, and while class A and also B ruled dull of sale, the finer grades sold readily at full rates.

SPICE.—Pepper market firm, with a fair trade. Fair black Singapore, spot, sold, 11d. to 11½d.; ditto July-September, buyers, 11d.; Muntok, August-September, quoted, 1s. 1d. Cloves remain slow of sale. Fair Zanzibar, spot, sold, 1s. 3d. Tapioca quiet, but fully steady. Fair flake, spot, sold, 5½d.; and to arrive 5d., c.f. and i. terms. Fair Penang seed pearl, spot, sold, 53s.

RICE.—Market quiet, steady. Beans and peas, slow, unaltered. **HEMP.**—New Zealand nominal. Fair July-September quoted £ 88.

SHELLAC lower. T.N., October, sold, 239s. to 222s.; December, 240s. to 224s.

GAMBIER steady, and block, August-September, sold, 51s., ex quay terms.

RUBBER quiet, but values rather steadier. Plantation, spot, crepe, sold, 2s. 5½d. to 2s. 6½d.; October-December, 2s. 7d. to 2s. 8d. Ribbed smoked sheet, spot, sold, 2s. 4d. to 2s. 4½d. Fine hard Para, spot, done, 3s. 3d. Soft fine, spot, quoted, 2s. 10d.; and ball, 1s. 9½d.

COPRA quiet, but quotations for the main part were unaltered.

TALLOW.—Public sales passed off with a fair demand, and prices showed an average advance of 6d. per cwt.

CORN (Mark Lane).—Business continued on a moderate scale this week, and quotations underwent little change. Wheat: Native grain is very sparingly offered and nominal, while of imported descriptions No. 4 Manitoba rules at 8rs. 3d.; No. 5 ditto, 7rs. 3d., both ex ship, to arrive. Canadian feed, 72s. 6d., ex quay. Flour: Japanese, 78s., landed. Country straight runs, 59s. 6d. to 61s. per sack, ex mill, as to quality. Maize: Plate, 79s. 6d.; and white flat South African (No. 2 grade), 86s., both quay terms. Barley: Indian nominal, at 83s. 6d., ex quay. Oats: American white clipped, No. 2, 60s., ex ship, 61s. landed. Chilean tawny in latter position, 63s.

COTTON (from our Manchester correspondent).—The market has presented a generally quiet appearance during the past week. The annual holidays in numerous Lancashire towns at this time of the year have the effect of disorganising trade, and buyers and sellers have not been in the mood to enter into negotiations of importance. Some changes with regard to the levies in connection with the curtailment of production scheme of the Control Board have been made, and spinners and manufacturers are now being compelled to decide upon their course of action. Much difference of opinion prevails as to whether it will be worth while to pay the levies and run more machinery than 60 per cent. Rather less favourable advices have come through relating to the Egyptian crop. It is said that insects are doing serious damage to the plants. An indifferent demand has been experienced in piece goods for most outlets. For India only a sorting up business has been done. Without there being any general buying for China, a fair turnover has transpired in some quarters. The minor markets of the Far East have again done fairly well. Less activity continues to show itself for Egypt and South America. Makers of sateens are very busy, and early delivery is not easily obtained. The recent improvement in the position of producers of printing cloths is being maintained. American yarns for home use have moved off slowly at irregular rates. It is believed in some quarters the position in this section will be better before very long. Some moderate lots have been put through in yarns for India and France. Egyptian spinnings have moved off irregularly, and fine numbers continue to attract more attention than coarse counts.

DIVIDENDS ANNOUNCED.

Bradford Dyers Association.—At the rate of 7 per cent. per annum on ordinary shares for half-year to June 30, the same a year ago.

Bents Brewery Company.—Interim on ordinary 2½ per cent. actual, less tax, 5 per cent. paid in April.

Cuba Railroad.—3 per cent. on the preferred stock.

J. and J. Cunningham.—On the ordinary shares at the rate of 10 per cent. per annum, with a bonus of 5 per cent.

Dunlop Rubber Company.—Further interim at the rate of 17½ per cent. per annum for six months to Aug. 31.

Electro Bleach and By-Products.—Interim for the current year of 3½ per cent., less tax, on the preference shares, payable Sept. 1.

Great Boulder Proprietary Gold Mines.—9d. per share, less income-tax, payable Sept. 24, the same as a year ago.

Hackney and Shepherd's Bush Empire Palaces.—Interim for half-year ended June 30 at rate of 5 per cent. per annum, less tax.

John Anderson's Royal Polytechnic.—Usual half-yearly at rate of 5 per cent. per annum on the preference shares, payable Sept. 1.

Kambutan, Limited.—8d. per share, less tax, payable on 24th inst., the same as a year ago.

Manchester Hippodrome and Ardwick Empire.—Final for year ended June 30 at the rate of 10 per cent. per annum, less tax.

New Sharlston Collieries Co.—Interim of 1½ per cent. (5s. per share), less tax, payable on Aug. 24, same as a year ago.

Nicholsons, Ltd.—Interim on the ordinary shares at the rate of 6 per cent. per annum for half-year to Aug. 12, payable Sept. 29, the same as a year ago.

Philippine Dredges.—Dividend No. 1 of 1s. per share, less tax.

Plummer Roddis.—Interim for half-year to Aug. 7, 1917, at rate of 5 per cent. per annum, less tax, on both preference and ordinary shares, payable 31st inst.

Spratt's Patent (America).—Interim of 6d. per share, less tax, payable Sept. 8, the same as a year ago.

Southern Punjab Railway Co.—Interim on the ordinary stock for year ending Sept. 30, 1917, of 5 per cent., at the rate of 10 per cent. per annum, payable on Sept. 12, the same as a year ago.

South-West Suburban Water Co.—5 per cent. per annum on pref. shares and 7 per cent. per annum on ordinary for six months ended June 30.

Talisman Consolidated.—1s. per share, payable on Sept. 18.

Tyneside Electrical Development Co.—Interim of 3 per cent. on preferred ordinary shares for half-year ended July 31, payable, less tax, on Aug. 31.

Van den Berghs.—10 per cent. actual on ordinary shares, payable Sept. 26.

Wolseley Sheep Shearing Machine Co.—Final 7½ per cent., making 12½ per cent., less tax, for 1916.

Workington Iron and Steel Co.—Final for the year ended June 30 on the ordinary shares of 7 per cent., making 10 per cent. for the year, less tax, the same as for 1915-16, payable Oct. 1.

By-the-Way War Notes.

Easy would it be to fill this entire number with comments about and a chronicle of the week's great warrings. Nobody would thank us for that. At the same time, some space must be occupied in dealing with the signs and moralities of the present phase of the struggle, because we have evidently reached the supreme agony in the fighting. On every front it is furiously active. The French and ourselves are giving the Germans no rest in Belgium, in Flanders, in Champagne, or around Verdun, and the attack of the Italians on their long and difficult front is the most sustained and deadly they have ever undertaken. It also promises even as we write to be triumphant. In Mesopotamia and Macedonia also the Allied troops are moving to keep the enemy on the *qui vive*, or on the run, and if this universal pressure can only be maintained, the resistance of the Prussians must break down, whatever the determination of the Junkers to go on may be. Their helpless pawns, already woefully thinned, are being consumed on all fronts at an exhausting speed; therefore their power to conduct a further large offensive against Russia has been paralysed by the force of our devastating blows in the West, and the brave Rumanian army is resisting so well that King Ferdinand has not had to forsake Jassy, although the Government has in prudence slipped away to Odessa. But such is already the effect of our crippling. The hordes of Mackensen and the Austrians combined have not yet captured the Moldavian harvest, and we hope never will. The supreme, let us hope the decisive, hour of the conflict is upon us. If proof were required that it is so, the new abominations of inhumanity which the Germans have once more proclaimed their degradation by furnishes it, and dispels any doubt. What, we should like to know, have our smooth-speaking pacifists to say about those aircraft bombardments repeatedly concentrated upon well-known hospitals situated behind the French lines at Verdun, and persisted in with a fiendish perseverance despairing to think of? And, almost simultaneously, other aircraft attacked hospitals behind our front in Flanders, totally regardless whether friend or enemy lay helpless within them. What say our hypocrites to these deeds of indelible shame? Both at Verdun and behind our lines in Flanders the German wounded themselves seem to have suffered from the attack more than either the French wounded or ours, but what cares the battered Prussian now at bay, and venting his rage on all and sundry like a wild beast at bay? Again and again his airmen returned, trying to massacre the hospital attendants.

Leave the pacifists to their prattling about the brotherhood of man, universal democracy, the inherent grandeur of the Teuton, and all that sort of drivel, and let us turn to Mr. Gerard for some help in finding an explanation of this latest outburst of crime, as destructive of German hopes as it is diabolical. In the 21st chapter of his *Memoirs*, now running through the columns of the *Daily Telegraph*, where they are avidously read, he says:—"To the outsider the Germans seem a fierce and martial nation, but in reality the mass of the Germans in consenting to the great sacrifice entailed by their enormous preparations for war have been actuated by fear." This fear dates from the Thirty Years' War, the war which began in 1615 and ended in 1645, a war by which the population was brought down from 20,000,000 to 4,000,000, and which produced a depth of misery so profound that cannibalism and polygamy became common in the land. In the Lower Palatinate only one-tenth of the population survived, in Wurtemberg only one-sixth, and, Mr. Gerard contends, the fear then driven into the souls of the Germanic race has never been expelled. It has remained the most cowardly in the world, in a moral sense. To-day the Germans, when they think no spy is about, which is but seldom, will talk treason and display a keenness of mind in dissecting the character and designs of their rulers, in setting forth their ideals, &c., but let a policeman appear, and there is instant

silence, a scattering as of rabbits at sight of a fox terrier. Or they will discourse brave words in public assemblies, demanding reforms and so forth—until authority emerges, when the orator shrivels up, relapses into silence, or sneaks away. Is it not this all-pervading fear, this cowardly shrinking before the man with the whip, which gives us the key to the perpetration of all the long series of crimes of which this deliberate bombardment of hospitals is the latest? Plainly, the masters of Germany are now beside themselves with fury at their defeat, at the approaching annihilation of their despotism, and in their fury nothing is too base for them to attempt. They order the crime, and their serfs, grovelling, obey. This surmise does not exonerate the perpetrators of cruelties no brave man would have a hand in, but it may explain and to some extent, perhaps, excuse. The degraded creatures are, after all, acting in accordance with their nature and training. And the crimes notify to us that the Hohenzollern imposture is tottering to its fall. Cannibalism has not yet arrived, perhaps, in Germany, but promiscuity, if not polygamy, has, and the race has lost its vitality for generations, even as did the Paraguayans of the seventeenth century.

Displays of moral baseness like these promiscuous butcheries of wounded in hospitals help to explain the attitude of democracies everywhere outside Germany towards this upheaval of savagery. Our working men more and more feel that it will be impossible to end this war in the old-fashioned way. Hitherto it has been—after so much fighting wherein the one Government and its opponents have got as many of their unfortunate subjects done to death as they think they can well spare, arms are put aside, bigwigs meet to palaver and bargain, spoils are secured and divided, a treaty is signed in due form, and forthwith the recently fighting-by-proxy potentates embrace and make friends. All henceforth goes on as if no war had ever happened, as if none had died to please a passing mortal's ambition, and until the next quarrel breaks out. That will not do any longer. A passionate desire which cannot be gainsayed exists, and is deepened in the breasts of the democracies by every new crime, for the punishment of the primarily guilty in this war. That is why it is nonsense—with all respect to the Pope—to talk of peace until the enemy is beaten to submission. Even were the Kaiser and his Junkers forthwith to surrender their claims upon Belgium and to show a readiness to evacuate all the occupied territory, whether in the West or in Russia and Rumania, professed themselves willing also to give up Alsace-Lorraine, the sentiments of the aroused democracy would be nowise satisfied. It asks, and would continue with increasing insistence to ask: What is to be done with those murderers of the innocent, those thieves, ravagers, assassins who have perpetrated crimes unnumbered and brought desolation and woe in Belgium and Northern France, to those superintendents of the wholesale slaughter of Armenians by the Turks in Asia Minor, to the devourers of Serbia and the garroters of Poland and Bohemia? These monsters of tyranny, no matter what titles they arrogate to themselves or how high their military "status," must be brought to justice, tried, and, if found guilty, condemned and hanged. To shoot them would be to give them the honourable death of men. This is what the common people think and say, this is why dread prevails lest in the peace to come the democracy should be once again betrayed.

Turning to the actual incidents of the conflict, which readers will have followed from day to day with their usual eager closeness, it is to be noted first of all that there is now such a co-ordination in the Allied attacks as never existed before. If persevered in, as we feel sure it will be, that harmony in effort must bring the war to a speedy conclusion; for the German males, what remains available of them, are being driven to their death in such multitudes and with such continuity as makes it impossible for the military tyrants, who fling them into the *mêlée* as callously as they would feed a chaff cutter with straw, to continue to rake together an adequate quantity of the necessary gun fodder. The three years of war must have already used up the

German manhood to an extent much greater than has ever been revealed, and we shall not be at all surprised to learn that by the time the present offensive has attained its objective the exhaustion of the males of the Teutonic slave population has become at least as paralysing as it was at the end of Frederick II.'s seven years of war, when, but for the defection of the Holstein-Gottorp in Russia that arch-ruffian of the eighteenth century might have been made an end of. All the stronger motive for the enemy to go on fighting now, to go on also accusing the Allies of "prolonging the war." The Prussian Picrocholo must do that to the last hour, in fear like his slaves; so there must not be any pause or slackening in our attacks. If possible they must be multiplied and extended so as to give the enemy no rest at any part of the long containing lines. His "Allies," of which he brags so much, Turkey and Bulgaria, are already well on the way towards extinction as Powers of any kind, and, come of Russian help what may, Italy will soon have Austria at her mercy.

It is reported that the Prussians have had to bring back troops from Galicia to resist the Allied pressure in the West, and that is probably true enough; and what does not such a transfer suggest about the state of the Hohenzollern Empire? Well, perhaps, is it for Russia that Mackensen and Leopold of Austria and other high-placed marauders are not in command of the armies they possessed even a year ago. We are consuming the men in other fields, in Western Europe and in the Italian Alps, and the Russian democracy will be saved in spite of its follies. People in this country, by the way, have never fully grasped the stupendous character of the Italian campaign, or the splendour of Italian efforts. It is time we made ourselves familiar with the nation and its heroism, and those who desire to do so should read "Italy at War," by Herbert Vivian, a book published early this year. Mr. Vivian knows and loves his Italy, and the book is not only full of instruction but easy to read. Were it not that the campaign in France challenges all our attention the fighting east of the Isonzo and in the Julian Alps would to-day hold the hearts of Europe in enthralled attention. In the gathering impotence of their fury the Austrians attack in Galicia and Rumania as if they were still strong and able to prevail. The Prussians, too, are making onslaughts on the Russians away in the north near Riga, and talk of Petrograd as their objective still. It is all bluff now, more contemptible than ever, and costly, too. But since better cannot be we must be thankful. In thus consuming their own gun fodder they ease the after labour of the victors.

Other indications of the approach of the climax which heralds defeat for the marauder empires are visible in the spasmodic outbursts of impish wantonness in crime exhibited in these aeroplane and Zeppelin dashes here and there on our coasts. They occur on no definite plan and with no ascertainable definite purpose now, except to try to frighten people and to murder some unarmed citizens or to give pretext for lying at home. The Power conscious of its ability to obtain a victory in war would not condescend to these cowardly outbursts of murderous spite. What possible object can be served by that slaughter and wounding of some dozens of people in Dover and Ramsgate last Wednesday? There is no intelligible object in these raids of assassination whatsoever. They cannot intimidate; they are too late to effect any serious damage to our war efficiency; the only thing they can do is to steel the hearts of all the Allies in adamant resolve to go on with the killing until they attain the power to dictate measures effective to prevent for all future time the outbreak of demonic homicidal madness of this or any other type among the demoralised populations of Central Europe. Even if our academic pacifists here were to succeed in getting us to betray humanity at this turning-point in its story, we think we can now trust the democracy of the United States to step forward and say, "No, this miserable race of slaves must be disarmed. Its leaders must be tried and, as found guilty, sentenced and punished, and the means with which to

rebuild its assassin empires must be taken from it for ever. We shall even liberate the Germans from their Prussian oppressors, and give them a chance to become freemen; but their liberty to commit crimes must be destroyed."

Last week's depredations upon our shipping were much the same as in the previous week. That is to say, 15 ships of 1,600 tons and upwards were returned as having been sunk last week, but that includes one sunk the previous week, so that again only 14 large ships were actually sent to the bottom in the week. Three small ones also were sunk, besides two fishing vessels, and ten, allowing for the two brought forward, one from each of the two preceding weeks, were unsuccessfully attacked, making 19 in all encountered by our shipping. These figures, although still far short of proclaiming our complete mastery, begin to convince us that our much-girded-at Fleet, assisted by the American Fleet and by France, has definitely begun to get even with the cowardly pirates, build they U-boats never so feverishly. No greater success either seems to have attended the attacks on French and Italian ships, for last week the Italians lost only two steamers and three sailing vessels. Other two steamers and one sailing vessel were damaged, but managed to reach the port. As for the French losses, they amounted to five ships of 1,600 tons and over and four under 1,600 tons sunk, and three were attacked without success. No fishing boats were sunk. The total arrivals and departures of merchant ships at French ports were 2,061, the departures being 37 fewer than the arrivals. Our total was 5,602, of which 2,831 came in and 2,764 went out. The total was 360 more than in the preceding week, is, in fact, the highest number entering and clearing in one week thus far in August.

Look where we will there is good cause to be resolute and cheerful for all goes well and the end begins to look much less distant than it did in the weeks that preceded the beginning of the simultaneous offensive on all fronts. The foe will soon be as bankrupt in men to be killed as he already is in means.

American Business Notes.

Grumbling is not absent amongst business men in the United States over the tremendous levy made by the tax-gatherer to provide for war expenditure. It is quite natural that there should be protests and complaints, for the new taxation imposed is almost as heavy as our own. That is to say, from the income-tax alone £210,500,000 is expected, of which £144,000,000 will represent the war levy, and in other directions the hand of the tax-gatherer is heavy. Mr. Kitchin, however, chairman of the House of Representatives Ways and Means Committee, declared that he did not propose to have the tax burdens of the poor materially increased, and was, therefore, opposed to any further increases in taxes on the necessities of life. He maintained that the first and largest advance should be made in levies on normal income and on excess profits. "This war," he went on, "is for democracy, and hence its expenses should be met by a democratic tax, and the only possible way to levy such a tax is to base it strictly upon ability to pay." He cited our example in proof that American rates on incomes were not excessive. Assessments at one-half the scale of the English income-tax and excess profits tax would, he declared, yield £800,000,000 to the United States Exchequer next fiscal year. There is really no valid excuse for complaint. The levy is doubtless harder upon some people than others, but in the bulk it cannot be deemed excessive, and if in consequence of the war taxation habits of extravagance common enough before the war have to be abandoned, and the rising generation be compelled to practise plain living, no harm will be done.

That the people of the Republic are in a position to pay heavy taxes is surely demonstrated by the splendid record of the foreign trade of the past fiscal year ended June 30. The figures for all commodities are not yet

available for more than 11 months, but the results for the final month can be closely estimated, and including these estimates for the whole year the value of the exports may be put down at £1,260,000,000, which is nearly £400,000,000 more than the total for 1915-16, and four times the value for 1904-5. Deducting the value of the imports, which have not increased to any important extent, the result is a nett balance of £727,000,000 to the credit of the United States on its foreign commerce of the past fiscal year. This prodigious expansion is by no means due altogether to increased prices either, although all values are higher, but the principal source of the magnificent prosperity is Europe's requirements for munitions and instruments of war. The value of explosives exported from the States, for example, was a mere £1,500,000 in 1914-15, and last year it exceeded £151,000,000. Last year about 900,000 bales of cotton "linters" were consumed in the manufacture of gunpowder, but there was less sugar sent out of the country, fewer horses also, the stock having been depleted, and not much increase in cotton exports, measured by quantities. Of the aggregate value of last fiscal year's exports, no less than £400,000,000 was ascribable to the purchases of the United Kingdom. This was £100,000,000 more than we took in the previous year, and almost as much as the entire value of the United States exports to all and sundry in 1910-11. France, Russia and Italy, as well as Canada, were likewise all great war customers, and as prices have generally been splendid, the profits cannot fail to have diffused an unexampled sense of wealth throughout the community. A few examples of the higher prices may be mentioned; brass plates averaged 30½ cents per pound last year, against 28½ cents in the preceding year, copper ingots 28.16 cents, against 21.28 cents, steel billets were sold at \$68.90 per ton, against \$40, steel rails at \$42.80, against \$32.48 per ton, and structural steel at \$65.83 against \$42.48. Raw cotton, too, rose from 12.1 cents to 17.7 cents.

As the import of commodities by the country did not much exceed the previous year's total, it followed that the power to call gold from abroad to fill the void became unprecedented. Accordingly the nett import of gold by the States in the three years since the war began has been about £223,000,000. In the year closed June 30 last the nett imports reached £195,400,000, and nearly £180,000,000 of that came from Canada—sent on British account, and we also sent £10,000,000 direct from here. But the States had also to meet an export demand for gold amounting altogether to £58,400,000 for the 12 months ended June 30, 1916, and of this £5,000,000 went to the West Indies, £9,000,000 to Spain, £2,000,000 to Canada, £11,600,000 to South America, and £16,400,000 to Japan. So the nett import of gold for 1916-17 was £137,100,000.

Interesting statistics are always issued with the report of the Inter-State Commerce Commission relating to the railways of the United States, and those for the year 1915 may come to possess retrospectively a high value, for the war seems likely to bring about changes in the position of the United States railroads similar to those hanging over our own. It appears that during 1915 the main lines of United States railways reached a length of 259,211 miles of worked-over road, and that the aggregate mileage of line of all kinds was 394,944 miles. Of this, 362,119 miles are classed as first-class, 22,831 miles as second-class, and 9,994 miles as third-class roads, and the aggregate of all descriptions shows an increase of 3,803 miles on the year, of which 1,641 miles was "first track" and 1,959 miles yard track and sidings. These roads gave work to 63,862 locomotives and 2,478,159 cars, of which 54,664 were passenger cars, these totals being exclusive of so-called private cars of commercial firms and corporations. The roads were staffed by an average of 1,654,075 employees, and the total wages earned by them was £281,000,000, an amount which does not look by any means excessive. The par value of the railroad capital was £4,200,000,000, divided into £2,470,000,000 funded debt and £1,812,000,000 of share capital. That was

the figure on June 30, 1915, and the nett income earned by the railways on this capital was about £121,000,000. The roads carried upwards of 1,000,000,000 passengers and about 2,226,000,000 tons of goods that year. The average receipt per passenger per mile was slightly over 2 cents last year and on goods per ton per mile 0.716 cents. Passenger fares showed a slight increase on the previous year, but the goods earnings were .016 down. Working expenses nevertheless fell from 70.52 per cent. of the receipts to 65.44. Gross revenue from working the lines was upwards of £676,000,000 last year, and the working expenses took £455,400,000. Of the total share capital outstanding, 40.96 per cent. received no dividend, but the average rate of dividend paid on all stocks was 4.71 per cent. The amount of dividends actually declared last year both by working and holding companies was £82,400,000, equivalent to 7.98 per cent. on the dividend-paying stock.

The usual exhibit of the United States Steel Corporation and its subsidiaries for the quarter ended June 30 contains many interesting figures. For that quarter nett earnings were \$68,874,000, after deducting all working expenses, costs of repairs and maintenance and taxes, this last including an estimated \$53,919,000 deducted for war income and excess profits taxes. For the whole six months ended at the same date the nett earnings were \$166,618,000, or £33,324,000, after setting aside \$25,945,000 for sinking fund depreciation and reserve, which is almost twice the similar assignment for the first half of 1914, and \$6,700,000 more than for the same half of 1916. Four years ago nett profits, in spite of much smaller deductions for sinking fund, &c., came to no more than \$13,868,000, and that year, notwithstanding that the preferred dividend for the half-year took nearly the whole of the free balance, or \$12,610,000 out of the \$13,868,000, a 2½ per cent. dividend was distributed on the ordinary stock, causing a deficit of \$11,449,000 on revenue account. In the following year accordingly no dividend at all was paid for

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the first six months on the common stock, and even then the surplus left after paying the preferred dividend was only \$2,878,000. The contrast to this presented by the first half of the present year becomes most striking, for the board is now able to pay a dividend at rate of $8\frac{1}{2}$ per cent. on the common stock, and still has \$110,803,000 left over to be parcelled out or carried forward. From this sum accordingly \$5,083,000 was deducted in the first quarter of the year as a special extra dividend of 1 per cent. on the common stock in order that the whole of it might be subscribed to the American Red Cross Fund. Moreover, in that same quarter \$33,865,000 was set aside as estimated additional allowances for war income and excess profits tax, and in these ways the final surplus was brought down to \$71,855,000, or within little less than \$9,000,000 of the surplus shown at the same date last year, when no such levies were made. Whether the position will continue as favourable in the matter of profits or not depends a little upon the action of the Government, or on the way the directors meet the Government's requirements. From what the directors have already done we are disposed to think that profits will not be so majestic from now onwards because the corporation is selling its steel to the Government at a figure little beyond cost price, and voluntarily taking other steps to help with the war.

Telegraphing on Wednesday, the New York correspondent of the *Daily Telegraph* tells us that to pay the cost of the war there is a movement in the Senate to increase the taxation on incomes and to reduce loans. To Senator Lafayette's proposal to increase the income-tax of people with £100,000 a year by 30 per cent., and a proportionate increase for all totals exceeding £100,000, there will probably be little objection. As to whether the Government will collect 80 per cent. of all war profits there is grave doubt. President Wilson himself believes that the policy of fairly liberal rewards must prove the best stimulus to keeping all lines of business going. It is uncertainty regarding war profit taxation which helps to stagnate the country's industry, says Wall Street, but, in these days, they are not paying so much attention to the voice of Wall Street as to the voice of the country at large. The following enormous war profits were made in 1916 by eleven big corporations engaged in making war supplies:—United States Steel Corporation, £41,750,000; Bethlehem Steel Corporation, £10,750,000; Anaconda Copper Mining Co., £8,000,000; Utah Copper Co., £6,750,000; American Smelting and Refining Co., £2,500,000; E. I. du Pont de Nemours and Co., £15,750,000; General Chemical Co., £2,000,000; Central Leather Co., £2,500,000; American Sugar Refining Co., £875,000; Republic Iron and Steel Co., £2,500,000; Standard Oil Co. of New York, £4,800,000. It is estimated that the above and other companies will, on the present basis, make still bigger profits in 1917, and Senator La Follette wants to annex 80 per cent.

Insurance News.

The Workmen's Compensation (War Addition) Bill, more or less an agreed measure between labour interests and large employers, has passed through all its stages in both Houses. As a result the tariff accident insurance offices have decided to charge an increase of 10 per cent. in the rates of premium, as from September 1 next, to meet the increase of 25 per cent. in the workmen's compensation benefits provided for by the Bill. The offices have decided to make no additional charge in the rates insuring domestic servants, since an additional levy of 10 per cent. in respect of these would represent as a rule such small amounts as hardly to cover the cost of collection. It appears that the increase in rates decided upon will be the bare cost of the increase in the benefits of 25 per cent. The additional premium is intended to be on account of fresh liabilities incurred on and after September 1, and the question of the incidence of the cost of the weekly payments already being made on September 1 was left to the discretion of the offices. While insurance companies in cases of long disability may continue to compound from the weekly

payments under the main Act by lump sums, the 25 per cent. additional benefit allowed by the Bill must in every case be paid weekly, a provision which appears likely to have the effect of discouraging the system of redeeming the liability for weekly payments by lump sums on the basis laid down by the Workmen's Compensation Act.

The total cost of the principal fire losses in Canada and the United States during the first seven months of this year exceeded that of the corresponding period of last year, which itself was an abnormally bad period. Actually the period appears to have been the most costly to underwriters since 1906, the year of the San Francisco earthquake, which was estimated to have caused a loss of 70 millions sterling. A number of very large fires have contributed to the total for the seven months to July 31, which exceeds that of the corresponding period by over four millions sterling. Some of the fires have occurred in munition works, in which British offices are believed not to have been largely interested, although some British offices have had very heavy claims.

Active preparations for peace conditions are, it is said, being made in every branch of insurance business in Germany. In life insurance a new development is the formation by a number of insurance offices of an undertaking whose object will be to take up the insurance of lives rejected by other offices. Individual companies, as the result of the war, are also paying more attention to the insurance of abnormal risks. German offices have also decided to insure against future wars all lives on which policies are issued after the conclusion of peace, and to make no difference in amount or payment of the insured sums as the result of death by war or otherwise.

Quite recently the City Life Assurance Company intimated that further developments were contemplated, and it is now announced that a provisional agreement has been entered into between the company and the Irish United Assurance Society, whereby a fusion of interests on mutually satisfactory lines is probable. The Irish institution has a premium income, largely industrial, of over £50,000 per annum, and assets amounting to £125,000. It may be noted that the City Life has been established in Ireland for over 20 years, and its facilities for further extending the scope of its house-purchase operations in Ireland will be considerably enlarged by its association with the business and connections of the company with which it is now arranging to amalgamate.

Tea, Oil and Rubber.

With the price of rubber anchored round 2s. 6d., there is reason enough for confidence in the future of the market. Imports last week amounted to 780 tons, while the deliveries were 850 tons, and stocks stand at 13,060 tons, against 7,510 tons a year ago. That does not look any too favourable a position statistically, but it must be remembered that restrictions on shipping owing to the shortage of tonnage are now being enforced, and dealers are not willing to let their stocks run too low. As regards the share market, the difficulty still exists of the floating supply of stock being very limited. It seems to be a pretty general experience that when the holder of a particular share decides

AUSTRALIAN MUTUAL PROVIDENT

Estd. SOCIETY. 1849.

The Largest Mutual Life Office in the Empire.

Funds, £36,000,000.

Annual Income £4,500,000.

MODERATE PREMIUMS.

LIBERAL CONDITIONS.

WORLD-WIDE POLICIES.

Every Year a Bonus Year. Whole-life Policies, 20 years in force, show average increase of the sum assured by Bonus exceeding 50 per cent.

ENDOWMENT ASSURANCE RESULTS ALSO UNSURPASSED.

37, Threadneedle St., London, E.C. 2.

to realise his profit he immediately puts the money back into some other company to which he has taken a fancy, and the consequence is that whatever stock comes on the market is quickly absorbed. Dealings are therefore largely a matter of negotiation except in a very few of the leading concerns. That has its disadvantages, of course, but on the other hand it is perhaps just as well that speculative dealings are barred (except to the insider who knows exactly how far he dare go in deferring payment or delivery of scrip), as otherwise it is pretty certain that the market would have run away to the sorrow and loss of the ordinary investor.

Very encouraging progress is shown by the Jugra Land and Rubber Estates, Ltd. The planted area has been increased in the year to April 30 by 367 acres under rubber and by 85 acres under coconuts, the total area cultivated being now 8,000 acres, leaving 16,000 acres in reserve. Output was 1,135,700 lbs. of rubber, an increase of 330,000 lbs. over the previous year's production, and 50,000 lbs. over the estimate. For the current year the output is estimated at 1,398,000 lbs., and we are inclined to think this might be easily exceeded if the management thought it desirable to do so. The coconut crop was 530,000 nuts, or 90,000 more than the estimate, and the current harvest is expected to yield 892,000 nuts, but the profits from this source are still almost negligible, although they may become important in the future. Rubber realised an average of 2s. 8.71d., or about 1d. less than last year, but the all-in cost (apart from depreciation) was cut down 2d. to the low figure of a shade over 10d. per lb., so the company is extremely well situated in this respect. Gross profits were £40,000 higher at £151,400, and the nett profit, after allowing £2,500 more for depreciation, comes out £44,000 higher at £103,600. The directors, however, very prudently retain the dividend at 20 per cent., and leave £67,900 to be carried forward, or more than double the amount brought in. This is subject to excess profits duty, the amount of which has not yet been definitely ascertained, but the company is in a strong and flourishing condition, so that the tax need not worry the shareholders unduly.

The Week in Mines.

The tone of the mining markets has been more cheerful this week, in sympathy with other markets, and business has been rather more active. Eastern Rand shares have been in fair demand, especially the Modder and Consolidated Mines Selection groups. Tin shares have been supported, and also Mexicans and Russians. In spite of the further rise in silver, Broken Hill shares have been merely steady, the strike in New South Wales being a counteracting influence.

SOUTH AND WEST AFRICANS.

The South African market has been distinctly more active, under the lead of Far Eastern descriptions. New Modderfonteins have risen $\frac{1}{2}$ to 21 $\frac{1}{2}$, Modder B's $\frac{1}{4}$ to 8 $\frac{1}{4}$, Brakpans $\frac{1}{4}$ to 5 $\frac{1}{2}$, and Springs $\frac{1}{2}$ to 3 $\frac{1}{4}$. Modder Leases have also been in good demand on Cape account at 64s. 6d., on news that the Government has accepted the proposal of the directors for a modification of the terms of the lease, and the change will become effective as from July 1. A maiden dividend is anticipated at the end of the year. Consolidated Mines Selection at 27s. 3d., Central Minings at 6 $\frac{1}{2}$ s., Crowns at 2 $\frac{1}{2}$ s., and Rand Mines at 3 $\frac{1}{2}$ s. are all higher on the week, and East Rands have even recovered slightly to 7s. 3d. Diamond shares have been neglected, but quotations have been maintained. The principal feature in the Rhodesian market has been the strength of Rezendes, which have risen $\frac{1}{2}$ to 2 $\frac{1}{2}$ s. These shares were quoted as low as 5s. last year. It is stated that the cause of the recent rise is that Sir Abe Bailey, who has been visiting Rhodesia, has purchased the Farrar holding of Rezendes, and has practically secured control of the property. In connection with this acquisition, it may be pointed out that what amounts to a new mine has been discovered in the eastern section of the property. But the present value of the shares is largely speculative, and may more than discount the actual value of the property. Gold Fields Rhodesian Development at 7s. 10 $\frac{1}{2}$ d. and Tanganyikas at 3 $\frac{1}{2}$ s. are better on balance.

COPPER AND MISCELLANEOUS.

Copper shares have undergone little change, but Rio Tintos have risen $\frac{1}{4}$ to 62 $\frac{1}{2}$, on news that the strike at the mines is over. Tin shares have been fairly active and firm in tone. Bauchi preference have improved to 11s., on the official statement that there will be a balance dividend for the past year, and also a maiden dividend on the ordinary. Jantars have risen to 22s. 6d., in anticipation of another 2s. 6d. dividend being declared shortly. Tekkas have been strong, and are $\frac{1}{4}$ s. up at 3 $\frac{1}{2}$ s. Mexican shares have been buoyant, in anticipation of the issue

of a Mexican Government loan, which is expected to facilitate greatly the economic recovery of the country. Camp Birds have risen 2s. to 8s. 3d., El Oros 1s. 6d. to 11s., Esperanzas 1s. to 9s. 0d., Mexico of El Oros $\frac{1}{2}$ to 5 $\frac{1}{2}$ s., and Santa Gertrudis 2s. 3d. to 12s. 6d. Broken Hills have met with some support, notably Sulphide prefs., which are 1s. higher at 38s. 3d. Burina Corporations have regained $\frac{1}{2}$ s. to 4. Waihis have reacted to 1 $\frac{1}{2}$ s. on profit-taking. Russian shares have been in some request, notably Kyshtims at about 2 $\frac{1}{2}$ s.

MINING NEWS.

RAND COLLIERIES.—This company, which is one of the Albu group that is closed down pending the provision of further working capital, apparently has another difficulty confronting it. At the recent meeting Sir George Albu said it was obviously impossible to raise funds until after the termination of the war, but in the light of the experience of other companies on the Far East Rand, it would appear that in order to attract fresh working capital it is necessary to hold a larger mining area than that at present possessed by the company, in order to provide an ample margin of insurance against the large percentage of unpayable ground, which is a general characteristic of that district. The Draft Mining Leases Bill, which has had to be withdrawn until the next session of the Union Parliament, provides for a Mining Leases Board, which would sit every three months in order to consider applications for the lease of Government ground, and constitutes a means whereby a company such as the Rand Collieries would at any time make proposals for increasing its area so as to provide the necessary margin against unpayable stretches of reef. When the Bill becomes law the board intends to involve a financial scheme which would enable the company to obtain the necessary funds to justify an application for additional ground.

AFRICAN LAND AND INVESTMENT.—Operations in the year ended March 31 resulted in a loss of £3,025, after providing £10,000 for debenture interest. Revenue from rents and licences amounted to £10,992, which closely approximates to last year's figure of £11,083, and the revenue from interest was somewhat less. The nett result of the year's transactions increases the debit of profit and loss account to £5,212. The total income from all sources amounted to £16,858, against £17,326. Reserve account stands at £7,493, but this does not cover the depreciation in investments, which will eventually have to be dealt with.

What Balance Sheets Tell.

CROYDON GAS CO.

During the half-year ended June last this company had many difficulties to contend with, but it has succeeded in maintaining the distribution on its consolidated stocks at within $\frac{1}{2}$ per cent. of the rate paid prior to the war, a distinctly satisfactory achievement. It is to be hoped that it will be able to weather the current half-year without having recourse to a further increase in the price of gas, which would, of course, automatically bring about a reduction in the rate of dividend. Sales of gas brought in £142,400, an improvement of £22,700; residuals yielded £7,685 more, and total revenue displays an increase of £31,130 at £210,600. Expenses were, however, £34,000 higher, and the profit available is insufficient to pay the dividends of 14 $\frac{1}{2}$ per cent. on the A and 11 $\frac{1}{2}$ per cent. on the B and C stocks by £1,345; this is withdrawn from the amount brought in, and leaves a carry-forward of £11,450.

DAILUAINE-TALISKER DISTILLERIES, LTD.

Although nearly all the ordinary share capital of this undertaking is now held by the Distillers Co., the public still has a substantial interest in it through the preference share issue, and, as the exhibit of one of the more important Highland distilleries, the report is always worth perusal. The year ended June 30 last has been particularly eventful and unfortunate. A disastrous fire occurred at Dailuaine Distillery, practically destroying the whole of the working portion. The damage was covered by insurance, but the loss through dislocation to business was, we should imagine, considerable; it is presumably to this circumstance that the greater part of the fall of £2,560 in profits is due. Still, the sum available, £11,145, is over twice the amount required to pay the dividend on the preference shares, and, thanks to a larger amount brought in, the carry-forward, after repeating the ordinary dividend at 5 per cent., is left £160 up at £4,520. In the balance-sheet debts due to the company have been reduced £25,400 to £40,400, but cash and investments total £11,200 more at £15,500, and stock has gone up £16,800 to £79,500.

CLARKSON'S OLD BREWERY (BARNLEY), LTD.

This old-established brewing undertaking did exceedingly well during the year ended June last, but the directors have not seen fit to restore the distribution to the pre-war level. The rate is, it is true, still 10 per cent., but the dividend used to be paid free of tax, whereas it is now declared subject to that deduction. Gross profit has risen £5,120 to £32,300, and as expenses, depreciation, and income-tax absorb only £950 more, the amount available exhibits an increase of £4,170 at £14,675. Preference dividend requires £3,900 and ordinary dividend £6,500, leaving a balance of £4,275. Of this sum £3,000, as against nothing last year, is put to reserve, £500 is set aside for doubtful debts and contingencies, and £775 added to the carry-forward, which is £1,285. With the latest allocation, the reserve fund will amount to £77,000, against an issued share

and debenture capital of £196,000; it is invested in the business, but liquid assets, apart from stock, are well in excess of current liabilities, and the balance-sheet position is quite satisfactory.

NORMANBY IRON WORKS.

In 1911 Pease and Partners acquired the assets of this concern, but the sale is not to be completed until between 1923 and 1932. Meanwhile, the company receives half-yearly amounts varying in accordance with the price of Cleveland No. 3 pig-iron, and, with this commodity fetching fancy prices, it is able to make substantial distributions on the ordinary shares. The company's income in the financial year ended June last amounted to £14,765, an increase of £160. Sundry expenses, chiefly income-tax, absorbed £540 more, but debenture interest and sinking fund requiring £880 less, nett profit came out at £10,035, an improvement of £500. As the amount brought in is £1,140 up, the company is able to increase the dividend from 8 per cent. to 10 per cent. and to carry £440 more forward at £2,045. There are no changes of importance in the balance-sheet.

SOUTH SUBURBAN GAS CO.

This company has been able to maintain the dividend on its ordinary and West Kent ordinary stocks at £4 16s. 8d. per cent. for the half-year ended June last, but it has been obliged to raise the price of gas by 3d. per 1,000 ft. as from the mid-summer quarter meter-readings, and the dividend under the sliding scale will thus be reduced to £4 6s. 8d. per cent. per annum. Gas sales, owing, it is said, mainly to the severe and prolonged winter and scarcity of house coal, have increased, and revenue from this source is £30,000 more at £206,200. Residual products have also been a source of increased revenue, yielding £13,500 more, and gross revenue exhibits an increase of £45,000 at £300,000. All this is more than lost, however, through the great rise in cost of manufacture. The fuel bill has gone up £46,000 to £165,900, and other items also showing substantial increases, nett revenue, after providing for debenture interest, is £5,900 down at £28,300. Fortunately, the amount brought in was £7,350 larger, so that the company is able to maintain the distributions, and leave the carry-forward £1,430 up at £14,200. Great difficulty has been experienced in replenishing the depleted stock of coal, &c., which at the date of the accounts was £22,000 lower than in the previous year. It is stated that a sufficient supply, subject to the approval of the Coal Controller, has now been secured, but the company must have had to pay a very large sum for it.

QUEENSLAND NATIONAL BANK, LTD.

In the half-year to June the gross profits increased £3,000 to £132,000, but expenses advanced practically to the same extent, and the balance is only £500 up at £51,900. This raises depositors' repayment fund to £62,700, or £1,400 less than it was a year ago, but the directors feel justified in raising the payment to depositors on September 30 next from 9d. to 1s. Government deposits have increased £630,000 and private deposits £100,000 to £5,644,000. Cash is down £120,000 at £973,000, but Commonwealth notes are £880,000 up at £1,792,000. Money at call in London shows an increase of £450,000, while advances, bills, &c., are £470,000 lower at £6,310,000. The balance-sheet total is £640,000 higher at £11,692,000.

W. H. CHAPLIN AND CO., LTD.

This firm is engaged in the wine business, a trade where profits are extremely susceptible to fluctuations in the general purchasing power. At the present time the public, with a full purse, is spending freely, and the company is making large profits, but the directors are not insensible to the reality of the position. The report expresses the view that the nation's prosperity may in the long run be only impoverishment, seeing that it mainly consists of distributions of borrowed money, which deepen the public indebtedness, and that the increased profits are needed to buttress the business against coming difficulties. The company has, even allowing for the fact that profit is struck before providing for excess profits duty, done remarkably well. Nett profit, after providing for a somewhat larger disbursement in respect of income-tax and an increased allowance for depreciation, has gone up £5,670 to £15,150. Only £600 more than last year is, however, distributed in dividends, which absorb £4,800. This is 8 per cent. on the ordinary capital, and compares with 7 per cent. a year ago. After distributing £2,100 among the staff, there remains a surplus of £4,450, which goes to raise the carry-forward £4,450 to £8,125. The balance-sheet shows that the company has an ample stock for its immediate needs, and, in view of the fact that clearances from bond are now reduced to one-half of those in 1916, and that spirits are only released after attaining three years of age, this is distinctly satisfactory. The financing of the stock, which at £170,475 is £57,300 more than a year ago, has compelled recourse to credit. Current liabilities are up £47,000, and liquid assets total some £5,000 less. We incline to the view that while present conditions obtain, the company is likely to continue to earn substantial profits, but whether the ratio of increase will be maintained remains, of course, to be seen. The company's profits are considerably above the pre-war limit, and the increased excess profits duty may prove a heavy burden.

LOCHGELLY IRON AND COAL CO., LTD.

The report for the year ended March, 1916, contained no reference to excess profits duty, although, judging from the low pre-war average, the company was assessable in this respect. In the latest report to hand, profit is stated to have been arrived at after making provision for liabilities to the Government, and thus the reduction of £31,100 to £91,000 is apparently not any-

thing like so disappointing as it seems at first sight. The ordinary dividend is maintained at 30 per cent., but £10,000 less at £20,000 is allocated to reserve. Fortunately, the company brought in a much larger sum, so that it is able to carry slightly more forward at £46,500. The adjoining property of North Pitkinny has been purchased, and collieries, land, &c., are up £20,225 at £285,000, while investments exhibit an increase of £32,000 at £172,000. Cash has been reduced £23,500 to £75,500, whilst sundry creditors and provisions have gone up £29,900 to £82,600. The collieries have been under Government control as from March 1, and the terms of agreement with the Government have not yet been issued.

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and August 18, 1917:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to August 18, 1917.	Total Receipts into the Exchequer from April 1, 1916, to August 19, 1916.
Balances in Exchequer on April 1:—			
Bank of England	—	25,209,947	25,111,065
Bank of Ireland	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs	70,750,000	26,318,000	24,514,000
Excise	34,950,000	13,858,000	19,665,000
Estate, &c., Duties	29,000,000	12,053,000	12,210,000
Stamps	8,000,000	2,498,000	2,760,000
Land Tax	—	—	—
House Duty	2,600,000	320,000	310,000
Property and Income Tax and Super Tax	224,000,000	41,904,000	28,311,000
Excess Profits Duty (including Munitions Levy)	200,000,000	66,238,000	16,811,000
Land Value Duties	400,000	207,000	90,000
Post Office	33,700,000	12,900,000	12,900,000
Crown Lands	600,000	160,000	160,000
Receipts from Sundry Loans, &c.	7,500,000	688,899	518,087
Miscellaneous	27,700,000	17,197,013	2,433,656
Revenue	638,600,000	194,341,912	120,682,743
Total, including Balance		220,777,771	146,257,749
OTHER RECEIPTS.			
Repayment of Advances for Bullion	—	880,000	1,700,000
For Treasury Bills (for supply)	—	822,616,000	662,127,000
For 4½ per Cent. War Loan, 1925-1945	—	—	434
For 5 per Cent. Exchequer Bonds, 1919	—	—	31,172,000
For 5½ Exchequer Bonds, 1920	—	—	80,864,500
For 5 per Cent. Exchequer Bonds, 1921	—	—	52,555,000
For 5½ per Cent. Exchequer Bonds, 1922	—	68,782,000	—
For War Expenditure Certificates	—	—	18,923,300
For War Savings Certificates	—	14,150,000	19,350,000
For other Debt created under the War Loan Acts, 1914-1916	—	247,987,857	10,000,000
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947	—	166,550,000	—
Temporary Advances—			
Ways and Means (including Treasury Bills £345,000,000 in 1916-1917)	—	384,631,500	409,396,500
Total		1,926,375,128	1,432,346,473

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to August 18, 1917.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to August 19, 1916.
EXPENDITURE.			
Permanent Charge of Debt ..	17,000,000	7,513,487	11,265,351
Interest, &c., on War Debt ..	194,500,000	63,695,156	45,294,397
Payments to Local Taxation Accounts, &c.	9,700,000	2,025,318	2,030,801
Other Consolidated Fund Services	1,695,000	676,247	680,701
Supply Services	2,068,826,000	967,860,722	624,488,280
Expenditure	2,291,721,000	1,041,770,830	693,759,440
OTHER ISSUES.			
For Advances for Bullion	—	940,000	1,940,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	—	84,909	60,914
Under Telegraph (Money) Act, 1913	—	55,000	150,000
Under Post Office (London) Railway Act, 1913	—	50,000	135,000
Under Housing Act, 1914	—	175,400	18,900
For Treasury Bills for Supply	—	482,387,000	573,735,000
For Exchequer Bonds under Section 61 of the Finance Act, 1916	—	180,630	—
For other Debt under the War Loan Acts, 1914 to 1916	—	14,467,156	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908	—	—	38,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	—	20,000
Temporary Advances repaid—			
Ways and Means (including Treasury Bills £113,008,000 in 1916-17)	—	360,526,500	143,904,500
Total		1,900,637,425	1,403,761,754
Balances in Exchequer—			
Bank of England	24,903,688	27,122,254	—
Bank of Ireland	834,915	1,462,465	—
Total		25,737,703	28,584,719
Total		1,926,375,128	1,432,346,473

Memo.—Treasury Bills outstanding on August 18, 1917.... £804,126,000.

* Includes £200,000, the proceeds of which were not carried to the Exchequer within the period of the account.

COMPANY MEETING.

LIEBIG'S EXTRACT OF MEAT CO., LIMITED
THE YEAR'S PROFIT—DIVIDEND AND BONUS.

The 52nd ordinary general meeting of the above company was held on Wednesday at Cannon Street Hotel. The Chairman, Mr. Charles E. Gunther, presided.

The report showed a profit for the past year of £330,738 15s. 4d., after providing all outgoings, including income-tax and excess profits duty up to March 31, 1916, against £310,529 12s. 7d. for the previous year.

During the year under review £400,000 5 per cent. short term notes had been paid off.

LARGE LAND OWNERS AND CATTLE BREEDERS.

The Chairman mentioned that the fact that the company are very large land owners and cattle breeders, controlling over five million acres and a very large stock of cattle, had proved of the greatest assistance in enabling them to deal promptly and effectively with the very large Government orders for corned beef and other foods for the British forces. He referred to the difficulty in keeping the River Plate factories fully supplied with the various packing material required, and mentioned that frequently they had been working literally from hand to mouth, so far as supplies of tin and other essential packing material were concerned, but fortunately owing to constant watchfulness the work had never been seriously interrupted for lack of material.

The shipment and disposal of the various by-products also had been carried out under great difficulty owing to the war.

As regards the company's estancias, the management were giving particular attention to reduction of working expenses and losses from mortality, and to further refining the camps. The herds were being graded up continuously, and the company now have such a large supply of pure-bred animals that they produce fine cattle in excess of their own requirements, and are consequently able to sell the overplus locally at lucrative prices.

COMPANY'S RANCHES IN RHODESIA.

In Rhodesia matters are proceeding normally; much good work has been done on the company's ranches, and a further fine consignment of stud animals had been shipped to assist the grading up of the native herds, which showed a satisfactory increase. The Chairman emphasised the need for the construction of the railway between West Nicholson and the Northern Terminus of the Union Railways at Messina.

The company had taken up £50,000 War Loan.

The meeting voted 500 guineas to the funds of the British Red Cross and the Order of St. John of Jerusalem. In addition to this vote the Chairman mentioned that the company had subscribed \$5,000 in the River Plate to the local fund raised on behalf of the work of these societies.

The final dividend of 10 per cent. (making 20 per cent. for the year) and bonus of 5 per cent., all free of income-tax, were confirmed.

Answers to Correspondents.

* A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.

Deposits against future queries may be lodged with the Publisher.

J. S. B.—(1) Have already gone up 6s. or 7s. May go higher on profiteering, but dear enough now as an investment. (2) Same remarks apply here, but distant prospect much less assured.

Helsey.—Prospects far from assured, but preference might be worth buying as an investment to a small extent. The ordinary seem a promising gamble just now.

B. B. T.—Generally, no. What is there to go for? No. 1 is, perhaps, the best, because it pays the best interest, but no great rise is to be looked for. No. 2 is dear enough now, and No. 4, though good, perhaps, is also quite stagnant. As for No. 3, we think it is as likely to fall as to rise.

Corner.—There is no hurry to buy, as we see no reason for any sharp advance. War finance is against the market, and will be for some time.

M. M. M.—They are very speculative. We do not think you should buy now.

V. A.—It is a powerful concern, and will no doubt continue to earn good dividends, but in your position we think you should sell at least half of your original holding.

A. B. Z.—Very speculative. We hesitate to advise cutting so big a loss, but very good results are required to justify even present price, as that represents a considerable premium. There was recently quite an active market, and it is possible that the shares may go higher. All we can suggest is to watch them, and let them go if price begins to sag.

G. L. C. W.—(1) Quite a fair investment; a well-managed concern. (2) and (3) are too high to buy now.

Devon.—You are quite right, but we do not think they should be got rid of at their present price. The property is a fluctuating one. The shares seem worth keeping at their present value, on the chance of some recovery.

W. G.—Can trace no published information since 1914. Property said to be large, but we should think financial position not too comfortable. A purely speculative purchase.

ABRIDGED PROSPECTUS.

The LIST will be CLOSED on or before WEDNESDAY, 29th August, 1917.

ISSUE OF £4,500,000

GOVERNMENT OF THE COMMONWEALTH OF AUSTRALIA

5½ PER CENT. DEBENTURES, 1922-1927.

Convertible into 5½ per cent. Registered Stock at any time between 3rd November and 14th December, 1917, without charge.

Price of Issue, £98½ per cent.

A Coupon for 10s. per cent., payable 1st December, 1917, bearing interest on the instalments, will be attached to the Scrip.

The Treasury has been consulted under the notification of the 18th January, 1915, and raises no objection to this issue.

THE COMMONWEALTH BANK OF AUSTRALIA is instructed by the Government of the Commonwealth of Australia to offer for subscription the above Loan of £4,500,000.

The whole of the proceeds of this issue will be paid to the States of Victoria, Queensland, South Australia, Western Australia and Tasmania, to meet the cost of Public Works.

The Revenues of the Commonwealth of Australia alone are liable in respect of this Stock and the dividends thereon, and the Consolidated Fund of the United Kingdom and the Commissioners of His Majesty's Treasury are not directly or indirectly liable or responsible for the payment of the Stock or of the dividends thereon, or for any matter relating thereto—40 and 41 Vict., cap. 59, sec. 19.

Applications on the form prescribed will be received at the COMMONWEALTH BANK OF AUSTRALIA, 36-41, New Broad Street, London, E.C.2, and must be for multiples of £10, and be accompanied by a deposit of £5 per cent. on the nominal amount applied for.

Payment will be required as follows:—

£5 per cent. on application.	
£13½	" " 7th September, 1917.
£30	" " 10th October, 1917.
£50	" " 28th November, 1917.

£98½ per cent.

Payment in full may be made on 7th September, 1917, or on any subsequent day, under discount at the rate of 5 per cent. per annum.

Full prospectuses and forms of application can be obtained at the COMMONWEALTH BANK OF AUSTRALIA, 36-41, New Broad Street, London, E.C.2, and of Messrs. R. NIVISON & Co., Bank Buildings, Princes Street, London, E.C.2, and the HIGH COMMISSIONER FOR AUSTRALIA, Australia House, Strand, London, W.C.2.

THIS FORM MAY BE USED.

Application No..... Allotment No.....

FORM OF APPLICATION FOR

£4,500,000 Government of the Commonwealth of Australia
5½ per cent. Debentures, 1922-1927.

To the COMMONWEALTH BANK OF AUSTRALIA,
36-41, New Broad Street, London, E.C.2.

GENTLEMEN,

I WE hereby apply for £.....

say of the above Debentures, according to the Prospectus of 24th August, 1917, and undertake to pay £98½ for every £100 of Debentures, and to accept the same or any less amount that may be allotted to me, in the terms of the said Prospectus.

I WE enclose £....., being £5 per cent. on the nominal amount applied for.

Name.....
(Mr., Mrs., or Miss.)

Address.....

.....August, 1917.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.				GROSS TRAFFIC TO DATE.			
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.		
Assam Bengal ..	July 7	Rs. 1,00,000	—	28,409	Rs. 17,61,213	—	9,894	
Barsi ..	June 16	16,500	+	800	2,00,400	—	11,900	
Bengal & N.W. ..	July 7	4,70,480	+	1,21,413	63,56,202	—	68,021	
Bengal Nagpur ..	" 14	10,16,000	+	49,000	1,59,97,932	+	10,26,566	
Bombay, Baroda ..	Aug. 18	10,85,000	—	2,000	2,90,03,000	+	13,89,000	
Burma ..	July 17	20,288	—	52	32,47,412	+	29,082	
Delhi Umballa ..	Aug. 11	64,000	+	7,272	14,25,700	+	1,86,285	
East Indian ..	" 18	18,73,000	—	2,16,000	4,42,85,000	+	2,76,000	
Gt. Indian Penin. ..	" 18	16,34,500	+	92,600	4,17,92,203	+	27,05,601	
Lucknow-Bareilly ..	July 7	41,595	+	2,918	7,04,629	+	34,868	
Madras and S. ..	" 14	10,50,000	+	71,080	1,60,47,446	+	3,91,064	
Nizam's Gd. (Broad) ..	" 14	1,27,556	+	13,960	19,85,427	+	3,239	
(Metre) ..	" 14	65,824	—	2,520	11,58,335	+	6,621	
Robilkund and ..	July 7	44,343	+	3,453	7,12,978	+	37,860	
Kumaon ..	" 14	7,02,943	+	56,016	1,02,93,811	+	6,94,279	
South Indian ..	" 14	7,02,943	+	56,016	1,02,93,811	+	6,94,279	

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

		£	£	£	£		
Bristol	Aug. 17	11,937	+ 1,096	†	350,984	+	22,509
Dublin United ..	" 17	7,242	+ 224	†	217,856	+	22,968
Hastings and Dist. ..	" 19	2,088	+ 159	†	38,953	+	6,081
Isle of Thanet ..	" 11	713	— 310	*	13,314	—	1,351
Lancashire United..	" 15	2,902	— 850	†	74,357	+	15,878
Provincial ..	" 4	2,679	— 413	†	97,503	+	176
Yorks. (Wst. Rdng.) ..	" 19	2,373	+ 470	†	68,671	+	11,362

* From Oct. 1. † From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

		£	£	Ms.	£	£		
Alabama Power ..	July 7	103,551	+	30,631	103,551	+	30,631	
Anglo-Argentine ..	Aug. 19	50,140	+	1,427	1,689,183	+	13,840	
Auckland Electric ..	June 30	23,593	+	1,888	a	282,694	+	7,931
Brazilian Traction ..	July 7	M4,022,000	+	M92,000	5	M24,402,000	+	M136,000
Brisbane Elec. Inv. ..	July 7	32,720	—	160	7	226,315	—	915
British Columbia ..	June 1	£ 72,729	+	9,899	11	£ 1,042,130	+	£ 244,747
B. A. Lacroze ..	July 7	38,003	—	376	1	38,003	—	376
Burmah Electric ..	May 17b	Rs. 24,906	+	Rs. 1,321	—	—	+	Rs. 27,692
Calcutta ..	Aug. 18	Rs. 70,470	—	Rs. 283	*	Rs. 209,052	—	Rs. 16,062
Cordoba Light ..	June 30	14,416	+	296	3	41,811	—	1,250
Hongkong ..	July 30	£ 13,305	—	1,861	3	£ 344,642	—	£ 8,84
La Plata ..	July 6	3,785	—	35	7	29,019	—	816
Lima ..	June 16	16,843	+	1,977	6	100,160	+	5,662
Madras Electric ..	Aug. 16c	Rs. 34,911	—	Rs. 2,642	*	Rs. 515,945	—	Rs. 46,565
Mexico ..	Nov. 5	£ 215,256	—	£ 108,669	*	£ 3,193,106	—	£ 197,227
Rangoon ..	July 7	4,783	—	426	*	33,500	—	1,465
Singapore Electric ..	June 23	£ 12,455	—	£ 287	*	£ 326,598	—	£ 16,598
Toronto ..	July 7	£ 475,408	—	£ 27,552	6	£ 271,393	—	£ 55,105
United of Monte V. ..	July 7	28,597	—	3,377	8	242,706	—	1,728
Vera Cruz ..	May 5	35,000	—	—	4	250,800	—	—
Winnipeg ..	June 8	£ 49,664	—	£ 37,907	5	£ 435,897	—	£ 194,611

b 25 days. * From Jan. 1. § Nett. a From July 1. c Two weeks.

UNITED STATES OF AMERICA.

Chesapeake & Ohio	Aug.	7	935,000	+	80,000	+	31,112,000	+	1,984,000
Chicago G. W.	"	7	284,000	+	4,000	+	9,433,000	+	423,000
Colorado & South'n	"	7	304,000	+	16,000	+	10,389,000	+	1,342,000
Denver & Rio Gran.	"	7	511,000	+	17,000	+	16,024,000	+	2,134,000
Louisv'e & Nashv'e	"	7	1,521,000	+	270,000	+	43,919,000	+	6,513,000
Minn. S. P. (Soo) §	July	21	705,000	+	4,000	+	17,879,000	—	500,000
Missouri Kansas	Aug.	7	834,000	+	150,000	+	23,995,000	+	4,364,000
Southern	"	7	2,154,000	+	355,000	+	64,415,000	+	8,218,000

§ Includes Wisconsin Central. † From Jan. 1. ‡ From June.

FOREIGN RAILWAYS.

Alcoy and Gandia ..	Aug. 18	Pa. 8,500	+	500	Pa. 373,370	—	Pa. 82,530
Antofagasta (Chili) ..	" 19	37,250	+	6,065	1,301,610	+	202,115
Arauco ..	June 30	10,000	+	1,200	55,000	—	11,800
Argentine N.E. ..	Aug. 18	8,600	+	2,100	60,400	+	13,998
BHbao R. and Canta ..	July 7	3,644	—	1,639	24,653	—	5,408
Bolivar ..	" *	11,000	+	4,928	11,000	—	4,928
Brazil ..	May *	M3,869,000	+	M471,175	M 19,725,000	+	M18,534,54
Brazil Gt. Southern ..	" *	Mis. 42,000	+	M4,100	M12,990	+	M33,700
B. Ayres & Pacific ..	Aug. 18	75,000	—	8,000	516,000	—	89,000
Do. Central ..	June 18	28,591	—	5,091	297,736	—	7,186
Do. Gt. South'n ..	Aug. 19	90,000	—	4,000	622,705	—	66,549
Do. Western ..	" 19	36,000	—	15,000	268,000	—	75,000
Central Argentine ..	" 18	41,300	—	74,700	543,100	—	255,800
C. Ur'g'ay of Mte V. ..	" 18	13,833	+	4,351	108,773	+	31,779
Do. East'n Ex. ..	" 18	3,747	—	615	31,073	—	4,806
Do. North'n Ex. ..	" 18	2,488	—	848	20,824	—	8,199
Do. West'n Ex. ..	" 18	1,629	—	300	9,541	—	1,200
Cordoba Central ..	" 18	36,500	—	3,770	250,600	—	10,460
Costa Rica ..	Mar. 31	5,739	—	434	206,606	—	4,673
Cuban Central ..	Aug. 18	12,546	—	9,106	65,894	—	17,366
Dorada Extension ..	July 20	13,082	—	4,456	91,594	—	25,605
Egyptian Delta ..	" "	5,249	—	228	60,541	—	7,367
Entre Rios ..	Aug. 13	13,900	—	3,000	92,400	—	7,700
French Sante Fé ..	Dec. 12	81,752	—	1,139	1,080,727	—	156,858
Gt. South. of Spain ..	Aug. 11	Pa. 80,008	—	Pa. 400	Pa. 898,752	—	Pa. 667,136
Gt. West. of Brazil ..	" 18	11,000	—	3,400	403,650	—	109,050
Havana Central ..	July 21	6,923	—	1,198	20,813	—	2,181
Inter. of C. Amer. ..	" c*	14,589	—	6,325	199,480	—	24,452
La Guaira and Car. ..	" "	6,250	—	2,000	56,250	—	1,250
Leopoldina ..	Aug. 18	38,790	—	9,510	276,465	—	157,907
Manila (Nr. & Sth.) ..	Apr. 6	10,389	—	1,997	10,389	—	1,997
Midland Uruguay ..	July 7	12,128	—	2,481	12,128	—	2,481
Mogiana ..	Apr. 1	M1,476,000	—	M253,117	M 5,386,000	—	M117,162
N.W. of Uruguay ..	June 1	£ 26,000	—	£ 960	£ 295,778	—	£ 26,908
Nitrate ..	Aug. 15b	27,491	—	4,473	474,297	—	65,316
Paraguay Central ..	" 18	3,060	—	420	20,410	—	280
Paulista ..	Apr. *	M1,880,000	—	M230,979	M 7,721,000	—	M240,648
Peruvian Corp'n ..	July *	S 975,000	—	S139,570	S120,092	—	S144,165
Salvador ..	Aug. 11	£ 11,930	—	£ 8,945	£ 100,160	—	£ 31,525
S. Paulo (Brazilian) ..	" 12	39,474	—	407	768,927	—	37,375
Sorocabana ..	May *	M1,497,000	—	M274,702	M7,819,000	—	M859,539
Talita ..	June *	24,635	—	1,492	234,090	—	8,181
United of Havana ..	Aug. 18	37,110	—	6,534	253,393	—	42,211
West'n of Havana ..	July 28	6,426	—	188	27,418	—	3,060
Zafraand Huelva ..	" "	11,866	—	860	77,456	—	9,500

* Months. † From Jan. 1. ‡ From July 1. c Nett. b 15 days. a 10 days.

COLONIAL RAILWAYS.

		£		£		£		£
Beira	May *	65,700	+	2,798	8	542,673	+	21,073
Canadian Northern ..	Aug. 14	\$ 746,800	—	\$ 94,700	†	\$ 5,367,200	—	\$ 176,500
Canadian Pacific ..	" 14	\$ 746,800	—	\$ 94,700	†	\$ 5,367,200	—	\$ 176,500
Gr. Trk. Main Line ..	" 14	218,703	+	15,205	†	6,399,999	+	804,319
Gr. Trk. Western ..	" 14	39,041	+	1,849	†	1,219,055	+	25,912
Detroit G. H. & M. ..	" 14	13,644	—	158	†	425,299	—	4,474
Gr Trk Pac Prairie Sc ..	" 14	25,450	—	8,800	†	150,459	—	44,318
Mashonaland ..	May *	65,700	—	2,798	8	442,673	—	17,545
Mid. of Westn. Aus. ..	" *	6,428	—	513	9	84,036	—	870
New Cape Central ..	July 7	1,706	—	1	†	50,793	—	7,322
Rhodesia	May *	90,170	+	3,916	8	664,832	+	46,029

* Months. † July 1. ‡ Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.				NETT EARNINGS TO DATE.			
	Month.	Amount.	In. or Dec. on last year	No. of Mths.	Amount.	In. or Dec. on last year.		
		Dols.	Dols.		Dols.	Dols.		
Atchison T. & S. P ^y	June	3,623,000	— 79,000	12	51,952,000	+ 8,172,000		
Atlantic Coast Line	"	665,000	— 109,000	6	6,471,000	+ 214,000		
Baltimore & Ohio ..	"	2,869,000	— 335,000	6	14,447,000	+ 300,000		
Canadian Northern ..	"	1,087,600	+ 102,600	11	10,404,400	+ 1,866,600		
Canadian Pacific ..	"	3,916,000	+ 226,000	6	20,998,000	+ 1,396,000		
Chesapeake & Ohio ..	"	1,139,000	— 357,000	6	6,799,000	— 411,000		
Chicago & N.W. ..	"	2,341,000	— 3,000	6	11,052,000	— 1,339,000		
Chicago Burl. & Q. ..	May	3,489,000	+ 620,000	5	17,144,000	— 1,436,000		
Chicago G.W. ..	June	462,000	— 1,000	6	1,492,000	+ 423,000		
Chicago Mil. & S.P. ..	"	2,320,000	+ 426,000	6	10,848,000	— 1,380,000		
Chicago, Rock I. & P. ..	May	1,526,000	+ 81,000	5	6,688,000	— 494,000		
Colorado & Southern ..	June	542,000	+ 150,000	6	2,830,000	+ 531,000		
Cuba ..	May	149,000	— 200,000	11	1,553,000	— 1,607,000		
Delaware & Hud. ..	June	734,000	+ 74,000	11	2,651,000	— 1,202,000		
Denver & Rio Gran. ..	May	779,000	— 19,000	5	3,240,000	— 72,000		
Erie ..	June	1,610,000	— 117,000	6	4,849,000	— 3,803,000		
Gr. Tr. Main Line ..	"	£ 268,800	— £ 8,650	6	£ 1,018,200	— £ 145,450		
Grand Trunk West'n ..	"	£ 36,400	— £ 24,600	6	£ 12,250	— £ 227,250		
Detroit G. H. & M. ..	"	£ 1,200	— £ 16,200	6	£ 28,500	— £ 27,500		
Gt. Northern ..	"	2,899,000	+ 496,000	6	9,288,000	— 217,000		
Illinois Central ..	"	1,720,000	+ 230,000	6	9,653,000	+ 2,404,000		
Kansas Cit. Southn. ..	"	360,000	+ 59,000	6	2,179,000	+ 456,000		
Lehigh Valley ..	"	1,362,000	— 280,000	6	4,680,000	— 1,233,000		
Louisville & Nashv. ..	"	1,209,000	— 280,000	6	9,260,000	— 229,000		
Minn. S.P. (Seof) ^y ..	May	839,000	— 212,000	5	3,072,000	— 2,957,000		
Miss. K. & Texas ..	June	840,000	+ 510,000	5	2,957,000	+ 1,878,000		
Missouri Pacific ..	"	1,869,000	+ 1,259,000	6	9,988,000	+ 4,070,000		
New York Cent. & H. ..	"	5,494,000	— 1,600	6	20,389,000	— 8,649,000		
N. Y. N. Haven & H. ..	May	2,070,000	+ 131,000	5	8,500,000	+ 437,000		
New York Ont. & W. ..	June	238,000	+ 39,000	6	1,426,000	— 205,000		
Norfolk & Western ..	"	1,677,000	— 324,000	5	10,142,000	— 1,735,000		
Northern Pacific ..	"	3,013,000	+ 960,000	5	14,212,000	+ 1,452,000		
Pennsylvania East and West Lines ..	"	10,046,000	— 96,000	6	39,603,800	— 10,661,000		
St. Louis & San F. ..	May	1,391,000	+ 121,000	11	15,124,000	+ 2,795,000		
Seaboard Air Line ..	"	608,000	— 33,000	6	3,476,000	— 47,000		
Southern ..	June	2,050,000	+ 423,000	11	22,330,000	+ 2,953,000		
Southern Pacific ..	"	6,013,000	+ 1,192,000	6	28,375,000	+ 8,435,000		
Union Pacific ..	"	4,453,000	+ 673,000	6	18,850,000	+ 175,000		
Wabash ..	"	1,075,000	+ 109,000	6	5,790,600	+ 45,000		

The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

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NEW SERIES.

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SATURDAY, SEPT. 1, 1917.

[Price 6d.]

CONTENTS.

Passing Events:—Revenue—Board of Agriculture Returns—Committee on Public Accounts Report—"White Coal"—Russian Peril—Conference of Allied Labour—King Constantine's Treachery—*Cambridge Magazine*—Mexican Affairs—Abolition of Excess Profits Tax in Canada and New Zealand—Bank of Australasia—Council of Foreign Bondholders v. Speyer's—Weddel—Guest, Keen, and Nettlefolds—Workington Iron and Steel—Singers—Molassine—Liebig's Extract of Meat (pp. 223-7).

Leading Articles:—The American and the German Confederacies: a Parallel—Harrod's Founders' Scheme—By-the-Way War Notes—The Recovery in the Brewing Industry (pp. 228-31 and pp. 237-8).

Insurance News:—Norske Lloyd—Ministry of Munitions Licences for Construction Work—Prudential Offices at Crewe—Volga Insurance Co. (p. 231).

Money and Credit Notes:—Bank Return—Spanish Exchange—Fall of the Rouble—Improvement of Mexican Dollar—Argentine Internal Loan Sanctioned—Japanese Bond Purchases—New South Wales Loan—Commonwealth Issue Result—Silver (232-4).

The Week's Stock Markets (p. 235-6).

London Produce Markets (p. 236).

American Business Notes:—President's Reply to the Pope—Proclamation Forbidding Exports to Neutrals—Bethlehem Steel (pp. 238-9).

Tea, Oil, and Rubber:—Rubber Market—Batavia Plantation Investments. Ltd.—Cicely Rubber Estates Co. (p. 239).

Mining News:—Rhodesian Mineral Output—Broken Hill South Silver—Dolcoath—New Monckton Collieries (p. 240).

What Balance Sheets Tell:—Raphael Tuck and Sons—Shahdara (Delhi) Saharanpur Light Railway Co.—Grand Canal Co.—American Cyanamid Co. (p. 241).

Company Meetings:—Workington Iron and Steel Co.—Cargo Fleet Iron—Molassine Co. (p. 242-3).

Answers to Correspondents (p. 236).

Books Received (p. 239).

The Week in Mines (p. 240).

Dividends Announced (p. 240).

Public Income and Expenditure (p. 241).

Traffic Returns (p. 244).

NATIONAL PROVINCIAL BANK OF ENGLAND, LIMITED.

ESTABLISHED IN 1833.

SUBSCRIBED CAPITAL - £15,000,000.

CAPITAL—Paid, £3,000,000; Uncalled, £2,300,000;
Reserve Liability, £10,600,000.

RESERVE FUND (Invested in English Government Securities),
£1,800,000.

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New Series.

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Passing Events.

Last week was, in a manner, a quiet time at the Treasury. It collected about £1,400,000 less from the taxes and monopolies at £10,567,000, and its disbursements on the war and supply services generally were only £37,380,000, or £5,340,000 per day. Including the £950,000 spent miscellaneously, the daily average was only £5,476,000. Then the quantity of floating debt coming up for renewal was rather smaller, only £23,283,000 of due Treasury bills having to be paid off, but temporary advances also paid off amounted to another £14,000,000, making a bagatelle of £37,000,000 in all. Accordingly, the necessity of raising fresh money by the sale of Treasury bills was less marked, and only £41,999,000 were disposed of. Also only £5,000,000 was raised anew on temporary advances, for no less than £12,172,000 came in from "other" sources—from the United States, that is—whose Government continues loyally to supply us with the sinews of war on a most liberal scale. This is just as well, for our Exchequer bonds tap again displays symptoms of dwindling to a trickle, only £2,807,000 having been obtained by the sale of the bonds last week. War Savings certificates, too, are credited with but just £500,000. It is thrift grown penurious. This is the eighth full week since mid-April in which the sales of Exchequer bonds have fallen below £3,000,000, and consequently, while the total outstanding of the present series is only £71,589,000, the floating debt in Treasury bills continues to swell, until, in spite of the small sales for last week—the nett increase for the week was only £18,724,000—the aggregate outstanding has risen to £822,850,000. The more this mass increases, the more urgent becomes the demand for an intelligent handling of the nation's financial resources in preparation for the inevitable new loan or loans.

Returns issued by the Board of Agriculture show that in the year to June 30 last 190,000 acres of permanent grass were brought under the plough, and the total area of arable land was increased by 195,000 acres. This is only a small instalment of the programme which is designed to add 3,000,000 acres to the amount of arable land in the country, but it may be regarded as a satisfactory beginning, as no organised effort was made in time to affect materially the figures for the past

year, and we can only hope that a much better showing will be made twelve months hence. The following table gives the statistics for the principal crops:—

	1917.	1916.
	Acres.	Acres.
Total area (excluding water)	37,137,600	37,137,600
Total acreage under crops and grass ..	27,081,600	27,074,080
Arable land	11,246,040	11,051,100
Permanent grass: For hay	4,798,960	4,825,990
Not for hay	11,036,600	11,196,990
Total	15,835,560	16,022,980
Wheat: Autumn sown	1,724,600	1,787,320
" Spring sown	193,950	124,890
Total	1,918,550	1,912,210
Barley	1,460,600	1,332,080
Oats	2,257,480	2,084,670
Rye	56,020	53,480
Peas	131,000	112,680
Potatoes	508,190	427,950
Turnips and swedes	972,370	938,160
Mangold	388,740	378,140
Rape	64,170	70,820
Vetches or tares	78,760	89,110
Lucerne	50,210	54,170
Hops	16,950	31,350
Small fruit	71,940	73,230

It will be seen that while there was a decrease of 63,000 acres in autumn-sown wheat, the spring sowing increased by 69,000 acres. Barley has increased nearly 130,000 acres and oats 173,000 acres, the figure for the latter being the largest since 1904. Potatoes show an increase of 80,000 acres, and the total is 10 per cent. larger than any previously recorded. We do not know whether it includes an estimate for small allotments on which potatoes are the most favoured crop, but in spite of the unfortunate spread of disease, we should be secure from a potato famine such as occurred in the late spring. With regard to live stock, it is rather surprising to find an increase of 23,000 in the number of horses used for agricultural purposes, and of 13,000 in the total for the country, although there is a decline of 5,000 in the number of foals. The following is a summary of the principal items:—

	1917.	1916.
Horses	1,372,820	1,359,570
Cattle	6,227,150	6,215,780
Sheep	17,169,860	17,951,120
Pigs	1,918,540	2,167,940

The returns for cattle are satisfactory, but there is a heavy reduction in sheep and pigs, the latter, especi-

ally, being an unwelcome feature, although it was deliberately but shortsightedly encouraged by the authorities.

We must defer a detailed examination of the report of the Committee on Public Accounts till another occasion, but it is now available for the year to March 31, 1916, and the careful student of national finance will doubtless read it at his leisure. It seems a pity that the issue is so belated, but we feel sure the Committee, of which Sir Robert Williams is chairman, are not responsible for the delay, and we can only hope that by persistent pressure they will be able to accelerate matters sufficiently to present the report in future at latest before the next year's estimates have to be submitted to the House of Commons. In their general remarks the Committee state that throughout the appropriation accounts of all services they have met with instances of the relaxation of Treasury control. In the case of the Admiralty, and at a later date the Ministry of Munitions, emergency Inter-Departmental Committees were set up whereby the Treasury kept in close touch with expenditure, but this procedure was waived in the case of the War Office, probably the worst offender of the lot. Expenditure on the Navy, Army, and Ministry of Munitions has been met from votes of credit, token estimates only being presented, and the Committee very forcibly point out that "whatever may have been the necessity for this procedure in the earlier stages of the war, the time has now arrived when Estimates more approaching to those in force for normal times should be presented to Parliament, not merely for the fighting services, but also, where practicable, for the new services now charged direct to the Vote of Credit—for example, War Refugees, Central Control Board (Liquor Traffic), and War Trade Department." In other words, there is at present no effective control of any sort on the vast expenditure which the country is incurring, and if we do not mend our methods we run a serious risk of being nearly as bankrupt as the Central Powers when the long agony of the war is finished.

What is "white coal"? It is water-power. The phrase has become common in France to indicate the hydraulic power made available there for generating electric force, and the war has given a great impetus to the development of this "white coal." France has probably a greater reserve of water-power than any other country in Europe, and rapid progress is being made in its harnessing. M. Auguste Pawlowski has been giving some particulars in the *Journal des Economistes* on the relative progress made in the utilisation of this ever-available motive force, which should give us food for thought. France is poor in coal, but rich in water-power. It is estimated that it might ultimately be able to dispose of an average of 10,000,000 horse-power. Norway, thanks to its mountains, is estimated to possess 7,500,000 horse-power, Sweden 6,750,000, Austria-Hungary 6,450,000, Italy 5,500,000, Spain 5,000,000, Switzerland 1,500,000, Germany 1,425,000, and England only 963,000. Necessarily round figures of this kind can only be the most unverified guesses in most instances, but it is a fact that France had already before the war devoted some £23,000,000 to £24,000,000 to the development of its water force for the purpose of generating electricity for traction and light, and for driving the machinery of electro-chemical and electro-metallurgical factories. M. Pawlowski estimates that since the war began 200,000 horse-power additional has been brought into operation in France. That favoured country has its Alps and Pyrenees, and its mountains in the heart of the country, all of which are capable of furnishing a force almost limitless to drive turbines and water-wheels. In 1910, the latest for which definite statistics are available, France had in use from 600,000 to 800,000 electric horse-power, these figures not including the little installations erected to meet the wants of petty industries, mills or workshops. Sweden and Norway had each about 550,000 horse-power, Austria-Hungary 515,000, Italy

510,000, Germany 340,000, Switzerland 380,000, Spain 130,000, and England only 80,000. From the progress thus shown to have been already made, and which has continued at an accelerated pace to be made in France, it is to be inferred that the "white coal" will play a vital part in the development of French industries after the war; and as electric force thus obtained is uniformly cheaper than that obtained from coal dug from the bowels of the earth, France will have an advantage over all her rivals in the cost price of her manufactures. Can we afford to neglect the lesson and warning facts like these supply? We do not think so, and have long contended that there is capacity in this island of ours for a much larger development and utilisation of water-power than at first sight appears, or than it has hitherto been held to possess. Probably more artifice, so to say, will have to be brought into use in developing that capacity than has yet been thought of, but that we have water enough and that it runs downhill sufficiently to give us many millions of horse-power in electricity is unquestionable. It has only to be caught and stored. The day is surely coming when we shall have to provide electric current to run our railways and many things else if we want to keep our place as one of the foremost among civilised nations.

The position of Russia looks perilous, so much so that one hopes General Korniloff's statement made before the Moscow Conference was emphasised with the object of attempting to conjure the peril away. His description of the condition of the army was lamentable, and the daily occurring facts indicative of disorganisation and cowardly shirking unfortunately give but too much support to even the darkest portions of his statement. In its way the Moscow Conference was a representative one, but how the 2,500 delegates who attended were elected we do not know. In the number, however, was 188 members of the four Dumas, 100 representatives of the peasants, 229 representatives of the "soviets," or Council of Workmen and Soldiers' delegates, who really seemed to dominate the assembly. For there were only 118 representatives of the Union of Zemstvos and towns, 147 delegates of the municipalities, 150 representatives of industrial organisations and banks, 176 representatives of professional unions, and 313 who stood for the co-operative societies. We have given the numbers to show what a mixed gathering it was, full of conflicting interests and ambitions, with, at the heart of it, a fanatical, irresponsible group of—mere Anarchists they may be called. To this heterogeneous crowd General Korniloff unfolded a tale of retreat, betrayal, impending famine, and general disorganisation that ought to have roused the people to a fury of patriotic zeal in effecting remedies. Whether it will do so looks a problem ready only to be debated. Nevertheless, we are not going to yield to counsels of despair, because, however ignorant it may be, however excitable and prone to go astray under mistaken or foolish guidance, the population of Russia is not naturally cowardly, nor is it unpatriotic. And however little cause the bulk of it may have to nourish patriotic sentiments towards its rulers, it loves its native land, and will prove ready, we feel sure, to defend it to the utmost once its spirit is kindled, even as it did against the first Napoleon. But not much seems to be possible of accomplishment through this Moscow gathering, and it may be that Russia will have for a time to come under the hand of a new master before the miseries with which she is now threatened and the military collapse from which she suffers can be remedied, so deadly are the consequences of the old autocracy. The strong hand seems to be there, and if Mr. Kerensky, with the few loyal generals and officials who support him, can get the funds with which to organise and maintain a loyal army there may be surprises yet in store for the Prussian invader. Happily for the country this invader is in a semi-paralytic condition, aiming blows that he cannot put force behind, opening doors he is unable to keep open.

What is the plain-minded citizen to think of this so-called "Conference of Allied Labour" now assembled in London? There were 68 delegates, the Press reports tell us, men from Russia, Belgium, France, Italy, Portugal, Greece, British South Africa, and a regiment from the United Kingdom. Who the strangers are we do not know—that is to say, very few of their names have come to the surface, but those that have done so because, like MM. Albert Thomas and Emile Vandervelde, they are Socialists, not "labourers" at all in the usual sense of the word. As for the representatives hailing from the United Kingdom—representative of no class of labouring men we know of, and who numbered 46 out of the total 68—are there half a dozen genuine men of toil amongst them? We do not think so. Yet these people assemble and pose as "representatives" of labour, and assume the right to discuss affairs of State and to direct the policy of the nation, of the whole of the Allies, as if they were somebodies with authority, at a time of supreme crisis in our national life and civilisation. Mr. Arthur Henderson, M.P., presided, and his henchmen—such distinguished and arduous workmen as Messrs. Ramsay MacDonald, Philip Snowden, H. M. Brailsford, Bernard Shaw, H. M. Hyndman, Sidney Webb, and other players in the public eye—surely take a great responsibility on themselves; but, after all, perhaps the unemotional citizen who has thought over things and come to understand what the duty is the nation has to do may not accept these fussing gentlemen at their own valuation. If the newspapers fussed less over their displays, their real insignificance might be better understood. Certainly nothing done at the meeting gave warrant for treating the gathering with respect. It was an imposture alike in its composition and in the parade it made of holding a mandate to speak for labour. And the wranglers and spouters of the British battalion wrangled and spouted, for the most part, as usual. How long does the genuine working man intend to be caricatured by this hypocrisy? Does it want to send delegates to Stockholm for the purpose of confabulating about a German "peace" with German serfs? We should let those who want to go—but "on their own" at their own charges—for the sake of the experience, but the mock "conferences" paraded this week gave no light on the mind of labour. Our *poseurs* there could not agree, except in a display of ignorant bumpiness. And the real foreign labourers, beguiled into attending the masque of egotists, were emphatic in saying "No." Who paid the expenses of the show? The I.L.P.? The Fabian Society? Mr. and Mrs. Sidney Webb? Mr. Hyndman—out of the profit of his West African gold mine promotions—or who?

What the position would have been in the Balkans if we had treated King Constantine in the first year of the war as the Allies were compelled to do in the third it is useless to speculate over. We suffered ourselves to be tricked by that tool of his brother-in-law William II., and our weakness may have cost us the Dardanelles fiasco, besides reducing us to a position of apparently helpless passivity in Macedonia. It has been made abundantly clear by the revelations of Mr. Venizelos that Constantine from the first behaved with the deliberate intention to mislead, as a betrayer of Greece and the Allies in fact. Correspondence between him and his brother-in-law has now been made public, which makes this certain. He was deludingly neutral only because in his opinion a show of neutrality and of acquiescence in the *Entente* demands would best serve Germany's designs. And the wretched man talked of being "accountable to God alone," posing as a "divine righter," he the salaried official of France and Britain. Unfortunately he was too well seconded by Greek politicians who should have known better. Evidently he was surrounded by men of the courtier-sycophant class, common in all countries, by men also devoid of judgment, or dominated by wrong-headed conceptions of patriotism, or by selfish designs, with the result that the Greek share of the European welter has been not only a grievous injury and disappointment to the Allies,

but has, we fear, done a permanent harm to Greek interests. At the same time, and seeing that primarily the fault was ours and that our feeble handling of the Greek side of the Balkan problem was only what may be characterised as a final display of the long persevered in cowardly shirking of our duties in that part of Europe, it is impossible for us to turn round now and deal out hard measure to the betrayed people. They must be forgiven much because we are sinners along with them. All that is left to us is to look forward with hope to a better future, meantime doing what we can to obliterate the consequences of past laches and bungling. In Mr. Venizelos the Allies now have a leader who ranks amongst the ablest European statesmen of our generation, a man loyal and sure. Under him the Greek army is being brought back to discipline and put in order. Under him also the compact with Serbia will be honourably kept, and although it may be too late this year for military advantage to be taken of the improved situation, it cannot fail to have a determining influence in the final settlement of the Balkan disputes and difficulties when peace sets the Allies free to take that tangled skein of cross claims and interests in hand. Bulgaria and Turkey must be so exhausted by five years of war as to cease for a long time, perhaps for all time, to be a menace to whatever settlement the Allies, Greeks, and Serbians agree upon. The Turk, indeed, must be wholly disarmed, and driven out of Europe. If the Bulgar prefers to go with him no one is likely to ask him to stay.

As part of the duty of a journalist anxious to keep abreast of events, we subscribed early in the present year to a profusely advertised journal called the *Cambridge Magazine*, and have from time to time devoted half an hour to its study. What it has to do with the University of Cambridge we have never been able to discover, but that it is a most steadfast friend of Prussia and supporter of German aggression becomes more and more evident the more we read. The controlling spirits seem to be Mr. and Mrs. Roden Buxton—at least, Mrs. Buxton furnishes the extracts and translations from the foreign Press with which the paper is stuffed. They are an agglomeration from all sorts of newspapers, some with authority, many with none, and no apparent attempt is made to weigh the opinions set before readers, nor do the conductors of the paper seem to have the slightest conception of the authority quoted. This seeming obtuseness, however, may be part of the trick; it gives opportunity for passing any irresponsible drivel off as the wisdom of the people. Apart from this jumbled show of impartiality, the journal has devoted a good deal of attention to the affairs, or rather to the supposed position, of Alsace-Lorraine in relation to France. It favours that insulting and thoroughly German dodge, a plebiscite to determine the people's fate. What business the ordering of the future of these two French provinces is of these Buxtons, or of any person in England, we cannot imagine; but the attitude of this paper has uniformly been one of insolent interference with affairs that do not concern it, especially with Alsatian affairs, which assuredly have no connection whatever with Cambridge. As far as we can gather, the underlying motive for such writing is to uphold the German Empire's claim to stick to these provinces, whether the inhabitants want to stay under German rule or not, and the plebiscite dodge is merely a disguise to conceal the motive. The densest ignorance of what Alsace and Lorraine really wish, of what the conditions are in which the populations of these provinces live, is displayed in the articles; but to compensate for this defect there is keenness shown regarding the ownership of the mineral wealth of the territory which in any other country than ours, and with any other people than wealthy Buxtons, would suggest a subsidy from the ironmasters of Dusseldorf and the Rhine in order to pollute public opinion here and to keep their covetousness well in the public eye. Whoever pays, the money is surely wasted.

The world-war so completely overshadows everything else that we are apt to overlook important developments elsewhere, especially as the supply of other foreign news is fragmentary, and not always reliable. But there seems to be no doubt that affairs in Mexico, where we have very large financial interests, are improving. General Carranza seems to be gradually establishing his authority and evolving order out of chaos. It is almost certain that he will be able to raise a loan of £20,000,000 in the United States to tide the country over the worst of its immediate financial difficulties, and pay off the arrears of interest on the external debt. It is hoped that cash payments of interest will be resumed early next year, and if a satisfactory metallic reserve can be provided for the acknowledged paper currency, together with a substantial fund for the rehabilitation of the railways, Mexico might very quickly get on the road to renewed prosperity. The country has immense natural resources only awaiting enlightened government and settled conditions, to be developed, and it cannot remain indefinitely in the chaotic conditions which have prevailed for the past few years. Anyhow, there has been increased interest in Mexican securities recently, and it is very significant that the demand for them has considerably exceeded the supply. We cannot expect that it will be all plain sailing in future, but there are good grounds for hoping that the corner has at last been turned.

The Canadian Minister of Finance in introducing the Income-tax Bill announced that the excess profits tax would not be renewed when the measure imposing it expired at the end of the year. The New Zealand Government has also decided to abolish the tax. In both countries the yield of the tax has been comparatively small, and that is the prime reason for dropping it. Young companies and firms were found to be the chief sufferers from the tax, and in a new country the disadvantage of penalising new enterprises is more manifest than in older and more developed countries. In the United States the popular demand for increased taxation of war profits has led the Finance Committee of the Senate to raise the war profits tax from 26 per cent. to 33 per cent. This is estimated to increase the yield from the taxes from \$562,000,000 to \$1,060,000,000.

Comparatively small changes are shown in the results of the National Bank of Australasia, Ltd., for the half-year to March 31. Gross profits were £2,000 smaller at £197,750, and the nett profit is £7,000 down at £78,040, while £16,000 less was brought in. However, the ordinary dividend is maintained at 7 per cent. per annum, and the reserve fund gets £20,000, against £45,000, but the usual £5,000 is written off bank premises, and the carry forward is £600 higher at £13,700. Since last year the reserve has been increased by £85,000, and with the present addition amounts to £650,000. Government deposits have risen £730,000 to £1,562,000. Other deposits not bearing interest have advanced £240,000 to £4,941,000, but those bearing interest are £420,000 lower at £5,292,000, and bills in circulation are £143,000 down at £665,600. Coin, bullion, and notes have increased £610,000 to £3,571,000, remittances in transit £207,000 to £1,568,000, and investments £40,000 to £417,300, but loans and advances are £460,000 lower at £8,886,000. The balance-sheet totals at £15,017,000 an increase of £440,000, and business has evidently been of a humdrum character.

The Council of Foreign Bondholders which, on behalf of the Guayaquil and Quito Railway bondholders, brought an action against Speyer's, of New York, to recover moneys paid to them by Ecuador out of the export duties of that country on the ground that the whole of the Customs receipts were preferentially pledged to the bondholders, has received advice from New York that the United States district committee has given a decision adverse to the bondholders. To those who have followed the details of the case this result was not un-

expected. The case really resolved itself into the question whether or not Ecuador had the right to give Speyer's as security for their loan any portion of the revenues of the State, whether they were pledged to other parties or not. No doubt it was wrong of Ecuador to do this, but the point is whether the United States' Courts have any power to pass judgment on the Acts of Ecuador, a sovereign State. The Courts of Ecuador alone had the power to impeach the action of the Government, and all that the United States Courts could have done was to give moral support to the bondholders' claim of violated rights.

Messrs. Weddel and Co., in their report on our butter and cheese imports, speak of trade conditions as artificial and disappointing for those concerned, but they are not without interest. Comparisons with previous years are impossible, because the Government "in the national interest," stopped all publications of figures after March 31 this year. Messrs. Weddel therefore can only compare nine months of 1916-17 with the corresponding dates of June 30, 1915-March 31, 1916. In spite of submarines and restricted tonnage, our imports of cheese during three months show an increase of 11,665 tons, or 11.7 per cent., and if the figures for the complete year had been available, it is probable that the rate of increase would be found to have been maintained. Butter, on the other hand, shows a deficiency of nearly 30 per cent., a decrease that for the whole year would probably have reached 40 per cent., the contrast being accounted for by the fact that most of our cheese is imported from "dependable" British Dominions, whereas in normal times much of our butter comes from foreign sources, which in these abnormal times have proved unreliable. We actually increased our imports of butter from British sources by over 14,600 tons, the reduction in foreign imports being largely accounted for by a decrease of over 41,600 tons from Russia, but Norway and Sweden have also dropped out altogether, partly, no doubt, because of submarine terrors, but probably also because they got good prices for their produce in Germany. There is little need to call the consumers' attention to the fact that prices were high, the highest ever recorded. New Zealand descriptions of butter ranked first at 230s. per cwt., while Canadian cheese went up to 176s. per cwt. for a time, through an effort on the part of the Government to control the trade only as far as New Zealand and Australia were concerned, a scheme that naturally did not work, and in May this year the whole of supplies were commandeered and regulated. Messrs. Weddel put forth a plea for better attention to home supplies. Our population, they say, has increased during the last twenty years by 19 per cent.; our milking herds by only 7 per cent.; and with the guaranteeing of prices for grain the dairy situation is likely to grow worse instead of better.

Guest, Keen and Nettlefolds, Ltd., appeared to be faring rather badly before the war, the profits for the year to June 30, 1914, showing a drop of £51,400, as compared with the previous twelve months. In the following year there was a further decline of £17,300, but in 1915-16 there was a recovery of £40,000, and in the past year there has been a further gain of £9,000, raising the total to £433,450. That figure is arrived at after making provision for liabilities under the Munitions of War and Finance Acts, but we are not allowed into the secret of how much they amount to. The dividend and bonus of 15 per cent., free of income-tax, are repeated, and £100,000 is again placed to reserve, raising it to £1,650,000. As £20,000 more was brought in, the carry forward is increased by £29,000 to £405,700. It is stated that the company's collieries came under Government control as from December 1 last, but nothing is said as to the effect of this arrangement on the business. Sundry creditors, including provision for munitions levy, &c., have increased £440,000 to £1,185,000, while debtors are £120,000

up at £822,000. Investments are £360,000 higher at £3,210,000, and cash has increased £182,000 to £670,540, but stocks are £90,000 lower at £612,140. These figures would seem to indicate that the business has been more prosperous than the profit statement discloses, but the report, as usual, is meagre in the details furnished. Land, buildings, plant, &c., remain at £2,821,000.

At first sight it looks as though there had been a rather serious drop in the earnings of the Workington Iron and Steel Co., Ltd., for the year to June 30, but it is entirely due to a different method in presenting the accounts, and the company has evidently been as prosperous as ever. A year ago the profits showed an increase of £301,500, at £485,420, and £220,000 was set aside as a reserve for excess duty and unexecuted pre-war contracts. This time the nett profits are given as £309,255, an apparent decline of £176,000, but the figure is arrived at after making "ample provision for all contingencies." The actual liability for war taxation in respect of the past two years has not yet been definitely ascertained. It is proposed to retain the dividend at 10 per cent., but £100,000, or £35,000 more, is written off for depreciation of property, £30,000 is again placed to reserve, raising it to £150,000, and £32,900, or £9,500 more, remains to be carried forward. The entire plant and productive capacity continues at the disposal of the Government, who have taken practically the whole of the output. A valuable addition to the iron ore properties of the company has been secured by the purchase of the shares of the Bigrigg Mining Co., Ltd. Debts due by the company, including reserves for war taxation, have increased £1,500,000 to £2,032,000, while investments show an advance of £1,270,000 at £1,522,000. Debtors are £60,000 up at £675,260, and cash balances £93,000 at £154,970, but stocks are £110,000 lower at £269,560. During the year the additions to plant, &c., amounted to £99,500, against £160,560 in the previous 12 months, but this is fully offset by the allowance for depreciation, and the company is in an extremely strong and prosperous position.

Shareholders in Singer and Co., Ltd., the Coventry cycle firm, are to receive a nice little bonus by the capitalisation of part of the reserve fund and the distribution of one new share for every share at present held. The company seems to be in a comfortable position to carry out this transaction. Profits for the year to July 31, after providing for depreciation, excess duty, &c., amounted to £42,660, an increase of £3,660, and with £3,000 more brought in, the total available is £60,760. After again placing £25,000 to reserve, the dividend is raised from 20 per cent. to 25 per cent., free of income-tax, and the carry forward is increased by £4,150 to £23,250. With the proposed addition the reserves will amount to £100,000, or just double the paid-up capital, and half will be utilised in making the bonus distribution already mentioned. As the shares are quoted at over £5, the proprietors may congratulate themselves on their good fortune, but it must be remembered that the company has been twice reconstructed, and in 1909 the then existing share capital was entirely wiped out. It cannot be denied that shareholders in most of Mr. Hooley's promotions got plenty of excitement for their money if they did not get much else of a substantial sort. Recently, however, the company has enjoyed a great run of prosperity, and, as the figures show, it is now in a strong position. During the year £42,000 debentures were paid off, but sundry creditors have increased £147,000 to £200,000. On the other hand, debtors are £85,000 up at £129,300, stocks £47,000 at £118,000, and cash balances £34,000 at £72,000, but there is a reduction of £20,000 in investments. There are no intangible assets in the shape of goodwill, &c.

Gratifying progress is again shown by the Molassine Co., Ltd., in the year to March 31 last. At March 31,

1914, there was a debit to profit and loss of £16,870, but a year ago, notwithstanding the dislocation of business caused by the war, this was converted into a credit of £550. For the past twelve months the nett profits were £17,030, an increase of £2,500, and it is proposed to pay one year's dividend on the preference shares, leaving four years still in arrears. However, £10,000 is placed to reserve, and a trifle more at £580 is carried forward. We think the directors are prudent in dealing so conservatively with the profits, but as the preference dividend requires only £7,000, it ought not to take long to wipe off the arrears if the recent progress is continued. Creditors show an increase of £8,500 at £47,050, while debtors are £25,000 up at £68,140, and in other respects the balance-sheet has a stronger appearance, but the changes are relatively small and need not be mentioned in detail. It is satisfactory that the company appears to have at last definitely turned the corner.

It is impossible to say exactly how much increased profit Liebig's Extract of Meat Co., Ltd., made in the year to March 31 last as excess duty is allowed for in the accounts, and the amount is not stated. But the "balance of sales accounts and other credits" show an increase of £217,000 at £901,000, and after providing for excess duty the nett profit is £20,000 higher at £330,740, while £80,000 more at £150,620 was brought forward. The dividend and bonus of 25 per cent. is repeated and the carry forward is increased by £97,000 to £247,650 subject to excess duty for the past year. Evidently the company has done an enormously increased business, judging by the movements in the balance-sheet. During the year £400,000 5 per cent. notes were redeemed, but bills payable rose half a million to £536,000, and sundry creditors £1,300,000 to £1,771,000. On the other hand debtors advanced £830,000 to £1,280,000, and drafts on establishments abroad jumped £890,000 to £1,221,000. Stock was valued £50,000 higher at £1,302,000, while cash balances fell £260,000 to £245,350. However, the company is in an enormously strong financial position, and in spite of difficulties with regard to transport and supplies of materials created by the war it has been able to keep running with reasonable smoothness. Herds in the River Plate have been graded up to such an extent that the company has an excess of pure bred cattle to dispose of locally, and satisfactory progress has also been made on the Rhodesian ranches. Altogether the story which Mr. C. E. Gunther had to tell the shareholders at the annual meeting was an excellent one.

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The American and the German Confederacies—A Parallel.

An extraordinarily interesting and opportune letter from the pen of Mr. Edward Price Bell, the London correspondent of the *Chicago Daily News*, appeared in Monday's *Times*. In this letter Mr. Price draws a parallel between the state of things in America during the Civil War and the position of Germany in relation to the Allies now which is well worth attention. "After the North had won the war," says Mr. Bell:—

great numbers of persons in the North suddenly fell ill of a strange disease. This malady was the infatuation that the war was lost. We had the Democrats in National Convention in Chicago resolving that the war was a failure, and we had even the National Republican Committee assuring Lincoln that his re-election was out of the question, and counselling him to sue for peace!

One dislikes even to seem to put the Confederacy, or almost anything else, into juxtaposition with Prussianism as it has crystallised in this war. I do not so put it. None the less, slavery was a great evil, as Prussianism is a great evil; and it was an evil incessantly seeking to spread, as Prussianism seeks to spread. Like Prussianism also, it was aggressive. Its champions said: "Ourselves and our slaves [by the Dred Scott decision a negro slave was no more a citizen than was a mule or a goat] you shall not turn back; we shall go whither we please—into Missouri, into Kansas and Nebraska, into Texas, New Mexico, and California."

Slavery even had its eyes upon Cuba, the Isthmus of Panama, and I know not what other lands of promise. It haunted our consciences, plagued our politics, pained and embittered our people, broke our peace locally, threatened it generally, and menaced the Union through a long stretch of years. To America, slavery, by way of a disturbing influence, and by way of a constant and growing peril, was what Prussianism has been to Europe. And the North, like Germany's neighbours, was unaggressive; witness the Great Ordinance of 1787, the Missouri compromise of 1820, and the Wilmot Proviso of 1846, none of which contemplated any attack upon slavery any more than Britain and France contemplated an attack upon Prussianism. The ordinance, the compromise, and the proviso merely said to slavery, "Stay where you are; do not invade our free soil," as the Allies said to Prussianism, "Stay where you are; do not move against the free world."

In the terrible days of 1864, when public confidence in the North seemed to be going, men continually were trying to becloud Lincoln's mind, to break his will, to trap him into some entanglement of negotiation. To his everlasting glory, they did not succeed. They failed—and how miserable they look in their failure now! If they had won, we still should have millions of human beings in bondage in America. If they had won, the Union would have gone, and with it its own happiness and security, the great ideals that are the symbol of its soul, and its opportunity to-day to do to the full what it means to do for freedom.

And, one hears, you have not only your pessimists, not only your pacifists, but your people who fancy Prussianism is ready to make concessions. Well, in America we had all these types—numbers of them—in 1864, and earlier. Scores of leading men bemused themselves with the myth that Jefferson Davis was ready to make concessions. Even Horace Greeley, great editor, industriously fiddled with this nonsense. There never was anything in it, exactly as to-day there is not an iota of evidence that the Prussian plunderers and would-be conquerors will give up anything they are not forced to give up. Slavery was incorrigible and incurable; Prussianism, certainly incorrigible, is curable, if curable at all, only on the principle of *similia similibus curantur*. In other words, the only remedy for blood and iron are more blood and iron, and better.

These sentences aptly set forth the parallel, and all good and patriotic citizens should be grateful to Mr. Bell for his assistance. For unquestionably at the present time there is a sort of concentrated movement afoot, designed, consciously or unconsciously, to embarrass the Allies and to deprive them of the necessary fruits of their undoubted victory. The serf empires of Central Europe have been militarily defeated long ago, just as the Confederates in America were many months before General Grant wrote to General Lee suggesting the surrender of that portion of the Confederate States army known as "the army of Northern Virginia." Hunger filled the land because the States of the Confederacy were completely cut off from supplies from abroad, and were otherwise hemmed in; but yet so loud was the vaunting and threats of their leaders and supporters that the war-weary people of the North were thought to be disposed to come to terms that would have meant the continuation of slavery as part of the social economy of the great American Republic. Hap-

pily the dreamers and cranks found a nation loyal to a leader who knew his mind and his duty.

It is just an attitude of this pithless, undiscerning kind that we have to watch here, and to combat. It crops out in all directions among all ranks, but most among the over-refined and the idle, and does all it can to deflect the Governments of the Allies from their purpose by emphasising every untoward incident and magnifying every difficulty, by misrepresenting Prussian actions and sentiments, by saying "peace, peace," when there can be no peace without betrayal. There cannot be a moment's doubt that if we tried now to make terms with Prussian militarism, and succeeded, our civilisation would perish. Not only would the British Empire disappear, but France, Italy, Rumania, Serbia, and Russia, now chaotic, but full of latent vigour, would be submerged by the insolent overmastering barbarian. And all the more destructive of hope would that barbarian be, because he would have gone bankrupt beyond redemption even as his cunning outwitted and overcame. Belgium would remain at the mercy of the Prussian aggressor, and the preparation for a fresh attack on France and Britain would be begun.

Happily it is our salvation to be thus placed in a position which leaves no room for a middle way. We have either to go straight on to the prescribed goal, the destruction of the Prussian tyranny, or stop and accept defeat with all its destructive consequences; and there can be no question but that we shall go straight on, in spite of the intrigues and clamourings of the un instructed, the selfish and sentimental. We have the best of encouragement to go on if we look calmly at the position, refusing to be beguiled by the volume of misrepresentation which assails us. To read many of our journalists and philosophers, learned in political theories, we might imagine that the German Empire stands as powerful to-day as it did three years ago when it started in the full swirl of its pride to overrun Europe, dismember France, trick England, occupy Turkey, overreach Greece, obliterate Serbia, and confine Italy to a dependent position within her peninsula.

To-day, instead of being powerful and bursting with fortid pride, the Hohenzollern power is tumbling to ruins and the whole German race is standing face to face with a winter of privations probably such as it has never known the equal of since the darkest years of the Thirty Years' War. How can it be otherwise? The male population of Germany, down to lads of 18 or less, taken away from school and thrust into the fighting line, is, all of it that is still undestroyed, occupied either in fighting or in providing the tools with which to fight, so that the cultivation of the fields must have been much less effectually performed this year than it was in either of the last two. And in 1915 the results of the war were already disastrous upon the yield of the land. We may, therefore, regard it as a certainty that the population of Germany cannot half live on the food produced at home this coming harvest year. Nor can it get supplements of any value from outside. The revolution in Russia has seemingly eased matters to the Austrian and German robbers, but they are no longer in a position to march into Russia, seize the harvest, and convey it away to their own people. Any day their present lagging forward movement may be arrested and turned into retreat and disaster. Like all dreamy, sentimental people, the uninstructed Russians are prone to waves of enthusiasm, and the shirkers to-day may become the heroes of to-morrow. But laying no stress upon that, there is no large harvest to be gathered this year within reach of lines of communication in Russia, and as for the harvest of Wallachia, Hungary and Austria will want what surplus there may be there, and, having stolen it, will still be hungry. It cannot be a large harvest either, because the locusts of Turk, Bulgar, and nondescript Austria-Hungarian butchers have lived on the land for a year.

The two Central Empires have consequently destroyed their chance of obtaining food supplies from their eastern neighbours by their own ruthless efforts to annex and steal. Even Anatolia cannot this year

come to their aid. Nor can they get supplies from any part of the Americas. The fleets of England, France, and Italy had pretty effectually blockaded the doomed empires before the bungling of Berlin functionaries secured for these Allies the adhesion of the United States to the cause they fought for. Having successfully played this great stroke to our advantage, Germany will now reap the consequences of her folly in a closer and more effective blockade than has ever yet been applied. Her wise men of ink and rostrum are going to be given a unique opportunity of studying the meaning of "freedom of the sea," and as for the art of living, it promises to be entirely an affair of "food substitutes" before next New Year's day.

Granting all this true—and it must pretty nearly square with the facts—how is Germany going to stand up to the Allies in the field or in the Council Chamber this winter? The bluff of the scoundrels who have debased the German race, and whose lying becomes more impudent every week that passes, may wax more offensive and insolent the nearer to the collapse, but that collapse is not far off we are firmly convinced. The two empires are where the Confederate States were in the fourth year of the fighting.

Look at the financial position of Germany alone—and all the strain is on Germany now. Details regarding it we know little or nothing about, but we can tell that it is too dangerous to be revealed. The Reichstag was asked to sanction another loan before it adjourned, and if we are not deceived by memory—Reichstag proceedings are seldom of an importance which fixes them in the mind—the liberty to issue another loan of indefinite amount was duly voted. Certainly the German newspapers told us that the advertising agents of all ranks and types had begun a preparatory campaign, and were bent on securing another phenomenal "subscription." Then silence fell, and we have heard little or nothing of this effort in financial hocus-pocus since the Anglo-French offensive on the Western front began to smash the elaborate defences of the Germans in pieces, slaying their helpless pawns in heaps, and driving them back. No "success" in the struggle has given the slightest help to the loan-concocting financiers. The generals, acting in accord with their instructions, or those boldest of liars, Ludendorff and Hindenberg, manufacture romances and victories of the most unblushing description, and blazon the news everywhere, but no effect appears to be produced. Even the German *gobemouche* begins to have doubts—there is no plunder of victory visible, and really we do not see how that seventh loan can now be floated. Where is the wealth to come from out of which new money can be provided? Are not the pundits themselves telling the world that without "indemnities" Germany is ruined? Over and over again the property of the people has been pledged and juggled with to enable a show of exhaustless wealth to be made in the other loans, but even that device must have been played at least once too often. There is no wealth coming in from abroad from any of Germany's investments. The position of the Empire in relation to other nations may be said to be exactly parallel with that of the Confederate States in the American Civil War. A Cotton Loan was raised in England by Jefferson Davis, and it was naturally and justifiably repudiated by the victorious North after the return of peace; but Germany's position is by now much worse. She could not raise a loan anywhere abroad. Her financiers recently tried to coerce Switzerland into taking payments for debts due by Germans there in scrip of a new loan, but we have never heard that the insolent attempt was successful. Of his own free will, no man would lend the Berlin gang sixpence. How, then, can that seventh loan be made to look as if it were a reality? There are no steamship companies now running boats whose profits can be turned over to the Imperial Treasury. The chemical industry is wholly confined to satisfying German necessities, principally those of the murdering trade. The export of dyes has vanished. Nobody wants anything from Germany except a little coal,

which cannot be supplied. But could it all be, the demand is not sufficient to pile up credit abroad in favour of Germany to any appreciable amount, sufficient to give any solid base for a loan. The iron-masters and sundry tailors, and paper-shoe makers, as well as millers, sausage-makers and the like, may have continued to nett fat-looking profits in promises to pay during the time since the sixth loan was scaffolded up, but these profits were doubtless mortgaged long ahead in order to give the subscription to earlier loans an imposing appearance; and now there is nothing left with which to keep up the flummery.

As for the people at large, they have had a hard enough job to live for at least two years now, let alone to lay by money to hand to the Kaiser for his butchering trade. Look, then, at the problem from whatever angle we may, it seems insoluble. And because, also, the Austrian Empire has been in a state of hopeless insolvency for the last three years, we have steadily hardening conviction that the enemy is now much nearer his end than his bragging and bounce would lead one to suppose. The hour cannot be far off when he and his brigands will have to accept the terms of the victor, even as General Lee, the dignified and noble Confederate leader, had to accept those tendered to him by General Grant. The Allied terms, however, cannot parallel in generosity those offered by the Federal Commander to the beaten Confederate general, for we have had to fight savages, not honourable men, and there is no room for soft-handness where the tyrants themselves are concerned. The people?—ah! that is another affair.

Harrod's Founders' Scheme.

It was inevitable sooner or later that some scheme would have to be devised by Harrod's Stores, Ltd., to get rid of the incubus of the founders' shares with which the company was loaded at the start, and, taking that fact for granted, the proposals put forward by the directors are probably as good as the ordinary shareholders could hope for. At the same time we shall be very much surprised if there is not a good deal of grumbling about the terms suggested, although there is every reason to suppose that they will have to be accepted willy-willy, for the directors are pretty certain, as almost invariably happens in such cases, to be able to carry the majority of the voting power with them.

We need not go into the past history of the company beyond mentioning that when it was floated and the shares offered to the public 1,400 founders' shares of £1 each were created entitled to half the profits after 8 per cent. has been paid on the ordinary and 10 per cent. of the balance placed to reserve. Soon afterwards a company was formed with a capital of £140,000 to acquire these founders' shares; that is to say, they were then valued at £100 apiece, although they had not contributed anything tangible to the capital and resources of the company. As everyone knows, the concern has been extremely successful, but while the ordinary shares for the past ten years have received an average of about 25 per cent. the founders have taken over 5,000 per cent. per annum on their nominal value. Naturally this position has created a great deal of heartburning, but it had to be accepted, and there was no more to be said about it. Now, however, the directors, looking ahead, see that the business will require more capital for its development, and they have perforce been awakened to the disadvantages of the lopsided type of finance which seemed to them, or their predecessors in office, such a brilliantly easy way of fleecing the public who ventured their money in the concern. Owing to reasons not entirely due to the ability of the management the company has prospered exceedingly, but we have only to look at the record of Harrod's (Buenos Aires) to see that there are blanks as well as prizes in the lucky-bags.

Anyhow, it is frankly recognised that the existence of founders' shares is a serious obstacle to the raising of new capital, because of the exorbitant proportion of additional profits to which they are entitled. On any in-

crease in the ordinary capital—the bedrock upon which the resources of a company rest, as the directors have now discovered—only about one-half of any extra profit resulting from such increase goes to the ordinary shareholders, while the remainder goes to the founders' shares, without the latter contributing anything towards the improved results. It is the confident opinion of the board that after the termination of the war a still more successful future awaits the company if it has at its disposal the resources necessary to enable it to take advantage of the trading opportunities which will then present themselves. So the directors have come to the conclusion that the founders' shares must be abolished, although it will require the formality (and heaven knows the expense!) of a private Act of Parliament to accomplish the object, and they propose that five Harrod's ordinary shares should be given for every two shares of the Founders' Share Co. In other words, the founders' shares will be exchanged for 350,000 ordinary—250 times their original value, and at the market price of the day worth over £1,000,000, or 750 times the nominal amount at which they figure in Harrod's balance-sheet.

That is a stiff price to pay to retrieve the errors of the past, and the directors are evidently a little anxious about how the proposal will be received. In a circular issued to the ordinary shareholders they state that the carrying out of the scheme will not only free the company from the trammels incidental to the existence of the founders' shares, but will also remove the out-of-date anomaly by which a large portion of the company's profits is distributed in respect of a small portion of the company's paid-up capital. The directors fully recognise that in this, as in all other conversion schemes, it is impossible to hope to satisfy all holders of each class of shares affected, but after giving the matter their closest and most careful consideration, they have arrived at the conclusion that the exchange on the basis proposed is fair and equitable to the shareholders in each company, and are fully satisfied that it is equally in the interests of the shareholders of both companies that the scheme put forward should be adopted. We cannot profess to be so cock-sure on the subject, and are rather of opinion that the price to be paid is exorbitant. The existing ordinary capital is £600,000 in £1 shares, so that it is proposed to increase it by more than one-half without bringing any new money into the business. Many of the ordinary shareholders will probably think that it would be better to leave matters as they are, for the old rate of dividend cannot be maintained unless profits very greatly increase. Last year's results would have provided only 16 per cent. on the proposed new capital, and the ordinary shareholders may fail to see where the advantage to them comes in. For our own part, we regard the proposal as essentially a promoters' scheme to cover up their tracks and hide the original wickedness of the founders' share arrangement. And unless the Founders' Co. is prepared to come to much more reasonable terms, it should be left as it stands, if only as a perpetual warning of the iniquity of this type of finance.

By-the-Way War Notes.

Had the Russian Revolution occurred in the beginning of last year, and demoralisation spread to the Army before it carried out its successful offensive against the German invaders south of the Pripet marshes, there would have been abundant reason for gloom about the Allied situation all over Europe. Happily the revolution was delayed until a collapse of the Russian armies had become a matter of secondary importance. The troops are now said to be demoralised and retreat wherever the Austrians or Germans are able to advance against them. They may have no hand arms or insufficient equipment in artillery. We do not know, but what is certain is that the offensives in the West and on the Isonzo in Italy have deprived the Central Empires of the power to work their will against either Russia or Rumania, as they would have done a year

ago. The latest news as we write is that the Russian troops on the right flank of the Rumanian armies have betrayed their Ally by running away, "as usual" now, but it will be of small advantage to Mackensen, or whatever other commander tries to advance, for reliable troops and material of war must likewise be wanting for the Austro-German offensive. Therefore, although there is ample room for disappointment, it would be both imprudent and possibly unfair to denounce Russian soldiers for cowardice and betrayal too soon or too loudly. It should not be forgotten that these same soldiers resisted and overcame the enemy in the Carpathians and elsewhere during the early months of the war, and did so often without adequate artillery, often without rifles or ammunition, and sometimes without adequate food. What these soldiers have done they are capable of doing again, and we suspect that there is something wrong with the handling of them, that the whole blame is not theirs. A doubt, indeed, begins to grow in the mind whether the draconian demands of General Korniloff are quite in accordance with republican liberty and justice, or suitable for the actual state of the Army he commands. Severity may be necessary, but brutal severity such as the generals who spoke at the Moscow assemblage indicated might destroy the spirit of the troops altogether. The Russian people should be led, above all, not driven, and only actual traitors or intriguers leagued with the enemy ought to be made examples of. Is any effort at all being made to solve the agrarian question by giving land to the people? If not, may not the Russian peasant argue, "Why should I fight? I have nothing to fight for!"

This week by far the most prominent theatre of conflict has been in Italy, and the deeds performed by the Italian army equal, if they do not surpass, all but the most heroic deeds performed on the French and British fronts. Certainly the Italian conquest of Monte Santo and the advance of the second army across the Bainsizza plateau afforded a magnificent display of organised fighting, planned with great skill, and carried out with the utmost dash and courage. It has delivered much Italian territory, and almost resulted in opening the road to Trieste. No wonder Austria has had to withdraw troops from the Russian and Rumanian fronts, for 30,000 of her soldiers have been taken prisoners during the Italian advance, and the numbers of victims of Habsburg absolutism slain and wounded must run into hundreds of thousands. Some estimates put the entire loss of the Austrian armies since the present offensive began at 500,000. Whatever the number, we know that Austria cannot go on suffering as she is doing now.

The French offensive north of Verdun has also been a most cheering war episode of the week, for it has cleared the enemy out of almost all the points of vantage he had seized last year on both sides of the Meuse, and the capture of more than 10,000 prisoners with enormous quantities of spoil gives emphatic testimony to German demoralisation. No wonder that the obstinate old butcher, Hindenburg, has had to circularise workmen in German war factories, urging them to work at top speed in order to turn out the instruments of death. By the wildest stretch of Teutonic fancy this labour can no longer be deemed reproductive, for even the most fantastic of German vaticinators can no more bid the people reckon upon war indemnities. They may talk of indemnities, but only to bewail the fact that unless they can be squeezed out of the Allies their empire is bankrupt. Even this reveals progress. A little longer persevered in, pressure such as the French armies are applying on all vital fronts along their section of the advanced defensive lines of the beleaguered enemy will force retreat, a retreat preliminary we hope to the final surrender.

Our section of the line in Flanders and Artois has been less vividly active this week, partly because vile weather has once again checked the operations, and likewise because a little time is needed always to prepare for the next stroke. But the very fact that Sir Douglas Haig's communications are laconic is a warn-

ing that he is busy getting ready, and his renewal of goading attacks on the Germans both by the sea in Belgian Flanders and as far south-east as the Aisne, shows that the preliminaries to another overwhelming assault are probably almost complete. The enemy will find scope for the exercise of his cunning in trying to find out where the blow will fall next.

Elsewhere there is nothing of sufficient interest to detain readers over. Everywhere the tension is great, the possibilities full of interest, but all the points of contact are never eruptive alike. Most of the centres of conflict in Asia Minor, as in Syria and Arabia, appear to be quiescent, waiting presumably for the favourable weather of the autumn, and the interval gives the Germans a chance to threaten and boast. The great and powerful Turk is to drive us out of Baghdad and Basra—into the sea, in fact—and our army before Gaza has been defeated and annihilated several times in Turkish bulletins, German made, while at the same time it is alleged to have been mismanaged, its man power and its horses, &c., wasted in foolish assaults and otherwise got rid of. Citizens should pay no attention to these tales, probably also German made, but bend all energies on having everything ready for the next onslaught. Much has to be done yet before the winter.

Last week's destruction of shipping was bigger than that of the previous week—not much bigger, only 18 ships of 1,600 tons gross and upwards sunk as compared with 14 in each of the two previous weeks and 20 in the week ended August 5. Still the mere fact that an increase has taken place should check any disposition on our part to regard the plague of this form of piratical assassination as well on the way to be overcome. It exists still, and is doubtless being sustained, as the Germans allege, by a feverish building of fresh submarines, also by the impish ingenuity with which these submarines are disguised so as to look like harmless traders in order the better to creep in upon their prey. Besides these large ships last week sunk, four under 1,600 tons were also sent to the bottom, or the same as in the previous week, and as many as went down in the entire fortnight before that, but no fishing craft was sunk last week, and the number of vessels attacked unsuccessfully was only four, the smallest since the water-war which made all the civilised world the Teutons' enemy began. The week's total of ships entered and cleared was smaller, only 5,309, which was about 139 below the average for the four weeks ended last Saturday.

Probably the mastering of these dastard weapons of piracy will be accelerated now, thanks to the action of the United States, dealt with in another column, in stopping contraband *at the source*. Some considerable easement should be given to our hard-worked Navy, now engaged continually day and night all the year round in enforcing the blockade, and in proportion as our destroyers, &c., are set free for other duties, the fleet's power of concentration against the submarine menace ought to increase. But we cannot count upon the stoppage of this source of waste as long as the Prussians imagine that they have a chance to wring terms favourable to their tyranny and greed out of the Allies by its continuance. It has proved utterly futile to warn them that their indiscriminate attacks upon unarmed merchantmen was contributing to their own starvation much more than to ours, or to hint to them that when their criminal indulgence in savagery had been finally brought to a standstill, there would be no room any more in the ocean for their trading vessels, and that intercourse between a population that had branded itself with the mark of the assassin and the outraged would be difficult to re-establish for many a long year. They are blind in their fury, and will go on rushing upon their doom, no matter what admonitions they receive, what defeats they have to brag over and call "decisive victories." Can it really be that the whole democracy of Germany is as heart-rotten and demoralised as its Press represent it to be? We shall soon begin to know the truth now.

Insurance News.

One of the leading Norwegian offices, mainly concerned with marine risks, the Norske Lloyd Insurance Co., had an excellent record for the past year. Nett marine premiums were £282,100 higher at £623,790, while the nett premium income from the fire and general departments rose from £44,540 to £145,680. Claims amounting to £134,925 were paid for 1916, and after £134,925 had been carried to the insurance fund for 1917, the available balance was £27,068. Deductions were made for all expenses, including the company's liability in the Bergen conflagration, and £600,467 was then carried forward to the insurance fund for 1917, in accordance with the rules of the standard system. The dividend for the year, fixed at 10 per cent., required only £15,890; general reserve has been increased by £5,479 to £78,082. An interesting item in the report is that the company has decided to participate in the flotation of the Norwegian United Life Assurance Co., shares having been purchased to the extent of £20,547, and much is expected in Norwegian insurance circles from this new undertaking.

The Minister of Munitions has recently drawn attention to the fact that no building or construction work costing over £500, or involving the use of constructional steel, can be undertaken without a licence from the Ministry, and that such licence is as necessary for work involved in the restoration of property destroyed or damaged by fire or aircraft as for work undertaken in other circumstances. The necessity of insuring rent in the event of the stoppage of building operations by the Government should thus not be lost sight of at this juncture.

At the opening of new offices of the Prudential Assurance at Crewe last week, Lord Crewe took the opportunity of drawing attention to the company's wonderful war record. He stated that no fewer than 2,100 of the company's office staff and outdoor workers were serving in the war. The company having subscribed 25 millions to the War Loan, and converted 9 millions of American securities, has since placed at the disposal of the Government a further 8 or 9 millions more of securities for the purpose of assisting national credit.

Some remarkable figures are shown in the report of the Volga Insurance Co. of Petrograd for 1916. There was a large expansion in the foreign business, new agencies in Italy and Egypt having contributed substantially. Whereas the company used to participate equally with British companies for international goods traffic insurance, in 1916 such insurances amounted to more than 75 per cent. on the whole volume of business transacted. Nett marine premiums for 1916 at Rs. 22,612,080 showed an increase of Rs. 9,862,418, while fire premiums at Rs. 5,152,250 were Rs. 2,628,870 higher. The dividend is raised from Rs. 21 per share in 1915 to Rs. 40 for the past year.

Mineral Developments in Ceylon.—The mineral survey now being conducted in Ceylon in co-operation with the Imperial Institute has led to the discovery of beach deposits of monazite sand, which will usefully supplement the commercial supplies of thorium required for the manufacture of incandescent gas mantles. Samples of the sand have been investigated by the Imperial Institute, and the results are so promising that the Government of Ceylon has arranged to work the deposits. Suitable British concentrating machinery has been selected by the institute for the purpose, after experimental trials, and will shortly be shipped to the colony. This is the latest chapter in the story of the long struggle to rescue the gas mantle industry from German domination. Formerly the monazite deposits in Brazil were the only commercial source of supply of thorium, and these were controlled by the German Thorium Syndicate. The Brazilian monopoly enjoyed by this syndicate was broken by the discovery of extensive deposits of monazite in the native State of Travancore in India, so rich that samples examined by the Imperial Institute were found to contain nearly twice as much thorium as the Brazilian monazite. The German Syndicate, however, obtained control of the company formed to work the Indian deposits, and they continued to exercise a dominating influence over the industry till the outbreak of the war. Since then the company has been reconstructed, and given a British character, and it is understood that another portion of the deposits in Travancore has been taken up, and will be worked by a second British company.

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on
Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

In our market rates for money remained at 4 per cent. on call and 4½ per cent. on short notice. Discount rates are also quite unaltered from where they have been these many weeks.

As for the Bank return, it, as usual, gives but slender indication of the movements of credit produced by the Treasury necessities, and the most interesting thing about it is a decrease of £322,000 in the reserve, bringing it down to £32,347,000. This is wholly due to an expansion in the note circulation, which is £473,000 up, whereas coin and bullion have come in to the extent of £151,000, increasing the total to £54,303,000. The effect of this reduction in the reserve on its proportion to the liabilities would have been altogether trivial but for the fact that the liabilities have risen £1,825,000 on "public" and £3,850,000 on other deposits, these increases being the product of an expansion of £1,416,000 in the Government and of £4,609,000 in the other securities. Allowing for the diminution in the reserve, the two movements just balance each other.

The Bank of England half-yearly General Court is to be held on September 20 in the usual routine. It is the "dividend" meeting.

One of the most interesting movements in foreign exchanges this week has been a recovery in the Spanish exchange. After having fallen to little more than 20 pesetas to the pound, it has recovered to nearly 22 in about a week. The immediate cause of this fall in the sterling value of the peseta is the large imports of gold from the United States, and the unrest in Spain, which, apart from its sentimental effects, has caused a falling off in exports. The latest return of the Bank of Spain shows that the gold stock has been increased by £1,321,802 to the unprecedented figure of £70,974,786, which shows an increase of over 26 millions on the total of a year ago. When the huge imports of gold are

taken into account—they have mostly come from the United States—the trade balance of Spain, according to the official statistics, affords no justification for the present enhanced value of the peseta. In fact, many exchange experts have repeatedly urged that the peseta was overvalued, and that the recent fall in the exchange was the result, not of the trade position, but of manipulation. The market for pesetas is very restricted, and is notoriously subject to manipulation, so that it is comparatively easy to raise or depress the rate on the bourse in Madrid, if the exchange dealers agree to do so. To some extent the fall in exchange was engineered no doubt by the German element, but it is believed that the bottom of the market has now been touched, for less sterling is on offer in Spain now than has been the case for some time.

Meanwhile the value of the rouble continues to decline. This week business has been done at 267 roubles per £10, which brings the rouble, normally worth 2s. 1d., down to the value of the franc. But though roubles have been offered here, little business has been done, and the depreciation is to be attributed to the sentimental effect of General Korniloff's speech. The market is so nominal that a speedy recovery would ensue from any improvement, or supposed improvement, in the Russian situation.

Interest has centred during the week on the movements of the exchanges. The Russian rouble, whose par value against gold was 25d., has fallen this week to about 8½d., and still recedes. The exchange on Paris was also weaker, but only fitfully so. In that instance sentiment has nothing to do with the movement, whereas as regards Russia fears of the political disintegration are all-powerful at the moment. A more pleasing aspect is presented by the effect of the rise in silver on currency values. This has not only sent up the rupee in India to 1s. 5d.—which may only be a beginning—but has produced a marked improvement in the gold value of the Mexican silver dollar. In the later days of the late President Diaz the Mexican silver dollar was arbitrarily fixed at 50 per cent. of its old par value against gold—that is to say, the 4s. 2d. dollar was officially worth 2s. 1d. That value was pretty well maintained during the revolutionary time, to some extent, no doubt, because of the worthlessness of the paper money dumped upon the country—that is to say, the dollar was worth nearly 50 cents in gold. It has now gone up to 70.50 cents, and should this figure hold—as it is quite likely to do, because silver will probably perforce become the principal metallic currency of all the world as a result of the devastation of war—then the resumption of payments upon Mexico's foreign debts, as well as the resumption of internal progress, should be considerably facilitated.

The Argentine Senate has passed a Bill authorising the issue of an internal loan for \$5,387,000,000 (about £31,000,000). How the money is to be raised is not yet settled.

An announcement is made by the London office of the Yokohama Specie Bank, Limited, of the purchase of £415,140 of the bonds of the 4½ per cent. Sterling loans of 1905, £310,600 being of the first series and £104,540 of the second series. These purchases have been made on behalf of the Imperial Japanese Government for the purpose of cancellation.

The India Council this week has raised the price of immediate telegraphic transfers from 1s. 4½d. to 1s. 5d. per rupee, and that of deferred transfers and bills from 1s. 4 5-32d. to 1s. 4 29-32d. per rupee. This increase in the value of the rupee is the outcome of the shortage of silver in India, and one of its effects is to increase the rate of interest on rupee loans by 5 per cent. The quotation of rupee loans has accordingly been advanced 3 points to 48. It is suggested that the action of the India Council in raising the value of the rupee to such an extent is a direct encouragement of gold shipments. This is true in theory, but not in practice, for the reason that permission to ship gold to India has to be obtained from the Treasury here, and in the case of shipments from the United States from the comptroller at Washington, and that

the Government of India has the prior right to purchase such shipments on arrival. Moreover, it is understood that the principal banks have agreed to refrain from making such shipments in order to protect our own stock of gold, which would inevitably be affected indirectly by shipments from the United States or Japan.

It is understood that the New South Wales Government will shortly issue a new loan for a fairly large amount in short-term form. In May the New South Wales Government made its last appearance here as a borrower, and the reception which it met with would not have encouraged it to repeat the operation at so short an interval, if it did not consider that its requirements are of an urgent character. As a matter of fact, the money, like that for the Commonwealth Loan, is required to make payment for purchases effected here for railway construction. This is a part of a programme for securing settlers on the land after the war, and it is urged that it will be too late to construct railways for that purpose after peace is declared. It is true that prior to the war immigrants tended to congregate in the towns owing to the absence of railways, and railway construction is the only remedy for this. But, unfortunately, Australia, and New South Wales in particular, has developed such extravagant notions with regard to what capital can do in speeding up her industrial expansion, that she needs to be reminded that the rapidity with which she is piling up debt is causing concern here as well as in Australia.

Underwriters of the Commonwealth loan of £4,500,000 of 5½ per cents. have been left with 58 per cent. This, in the circumstances, must be regarded as a good result, and is, in fact, better than the market had anticipated. The bonds are unlikely to fall to much of a discount; they are more likely to go to a premium soon, for the loan will be well cared for. It is, perhaps, a pity that the War Loan has not the same excellent arrangement for maintaining its price. The "depreciation fund" has never yet succeeded in achieving its object.

SILVER.

The price of silver continues to soar, and yesterday rose to 46d., which is 1½d. higher than it was a week ago. The figure is now, indeed, the highest ever seen since August, 1891, and a rise of 5½d. since the beginning of July. We do not see any definite prospect either of a relapse, although the advances now and recently registered are not a consequence of enlarged demand, but of short supplies. Indeed, the sales in the metal this week are alleged to have been less than £5,000 all told; but the metal is being hoarded, notably by the Indian Treasury, whose silver reserve now amounts to 28 crores of rupees, or 13 crores more than in the beginning of June last. The increase is, in fact, upwards of 86 per cent. in less than three months. The stock in Shanghai, upon the other hand, is slightly down, Messrs. Samuel Montagu and Co. tell us. On August 25 it was about 21,000,000 ozs. in sycee and \$15,600,000, which was a decline of 200,000 ozs. in sycee and an increase of \$100,000 in coin.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, August 29, 1917.

ISSUE DEPARTMENT.

	£	£
Notes Issued	70,273,960	Government Debt 11,015,100
		Other Securities 7,434,900
		Gold Coin and Bullion .. 51,821,960
		Silver Bullion
	£70,273,960	£70,273,960

BANKING DEPARTMENT.

	£	£
Proprietors Capital ..	14,553,000	Government Securities .. 57,899,020
Reserve	3,556,748	Other Securities 105,408,500
Public Deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts) ..	46,525,875	Notes 29,867,160
Other Deposits	131,093,744	Gold and Silver Coin .. 2,479,531
Seven Day and other Bills ..	14,844	
	£195,744,211	£195,744,211

Dated August 30, 1917.

E. M. HARVEY, Deputy Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. August 30.		August 22, 1917.	August 29, 1917.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,548,698	Rest ..	3,526,832	3,556,748	29,916	—
52,361,446	Pub. Deposits ..	41,700,857	45,515,375	1,825,018	—
102,140,601	Other do. ..	127,214,116	131,093,744	3,849,628	—
21,257	7 Day Bills ..	16,888	14,844	—	2,044
	Assets.			Decrease.	Increase.
42,188,314	Gov. Securities.	56,483,328	57,899,020	—	1,415,612
91,041,125	Other do. ..	100,889,240	105,498,510	—	4,609,260
38,495,563	Total Reserve ..	32,669,125	32,346,691	322,434	—
				6,025,996	6,026,996
				Increase	Decrease.
£	Note Circulation	£	£	£	£
58,167,825	Coin and Bullion	37,933,515	40,406,800	473,285	—
57,147,914	Proportion ..	54,152,640	54,303,191	150,851	—
24.9 p.c.	Bank Rate ..	19 p.c.	18½ p.c.	—	8 p.c.
6 ..		5 ..	5 ..	—	—

PUBLIC INCOME AND EXPENDITURE.
(For 7 days ended August 25.)

REVENUE.	EXPENDITURE
£	£
Customs	National Debt Service .. 173,948
Excise	Interest, etc., on War Debt .. 599,710
Estate, &c., Duties ..	Development & Road Improv ..
Stamps	Payments to Local Taxation .. 350,000
Land Tax and House Duty	Other Consolidated Fund
Property and Income Tax	Charges
Excess Profits Tax ..	Supply Services 37,380,000
Land Values	Bullion Advances
Post Office	For Advance for Interest
Crown Lands	on Exchequer Bonds under
Sundry Loans	Capital Expenditure
Miscellaneous	(Money) Act, 1904
Bullion advances repaid ..	For Treasury Bills
For Treasury Bills for Supply	For Exchequer Bonds issued
5% Exchequer Bonds, 1919 ..	under the War Loan Red-
5% Exchequer Bonds, 1922 ..	emption Act, 1916 .. 58,100
6% Exchequer Bonds, 1920 ..	Expenditure. Certificates
War Expenditure Certificates	under War Loan Act, 1916
War Savings Certificates ..	Other Debt under War Loan
4% War Loan, 1929-1942 ..	Acts, 1914-16 ..
5% War Loan, 1929-1947 ..	For Exchequer Bonds under
Other Debts created under	Section 61 of Finance Act,
War Loan Act, 1915, and	1916
Finance Act, 1916	Under Telegraph (Money)
Telegraph Money Act, 1913	Act, 1913
Under Post Office Rly. Act,	Under Post Office .. (Lon-
1913	don) Railway Act, 1913 ..
Under Military Works Acts,	Under Military Works Acts
1897-1903	Under Housing Act, 1914 ..
Under Public Buildings ..	Public Buildings Expendi-
Under Housing Act,	ture Act, 1903
Repayment of Advance for	Old Sinking Fund, 1907-8 ..
Interest on Exchequer	Old Sinking Fund, 1910-11 ..
Bonds, 1904	China Indemnity
China Indemnity	East African Protectorate
East African Protectorate	Loan repayment
Loan repayment	Suez Canal Drawn Shares ..
Suez Canal Drawn Shares ..	Temporary Advances repaid
Ways and Means Advances ..	Increase in Exchequer
5,000,000	balances
Decrease in Exchequer	
balances	
2,625,722	
£75,670,810	£75,670,810

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,415,416,000	363,290,000	—
June	1,486,612,000	1,147,630,000	339,182,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August 1	336,410,000	290,541,000	45,869,000	—
" 8	306,218,000	281,203,000	25,015,000	—
" 15	341,672,000	276,710,000	64,962,000	—
" 22	326,981,000	259,155,000	67,826,000	—
" 29	317,087,000	257,173,000	59,914,000	—
Total ..	12,590,028,000	10,141,530,000	3,237,163,000	—

CURRENCY NOTES.

Return of Currency Notes for the week ended August 29, 1917.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes	2,948,018	2,771,163	126,017,361
10s. notes	1,183,766	1,239,523	32,337,730
Note certificates	—	260,000	14,970,000
Previous total	685,168,098	511,658,105	173,361,091
	689,299,882	515,931,791	

Ratio of gold held against notes, this week, 18.00 p.c.; last week, 18.00 p.c.

BANK OF FRANCE (25 francs to the £).

	Aug. 30, 1917.	Aug. 23, 1917.	Aug. 16, 1917.	Aug. 31, 1916.
	£	£	£	£
Gold in hand ..	130,988,760	130,904,360	130,805,760	192,599,280
Silver in hand ..	10,400,760	10,413,240	10,155,600	13,544,400
Bills discounted ..	23,937,400	22,696,480	24,710,800	17,932,760
Advances	44,036,280	44,543,080	44,647,480	46,993,400
Note circulation ..	822,766,520	818,742,720	818,353,000	656,985,880
Public deposits ..	609,760	716,040	3,218,360	3,206,520
Private deposits ..	111,311,000	108,627,960	104,054,160	88,546,360
Foreign Bills ..	60,560	55,720	69,520	60,000

Proportion between bullion and circulation 27.08 per cent., against 27.21 per cent. last week. Advances to the State £448,000,000; increase, £7,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £20,850,080, decrease £59,680, and at the branches £25,964,800, decrease £45,960.

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Aug. 3, 1917.	July 27, 1917.	July 20, 1917.
Gold coin and certificates ..	£ 79,057,000	£ 92,152,800	£ 97,623,800
Gold Settlement Fund ..	87,630,600	91,147,800	80,764,200
Gold with foreign agencies ..	10,500,000	10,500,000	10,500,000
Total gold held by banks ..	178,087,600	183,800,600	188,888,000
Gold with Federal Res. Agent ..	93,569,000	86,838,600	84,777,600
Gold Redemption Fund ..	1,878,000	1,813,400	2,338,200
Total gold reserves ..	273,534,600	272,452,600	276,004,000
Legal tender notes, silver, &c. ..	10,741,800	10,357,800	10,060,200
Total reserves ..	284,276,400	282,810,400	286,064,200
Bills discounted—Members' ..	26,189,600	27,691,800	32,277,200
Bills bought in open market ..	34,836,600	39,019,400	39,545,000
Total bills on hand ..	61,026,200	66,711,200	71,822,200
U.S. Gov. long-term sec. ..	8,484,400	8,227,000	8,453,000
U.S. Gov. short term sec. ..	5,092,800	7,163,600	6,610,000
Municipal warrants ..	249,800	293,800	437,200
Loans on gold coin and bullion ..	—	—	—
Total earning assets ..	74,853,200	82,395,600	87,322,400
Due fm other Fed Res bks—n. ..	949,200	2,221,200	822,600
Uncollected items ..	39,411,600	40,951,200	48,593,400
Total deducts. fm gross dep. ..	40,360,000	38,730,000	49,416,000
5% Red. Fund ag Fed. Res. bkts ..	100,000	100,000	100,000
All other resources ..	98,400	211,400	322,200
Total resources ..	399,688,800	404,247,400	423,248,800
Capital paid in ..	11,570,200	11,565,000	11,544,400
Government deposits ..	11,353,000	28,606,400	36,920,200
Due to members—Res. account ..	238,577,400	227,091,200	232,999,000
Due to non-mbrs—clearing ac. ..	2,453,800	1,709,400	953,400
Members' bank deposits—nett ..	—	—	—
Collection items ..	26,410,600	27,563,000	33,056,800
Total gross deposits ..	278,794,800	284,970,000	303,935,400
F.R. notes in actual circulat'n ..	108,157,000	106,803,000	100,845,200
F.R. bk nts in circn—nett liab. ..	565,600	491,800	461,200
All other liab. in for Gov crdts ..	595,200	417,600	438,400
Total liabilities ..	399,688,800	404,247,400	423,248,800
Gold res. ag nett deposit liab. ..	74.6%	74.6%	74.2%
Gold & lawful money reserve ..	79.1%	78.8%	78.1%
against nett deposit liabilities ..	—	—	—
Gold res ag F.R. nts in act circ ..	88.2%	83.0%	81.5%

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Aug. 25, 1917	Aug. 18, 1917	Aug. 11, 1917	Aug. 26, 1916
Loans ..	£ 763,270,000	£ 770,184,000	£ 759,198,000	£ 648,803,000
Reserve held in own Vaults ..	25,528,000	26,230,000	27,146,000	27,940,000
Reserve held in Fed. Res. Bk. ..	74,200,000	72,446,000	81,084,000	34,250,000
Cash in own Vaults ..	17,434,000	18,222,000	18,550,000	—
Reserve held in Other Depos. ..	13,788,000	12,458,000	13,270,000	10,734,000
Nett Demand Deposits ..	705,304,000	704,070,000	719,814,000	636,048,000
Nett Time Deposits ..	49,554,000	41,332,000	41,116,000	39,430,000
Circulation ..	6,132,000	6,074,000	6,060,000	6,225,000
Excess Lawful Reserve ..	15,230,000	13,038,000	25,216,000	25,182,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Aug. 25, 1917.	Aug. 18, 1917.	Aug. 11, 1917.	Aug. 26, 1916.
Loans ..	£ 169,770,000	£ 170,118,000	£ 166,412,000	£ 142,778,000
Specie ..	11,984,000	11,900,000	11,968,000	11,902,000
Deposits ..	169,816,000	170,104,000	167,138,000	150,466,000
Legal Tenders ..	2,878,000	2,786,000	2,714,000	1,744,000

IMPERIAL BANK OF RUSSIA (10 roubles to the £).

	Aug. 21, 1917.	Aug. 14, 1917.	Aug. 4, 1917.	Aug. 21, 1916.
Notes in reserve ..	£ 13,450,000	£ 13,600,000	£ 11,860,000	£ 10,280,000
Gold ..	129,740,000	129,490,000	129,300,000	154,860,000
Gold in reserve abroad ..	230,800,000	230,800,000	230,800,000	205,700,000
Loans and Discounts, including Treasury Bonds ..	1,360,550,000	1,344,860,000	1,332,620,000	993,110,000
Circulation note issue ..	1,443,420,000	1,412,540,000	1,391,640,000	692,720,000
Deposits, including Treasury deposits ..	339,660,000	331,880,000	313,790,000	10,280,000

Clearing House return during July, £358,972,790.

NETHERLANDS BANK (12 Florins to the £).

	Aug. 23, 1917.	Aug. 15, 1917.	Aug. 7, 1917.	Aug. 23, 1916.
Total Coin & Bullion ..	£ 124,728,000	£ 124,476,800	£ 124,140,900	£ 124,797,250
Treasury Notes ..	23,376,900	27,362,000	27,296,300	17,048,950
Bills discounted ..	553,342,950	568,430,000	551,614,050	332,929,150
Advances ..	390,150	682,050	479,900	514,150
Note circulation ..	448,898,850	446,718,900	445,252,650	343,157,700
Deposits ..	293,742,700	304,019,300	201,857,650	134,557,250

Clearing House return during July, £358,972,790.

NETHERLANDS BANK (12 Florins to the £).

	Aug. 25, 1917	Aug. 18, 1917	Aug. 11, 1917	Aug. 26, 1916
Gold and Silver ..	£ 55,357,083	£ 55,340,000	£ 55,310,416	£ 49,503,588
Bills and Advances ..	10,678,250	10,393,500	10,564,250	13,623,166
Note circulation ..	64,031,416	64,319,000	64,474,581	54,898,833
Deposits ..	5,697,583	5,257,250	5,273,000	11,566,416

BANK OF SPAIN (25 pesetas to the £).

	Aug. 18, 1917	Aug. 11, 1917	Aug. 4, 1917	Aug. 19, 1916
Gold ..	£ 70,974,786	£ 69,652,985	£ 68,715,448	£ 45,155,571
Silver ..	29,543,938	29,566,149	29,702,921	30,325,143
Foreign Bills ..	3,724,935	3,734,799	3,765,478	3,920,423
Discounts and Short Bills ..	29,324,083	29,312,135	29,611,419	23,659,669
Treasury Account, &c. ..	25,143,059	25,071,168	25,665,939	30,600,696
Notes in Circulation ..	103,655,832	103,867,981	103,390,018	89,082,620
Current Accounts, Deposits ..	35,893,038	34,582,313	34,003,937	31,877,738
Dividends, Interests, &c. ..	2,098,577	1,661,898	1,614,038	1,698,071
Government Securities ..	6,077,284	6,980,638	7,398,586	1,759,546

BANK OF ITALY (25 lire to the £).

	July 20, 1917	July 10, 1917	June 30, 1917	July 20, 1916
Total cash ..	£ 38,344,800	£ 38,149,400	£ 39,722,560	£ 44,965,240
Inland Bills ..	22,638,040	21,822,160	21,252,560	19,117,520
Foreign Bills ..	832,720	832,720	832,720	832,840
Advances ..	12,672,160	14,952,560	16,933,680	7,740,320
Government securities ..	8,777,040	8,820,120	8,790,880	8,793,080
Circulation ..	181,312,760	181,795,320	178,670,600	134,594,280
Deposits at notice ..	23,260,680	25,615,240	30,843,920	13,555,660
Current accounts ..	12,624,520	13,507,200	12,178,080	15,236,800

BANK OF SWEDEN.

	Aug. 11, 1917.	Aug. 4, 1917.	July 28, 1917.	Aug. 12, 1916.
Gold ..	£ 11,365,000	£ 11,365,000	£ 11,368,000	£ 9,213,000
Balance abroad and Foreign Bills ..	7,385,000	7,240,000	7,286,000	9,365,000
Swedish and Foreign Govt. Securities ..	3,436,000	3,847,000	3,864,000	3,813,000
Discounts and Loans ..	9,907,000	9,632,000	8,872,000	3,193,000
Notes in circulation ..	24,433,000	24,747,000	23,588,000	18,174,000
Deposits at notice ..	8,280,000	7,547,000	8,004,000	6,213,000

BANK OF NORWAY.

	Aug. 7, 1917.	July 31, 1917.	July 23, 1917.	Aug. 7, 1916.
Gold ..	£ 7,151,000	£ 7,154,000	£ 7,154,000	£ 6,326,000
Balance abroad and Foreign Bills ..	4,182,000	4,245,000	4,725,000	6,467,000
Government Securities ..	705,000	705,000	705,000	767,000
Discounts & Loans ..	15,719,000	15,512,000	15,189,000	5,251,000
Notes in Circulation ..	16,346,000	16,178,000	16,150,000	11,850,000
Deposits at notice ..	8,250,000	8,229,000	7,921,000	4,481,000

SWISS NATIONAL BANK (25 francs to the £).

	Aug. 15, 1917.	Aug. 7, 1917.	July 31, 1917.	Aug. 15, 1916.
Gold and silver ..	£ 15,898,708	£ 15,866,769	£ 15,676,092	£ 13,263,656
Bills ..	9,412,560	8,301,891	8,327,168	7,510,168
Note circulation ..	20,600,408	21,032,025	21,379,228	16,328,496
Current and deposit accounts ..	7,090,508	5,960,117	5,303,604	6,692,000

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Aug. 28, 1917.		Aug. 30, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	11.32	11.35	11.32	11.35
" ..	Three months' bills ..	11.48	11.52	11.48	11.52
Paris ..	Cable transfers ..	27.45	27.50	27.41	27.46
" ..	Three months' bills ..	27.85	27.90	27.81	27.86
Marseilles ..	Cable transfers ..	27.85	27.90	27.81	27.86
Switzerland ..	Cable transfers ..	21.75	21.80	21.40	21.50
" ..	Three months' bills ..	22.10	22.35	21.75	21.85
Petrograd ..	Cable transfers ..	248	252	265	275
Genoa, &c. ..	Cable transfers ..	35.48	35.53	35.55	35.65
Spain ..	Cable transfers ..	21.28	21.38	21.40	21.50
" ..	Three months' bills ..	53 1/2	54 1/2	53 1/2	54 1/2
Lisbon and Oporto ..	Cable transfers ..	31 1/2	31 1/2	31 1/2	32 1/2
Copenhagen ..	Cable transfers ..	15.58	15.68	15.60	15.70
Christiania ..	Cable transfers ..	15.53	15.63	15.53	15.63
Stockholm ..	Cable transfers ..	14.17	14.27	14.17	14.22

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22 1/2	27.40	27.44
Amsterdam, cheques ..	Florins to £1 ..	12.107	11.33 1/2	11.34
Italy, sight ..	Lire to £1 ..	25.22 1/2	35.55	35.67 1/2
Madrid, sight ..	Pesetas to £1 ..	25.22 1/2	21.15	21.52 1/2
Lisbon, sight ..	Pence to milreis ..	53 1/2 d.	31 1/2 d.	31 1/2 d.
Switzerland, sight ..	Francs to £1 ..	25.22 1/2	21.10	21.47 1/2
Christiania, sight ..	Kroner to £1 ..	18.159	15.56 1/2	15.55
Stockholm, sight ..	Kroner to £1 ..	18.159	14.26	14.15 1/2
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.62	15.67 1/2
Petrograd, sight ..	Roubles to £10 ..	94.57	226	267 1/2
Alexandria, sight ..	Piastres to £1 ..	97 1/2	97 1/2	97 1/2
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Hong Kong, T.T. ..	Sterling to dollar ..	—	2/11 1/2	3/8
Shanghai, T.T. ..	Sterling to tael ..	—	4/32	4/6
Singapore, T.T. ..	Sterling to dollar ..	—	2/4 1/2	2/4 1/2
Yokohama, T.T. ..	Sterling to yen ..	24.58 d.	2/18	2/18
New York, cable ..	Dollars to £1 ..	4.868	4.768	4.768
Buenos Aires, T.T. ..	Pence to dollar ..	47.58 d.	49 1/2 d.	49 1/2 d.
Valparaiso, 90 days ..	Pence to peso ..	—	1 1/2 d.	1 1/2 d.
Montevideo, T.T. ..	Pence to dollar ..	51 d.	53 1/2 d.	54 1/2 d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16 d.	13 1/2 d.	13 d.

OPEN MARKET DISCOUNT.

	Last week.	This week.
Thirty and sixty day remitted
Three months
Four months
Six months
Three months fine inland bills
Four months
Six months

BANK AND DEPOSIT RATES.

	Last week.	This week.
Bank of England minimum discount rate
.. .. short loan rates
Bankers' rate on deposits
Bill brokers' deposit rate (call)
.. .. 7 and 14 days' notice
Current rates for 7 day loans
.. .. for call loans

The Week's Stock Markets.

Withal the Stock Exchange has enjoyed a fair amount of activity this week, but business has been very unevenly distributed, and although the tone generally has been cheerful, the leading markets have not shown up to any great advantage. Some brokers avow that they have been busier than at any time since the outbreak of the war, but plenty of others have had scarcely a bargain to put through, and at the best dealings have been of a rather retail character. Industrial shares, especially Explosives and Mines, have been most in favour, and Government stocks have received a fair amount of support. On the other hand, Russians have given way sharply, partly owing to the heavy fall in the value of the rouble, and partly because views with regard to the political situation have swung round to renewed pessimism owing to the continued evidence of lack of control of the Army and to the rather ineffective outcome of the Moscow Conference. Fortunately the Germans are kept sufficiently busy on the Western front not to have any troops to spare for adventures elsewhere, but the threat to Riga and Petrograd cannot be entirely ignored, although it may require a sharp disaster in that direction to create the discipline and cohesion which are so necessary for effective work. Brazilians have moved in sympathy with the erratic fluctuations in the Rio exchange, and Mexicans have not been able to maintain all their recent gains. Colonials were affected by the comparative failure of the Commonwealth loan and the knowledge that New South Wales is coming to the London market with a similar issue. Home Railways have been as dull as usual on fears about the labour outlook, and except in the special sections already mentioned little interest has developed. People are beginning to discuss the impending collapse of the Central Powers, but there are widely varying views as to what the effects would be on the stock markets generally. No doubt there would be a temporary flush of enthusiasm, but it is by no means certain that it can last, and investors ought to be very careful of buying shares merely on the strength of war profits.

On the whole, the feeling in the stock markets this week has been cheerful, and the daily record of transactions has kept up to a gratifying average, but we are afraid if the truth were known most of the orders involve more trouble than profit. Gilt-edged securities have been steady without much change. Consols showed strength at first, but afterwards relapsed. Among War Loans the 4½ per cents. gave way a fraction, and a small gain in the 3½ per cents. did not mean much business. The market has been rather overshadowed by new issues. Underwriters had to take about 58 per cent. of the Commonwealth Loan, and the New South Wales offer on similar lines is held in abeyance for the present. Colonial loans were consequently almost entirely neglected, and very few movements occurred. In the foreign section Russians slumped day by day, owing to the rise in the exchange and the evidence that the Government has not yet got the Army properly in hand. Brazilians fell with the value of the milreis, but rallied a little before the finish. Cuban Ports were strong, and Argentines maintained their ground. Chinese and Japanese were firm, but the French War Loan eased off, and Spanish also lost ground.

Home Railways get no support from anywhere. The half-yearly dividends did not infuse any life into the market, and the constant threats of labour troubles frighten away the hardiest speculative investor. Americans have been dull and neglected. Prices follow the lead of Wall Street, and changes occur often without a single bargain being marked. Canadian Pacifics and Grand Trunks improved a trifle in spite of the poor July statements. Mexicans opened well, but fell back on profit-taking. Argentines were good, although the traffics are far from encouraging, and they closed below the best. Guayaquil and Quito Fives fell sharply on the adverse decision in the Speyer case, and the rest of the list was scarcely mentioned.

Bank shares showed up to some advantage, and numerous shares gained a fraction wherever a buyer appeared. Breweries continued strong. Guinness jumped to points at a time, and Allsopps, Watney Combe, City of London, and Bass all scored substantial advances. Iron and Steel were rather irregular, except in the case of companies mainly concerned with explosives, such as Nobels, which rose sharply. Canadian Cars, Dominion Steels, Swan Hunter, and Guest Keen also improved. Among Land shares, Deccans alone showed much vitality, and Shipping issues were inclined to ease off, probably in connection with the appearance of the first "standardised" steamer. Textiles held up well, and Harrods gained a little on the scheme to abolish the Foun-

ders' shares, although, as we point out elsewhere, the terms seem sufficiently generous. Motor shares were good, and among Miscellaneous Industrials, Dunlop Rubber Parent Tyres, Salt Union, Pears, Borax, Bryant and May, Schweppes, and many others gained a fraction.

	Last Week	This Week		Last Week	This Week
Consols.....	56	56	N.S.W. 4½ 5yr. bds....	98½	98½
War Loan 3½.....	87½	87½	" 4½, 1922-7.....	91½	91½
" 4½.....	97½	97½	" 5%, 1921-3.....	96	96
" 5%, 1929-47.....	94½	94½	" 5½, 1920-2.....	98½	98½
" 4%, 1929-47.....	102½	102½	New Zealand 4%, 1929 ..	86	86
India 3%.....	57	56½	Queensland 4%, 1929 ..	80	80
" 3½.....	66½	66½	" 4½, 1920-5.....	93½	93½
Australian 5½, 1920-22 ..	99½	99½	Union of S. Africa 4½, 1920-5 ..	92	92
Canada 4%, 1940-60.....	81½	81½	Victoria 4½, 1920-5.....	93½	93½
N.S.W. 4½, 1920-5.....	93½	93½	Westn. Aus. 4%.....	81	81
" 4%, 1929-47.....	82½	82½	French War Loan, 5% ..	81½	81
Argentine 4%, 1900.....	65	65	Japan 4½ (1st), 1905 ..	95½	96
Belgian 3%.....	60	60	" 5%, 1907.....	94½	94½
Brazil, 1913.....	71	71	Mexican 5%, 1899.....	67	67
" 5%, 1914.....	80	80	Russia 4%.....	57	55
Chinese 1896.....	94	94	" 4½, 1909.....	65	62½
" 1912.....	79	79	" 5%, 1906.....	72	70
Egypt Unified 4%.....	84	84	London and N.-W.	92½	91½
Caledonian dfd.....	83	83	London and S.-W. dfd. ..	22½	22
Gt. Central pica.....	133	133	Do. red. pf. 1914 ..	92	92
" dfd.....	63	63	Metropolitan.....	22½	23
Gt. Eastern.....	35½	34½	Do. 5% pf.....	90	90
Gt. Northern dfd.....	30½	30½	Met. District.....	15	15½
Gt. Western.....	86½	85½	Midland dfd.....	56½	55½
Lancs. and Yorks.....	64½	64	Nth. British dfd.....	13½	13½
London Brighton dfd.....	58½	58	Nth.-Eastern.....	99½	99
London Chatham ord.....	82	82	Sth.-Eastern dfd.....	26½	27
Canadian Pacific.....	181½	179½	Erie.....	27	27
B. Indian Guar. 4½ debs.	86	86	Milwaukee.....	86½	86½
Grand Trunk ord.....	10	10	N. Y. Central.....	100½	100½
Do. 1st pf.....	65½	65½	Southern.....	28½	29½
Do. 3rd pf.....	25	25	Southern Pacific.....	97½	97½
Atchison.....	107½	107½	Union Pacific.....	142½	142½
Baltimore.....	79½	79½	U. S. Steel.....	116½	116½
Chesapeake.....	61	62	Cent. Argentine ord.....	63	63
Antofagasta dfd.....	126½	126½	Leopoldina.....	39½	40
Brazil Common.....	54	54	Mexican ord.....	19	21
B. A. & Pacific.....	40½	41	San Paulo (Brazilian)....	187	186
B. A. Gt. Southern.....	72½	72½	United of Havana.....	84½	85
B. A. Western.....	76	77	London & S.W.....	12½	12½
Anglo-South American ..	6½	6½	London City & Midland..	7½	7½
Bank of Australasia.....	118	118	London County & West.....	14½	14½
Bank of N.S. Wales.....	34½	34½	London Joint Stock.....	23	24
Barclay & Co. "A".....	72	72	Nat. Prov. of Eng. (£10 pd)	26½	27
Do. "B".....	11	11	Do. (£12 pd).....	30	31
Capital & Counties.....	23	23	Parr's.....	29	29
Chartered of India.....	65	65	Standard of S.A.....	10½	10½
Hongkong & Shanghai ..	79½	79	Union Discount.....	10½	10½
Lloyds.....	24	24	Union & Smiths.....	23½	23½
London & Provincial.....	15	15½	Kynochs.....	32½	38½
London & Brazilian.....	23½	23½	Mond Nickel ord.....	3½	3½
Armstrong, Whitworth.....	39½	39½	South Durham Steel.....	36½	36½
Birmingham Small Arms	53½	54½	Thornycroft.....	36½	36½
Cammell-Laird.....	68	68	Vickers.....	39½	38½
Cargo Fleet.....	21½	21½	Fine Cotton Spinners.....	30½	31½
Dorman, Long.....	40½	39½	Forestral Land.....	46½	46½
Associated Cement.....	4	3½	Furness, Withy.....	45½	45½
Borax dfd.....	37½	38½	Harrods Stores.....	2½	3
Bovril.....	19½	19½	Hudson's Bay.....	7½	7½
Brazil Traction.....	48	47½	Imperial Tobacco "C" pf.	20½	20½
British Amer. Tobacco.....	18½	18½	Lever Bros. "C" pf.....	30½	30½
British Aluminium.....	32½	33½	Lyons, J.....	48	48
British Oil & Cake.....	31	30½	Marconi.....	34½	34½
Brunner, Mond.....	4½	4½	Maypole Dairy dfd.....	24½	24½
Castner-Kellner.....	37½	37½	National Steam Car.....	19½	19½
Courts.....	68	68	Pears, A. & F.....	18½	18½
Courtaulds.....	7½	7½	P. & O. dfd.....	32½	32½
Cunard.....	7½	7½	Royal Mail.....	113½	113½
Dennis Bros.....	36½	38½	Underground Inc. Bds....	83	83½
Eastern Telegraph.....	144	146			
Eastmans.....	10½	9½			
English Sewing Cotton ..	48½	49½			
Anglo-Egyptian "B".....	18½	18½			
Baku (10s.).....	2½	2½			
Burmah.....	62	62½			
Libos.....	2½	2½			
Maikop Pipeline.....	31	31			
Mexican Eagle pf.....	38	38			
Anglo-Java Rub. (2½) ..	7¼	7½			
Anglo-Malay 2½.....	15½	15½			
Ayer Kuning 2½.....	52½	52½			
Bukit Mertajam 2½.....	5½	5½			
Bukit Sembawang 2½.....	3½	3½			
Carey United 2½.....	47½	47½			
Chersonese.....	3½	3½			
Gula Kalumpung 2½.....	36½	36½			
Highlands 2½.....	60½	61½			
Java Para 2½.....	33½	33½			
Johore Rubber Lands 2½.....	36½	36½			
Langen Java 2½.....	46½	46½			
Linggi 2½.....	30½	30½			
London Asiatic 2½.....	9½	9½			
Malacca 2½.....	58	58			
Malayalam 2½.....	37½	37½			
Abbottiakoon (10/-).....	4½	4½			
Bechuanaland Exp.....	6½	6½			
Brakpan.....	5½	5½			
Broken Hill Prop. (8/-) ..	47½	46½			
Cam & Motor.....	9½	10½			
Central Mining (£12).....	6½	6½			
Chartered.....	13½	13½			
City Deep.....	4½	4½			
Cons. Gold Fields.....	18½	18			
Cons. Langlaagte.....	22½	22½			
Crown Mines (10/-).....	2½	2½			
De Beers dfd. (£2 10s.) ..	138	137½			
East Rand.....	7½	7½			
Eduld.....	40½	39½			
Gov. Areas Mod.....	64½	67½			
Gt. Boulder (2½).....	12½	12½			
Kyshtim.....	28	28			
Mashonaland Agency.....	5½	5½			
Meyer & Charlton.....	8½	8½			
Modder "B".....	7½	7½			
Do. Deep.....	3½	3½			
Mysore.....	38	38			
Rand Mines (5/-).....	38	38			
Rio Tinto (£5).....	62½	62½			
Russo-Asiatic.....	42	42			
Spring Mines.....	38½	38½			
Tanganyika.....	38	38			
Tanahlyk.....	18	18			
Van Kyn Deep.....	38½	38½			

* Treasury prices.

Oil shares showed some strength at first, but afterwards reacted rather sharply, and Anglo-Persian, British Burmah, New Schibafieff, North Caucasian, Spies, Trinidad Leaseholds, Ural Caspians, and others, dribbled downwards, but Mexican Eagles were firm. Most of the movements were due to the unsatisfactory Russian situation, and the others de-

clined in sympathy. Rubbers benefited from the advance in the price of the commodity to 2s. 8d., and buyers were much more in evidence than sellers. Most of the changes are favourable, and the better-class shares, we are glad to note, were most in demand, but the "penny bazaar" variety find a fair number of supporters. There is still a scarcity of floating stock, and that gives an appearance of strength in some cases which is not altogether justified.

LONDON PRODUCE MARKETS.

There was only a moderate amount of business in force this week, but prices held together fairly well as sellers did not press.

SUGAR.—Supplies cleared readily at unaltered rates.

COFFEE.—Spot firm to dearer, and a good demand prevailed in auction. Fine bold Mysore, sold, 10rs. 6d.; bold unwashed Dumont, 6rs. to 7rs. 6d. Trade for future delivery moved very slowly, but rates improved owing to the position of spot parcels.

CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING AUGUST 31, 1917.

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt., duty 14/ 98% polarisation	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Crassbird	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granulated, first marks	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	New Zealand	nom.	nom.
German Cubes f.o.b.	nom.	nom.	(scoured) Merino	nom.	nom.
French Cube	nom.	nom.	Greasy Crossbred	nom.	nom.
prompt	nom.	nom.	Cape snow white	nom.	nom.
Crystallised, West	2 6 9	2 6 9	Indian rubber p. lb.		
India ..	2 6 9	2 6 9	Plantation, Spot	0 2 6½	0 2 8
Beet, 88% f.o.b.	nom.	nom.	Crepe ..		
Tea —per lb., duty 7/- lb.	d. s. d.	d. s. d.	Coal —per ton		
Indian Pekoe ..	11-1 6	11-1 3	Durham, best ..	nom.	nom.
Broken ..	10 2 0½	1 3-2 2	Seconds ..	nom.	nom.
Orange ..	11½-1 9	1 0-1 9	East Hartlepool ..	nom.	nom.
Broken ..	11-2 1	1 3-2 8	Seconds ..	nom.	nom.
Pekoe Souchong	11-1 0	11-1 0	Steam, best ..	30 0	30 0
Ceylon Pekoe ..	11-1 5	11-1 3	Seconds ..	27 0	27 0
Broken ..	1 3-1 10	1 3-1 6	Lead —per ton.	£ s. d.	£ s. d.
Orange ..	11½-1 3	1 0-1 3	English Pig ..	nom.	nom.
Broken ..	1 3-2 2	1 3-2 4½	Foreign soft ..	£ 30½-29½	£ 30½-£ 29½
Pekoe Souchong	11-1 0	11-1 0	Quicksilver —per bottle firsthand	nom.	nom.
Cocoa —per cwt., duty 6d. per lb.	s. s.	s. s.	Tin —per ton		
Trinidad ..	82 0-87 0	82 0-87 0	English Ingots ..	£ 239-240	£ 242-243
Grenada ..	67 0-64 0	68 0-65 0	Do. bars ..	£ 240-241	£ 241-244
West Africa ..	57 0-85 0	57 0-85 0	Standard cash ..	£ 240½-241	£ 244½-244½
Ceylon Plantation	70 0-85 0	70 0-85 0	Tin Plates, per box	nom.	nom.
Guayaquil Arriba ..	93 0-98 0	95 0-98 0	Copper —per ton.		
Coffee —per cwt., duty 2/- per cwt.			English, Tough, per ton ..	nom.	nom.
East India ..	77 0-113 0	81 6 103 0	Best Selected ..	£ 135-131	£ 135-£ 131
Jamaica ..	66 0-120 0	66 0-120 0	Sheets ..	£ 160	£ 160
Costa Rica ..	76 6 102 6	78 0 102 6	Standard ..	£ 120-120½	£ 120-120½
Provisions —			Jute —per ton.		
Butter, per cwt.			Native firsts for shipment	£ 18 10 f.o.b.	£ 18 10 f.o.b.
Australian finest	205/-209/-	206/-209/-	Oils —		
Irish Creameries	206/-211/-	206/-211/-	Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Dutch ditto ..	240/-250/-	nom.	Rape, refined ..	£ 71	£ 71
Russian finest ..	nom.	nom.	crude ..	£ 66	£ 66
Normandy baskets	nom.	nom.	Cott'n Seed, crude	£ 60	£ 60
Danish finest ..	280/-	nom.	Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
Brittany rolls ..	23/6-24/	23/6-24/	Petroleum Oil, per 8 lbs.	1/3½	1/3½
Bacon —per cwt.			Water White ..	1/4½	1/4½
Irish ..	155/-157/-	160/-162/-	Oil Seeds, Linseed	—	—
Continental ..	150/-157/-	145/-162/-	Calcutta—per ton		
Canadian ..	153/-	155/-	Spot	37 0 0	30 0 0
American ..	146/-150/-	148/-152/-	Rape ..	30 0 0	30 0 0
Hams —per cwt.			Iron —per ton		
Irish ..	176/-180/-	176/-180/-	Cleveland Cash ..	nom.	nom.
Canadian ..	140/-142/-	nom.	Tobacco —duty, unmanufactured		
American ..	110/-137/-	110/-137/-	7/4 to 8/6 per lb.		
Cheese —per cwt.			Maryland & Ono ..	nom.	nom.
Dutch ..	116/-130/-	nom.	per lb. bond ..	0 8-2 1	0 8-2 1
Canadian ..	nom.	nom.	Virginia leaf ..	0 7-0 11	0 7-0 11
English Cheddar	132/-	132/-	Kentucky leaf ..	2 0-5 1	2 0-5 0
Wilt's loaf ..	nom.	nom.	Manila ..	1 6 6 6	1 6 6 6
New Zealand ..	nom.	nom.	Cigars, duty 10/6 per lb. ..	2/ upds.	2/ upds.
Rice —per cwt.	d. s. d.	d. s. d.	Timber —Wood.		
Japan ..	29 6	29 6	Pitch pine ..	300/-400	300/-400
Rangoon 2 stars ..	26 3	26 3	Indian Teak ..	38½-700	38½-700
Eggs —per 120.			Turpentine —		
English ..	27 0-28 0	27 6-29 0	American Spot ..	2 17 3	2 18 0
Irish ..	25 0-26 6	25 0-26 9	Copra —per ton	46 0 0	46 0 0
Danish ..	23 6-25 0	23 6-25 0			
Spelter —					
G.O.B. as to position ..	£ 54-£ 50	£ 54-£ 50			
Flour —per sack.					
Country Straight	59/-61/-	59/-61/-			
Runs ex Mill ..					

Cocoa.—No auctions were held, spot parcels ruling firm, with a fair inquiry.

TEA.—At public sale this week 11,000 packages Indian were offered, and, with the exception of inferior kinds, which ruled slow, other kinds sold readily at full to dearer rates. 14,000 packages Ceylon aroused active competition at full maximum prices, D class being higher.

SPICE.—Pepper firm, quiet. Tellicherry fair, on spot, sold, 1s.; black Singapore, buyers, 11½d.; Muntok, 1s. 1½d. Fair Zanzibar cloves, spot, 1s. 3d. Tapioca moved off quietly, but prices were

steadily upheld. In auction, 460 packages Java limed nutmegs sold well at full values.

RICE.—Market steady at recent prices, but trade moves quietly. Beans and peas quiet, unaltered.

HEMP.—New Zealand inactive and quotations nominal.

SHELLAC.—Market, after being dearer, became irregular. T.N., October, sold, 225s., 230s., 222s., 230s., and 229s; December, 228s., 233s., 224s., 233s., and 232s.

GAMBIER firm. Block, afloat, changed hands at 52s., ex quay, Liverpool.

RUBBER.—Market firm, with a moderate trade. Crepe, spot, sold, 2s. 7d. to 2s. 8d.; October-December, 2s. 8d. to 2s. 9d.; ribbed smoked sheet, spot, at 2s. 5½d. to 2s. 6d. Fine hard Para, spot, quoted, 3s. 3½d.

COPRA.—Market quietly steady. F.M.S., Singapore, to arrive, buyers, £45 10s.; F.M. Straits, £45 5s.

TALLOW.—Auctions passed off firmly, at 6d. per cwt. advance.

CORN (Mark Lane).—Steadiness continued the prevailing characteristic since last Monday, business being on a moderate scale and changes in prices slight. Wheat: New crop, home grown, 73s. 6d. per quarter, 504 lbs., little being available at present. Imported No. 6 Manitoba, 73s. 3d., landed. Flour: Imported grades remain nominal. Country straight runs, 59s. to 61s. per sack, ex mill, according to quality. Maize: Plate now rules at 80s. to 81s., and flat white South African held for 86s., both ex quay, while scarce. Barley: Indian nominal at 82s. 6d., ex quay. English, 72s. 9d., 448 lbs. Oats: American white clipped No. 2, 60s. 3d., ex ship; 61s. 3d. landed. Canadian Western No. 2, in latter position, 63s.; English, 44s. 3d., 336 lbs.

COTTON (from our Manchester correspondent).—The market has continued to present a distinctly quiet appearance, and it is impossible to record any improvement in the turnover. Bearish sentiment has become rather more pronounced, and all along the line there has been an inclination to limit purchases as much as possible. More favourable news continues to be received relating to the American crop, and according to some authorities the output will probably be much larger than expected a few weeks ago. The reports as to the Egyptian growth are very mixed, and it is too early for any definite estimate of the production to be issued. In some sections of the trade attempts are being made to go beyond the regulations of the Control Board with regard to the restriction of output scheme, and such action is looked upon with disfavour by the authorities. A very limited business has been done in piece goods for all outlets. The absence of workable demand for India has again been a feature, and comparatively few bids have been received of any kind whatever. Isolated sales have been put through for China, chiefly in finishing cloths. A miscellaneous business has been done for several minor outlets without the turnover being at all important. Numerous manufacturers are fairly busy and can afford to be independent, but in one or two sections depression is rather acute, notably amongst producers of grey shirtings. A little more inquiry has been mentioned in home trade fabrics. American yarns have again been very irregular in price when tested, and not more than a retail business has been done. Users are fully aware of the heavy stocks at some mills, and there is no disposition to purchase ahead. Export yarns have not attracted much attention. A slow feeling has prevailed in Egyptian spinings, and business continues to be upset by the slump in raw material rates.

Answers to Correspondents.

* * A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.

Deposits against future queries may be lodged with the Publisher.

D. M.—(1) A very good company, doing well, but shares now rather dear. (2) Strongly backed, but prospects most uncertain. At present a mere speculation.

Callant.—(1) Prospects poor, debt heavy. (2) Fair, well-managed, but not much rise in prospect. (3) Good, should at least maintain 20 per cent. dividend. Prudent not to expect more. (4) Has debentures. Been reconstructed. Not much prospect. (5) See nothing to go for yet. (6) Also a poor affair, with no immediate prospect of a rise. (7) Too small; has debentures. Full-priced. Generally we should say let them alone.

T. C. D.—(1) No doubt this company has a chance of doing well after the war, but meantime the shares seem high enough, and you should take your profit. (2) These also seem fully priced; company is no doubt doing well, but excess profits tax must not be forgotten.

Young.—(1) We think you should sell if you can; prospects not very good, and financial position weak. (2) These pay well, and we see no reason to part with them. The estate is large, with room for expansion, and carefully managed. Oran.—Only as a purely speculative venture. Financial position is weak, but company owns large estates, which have prospective value.

L. R. S.—(1) Yes, quite good. (2) There is no objection; it is a full Trustee stock. (3) We fear not, and for the present the shares seem high enough.

W. J. W.—It is not possible to answer your question definitely. They look tempting, but we think it would be more prudent to wait until the prospects are clearer.

The Recovery in the Brewing Industry.

A YEAR ago the outlook for the brewing industry was depressing in the extreme. Not only was the trade suffering from high working costs, and the many war-time drawbacks common to all branches of industry, but, owing to the peculiar exigencies of the times, it was immersed in a veritable sea of restrictive legislation. The time a public-house could remain open under magistrates' law, *i.e.*, 17 hours a day, had been, in nearly all districts, reduced to 5½. There was the no-treating order, a revolution in itself. Taxation, an ever-increasing burden, weighed more heavily than ever, and the reduction in barrellage seemed to augur a serious fall in profits. In addition to all this, the industry was subjected to frequent alarms by the unscrupulous political agitation of innumerable faddists, who, during a national crisis, schemed to accomplish ends they could not achieve in times of peace. Small wonder was it that even people in close touch with the industry regarded the future with the greatest misgiving, while the majority of investors left the market in brewery securities severely alone.

But subsequent events have cast an entirely different complexion over the whole situation. As far as profits are concerned, it is the unexpected that has happened. From the close of the year onwards the annual reports displayed satisfactory, and in most instances improved results, and the further drastic reduction in the heavy gravity barrellage to 10,000,000 in the spring of this year, far from stopping, seems to have given a further impetus to the procession of encouraging exhibits, for some of the reports to hand for the period ending June last, have disclosed exceedingly large profits indeed. The fact is the trade is thriving in spite of its State-inflicted adversity. Generally speaking, the working classes are now more prosperous than ever before, and this circumstance has enabled the brewers to raise the price per barrel to a point which more than compensates them for the loss in output, increased costs, and other adverse factors.

Then as to the political aspect. The cry of those numerous cranks and faddists who clamoured for the extreme measure of prohibition is less articulate than it was. And no wonder, for have not the masses given sure indication that they will brook no more interference of this kind? In responsible quarters the production of beer is now regarded as being something more than a superfluous luxury. It has, in fact, become realised that just as excessive drinking results in a severe loss of efficiency the withholding of all facilities chokes the springs of effort. The only course to steer is the middle one. And this is the line of action which commends itself to the brewing industry, for in no quarter is the abuse of alcohol regarded with more disfavour than in the trade itself. To us it is evident that the happenings of the last 12 months have effectively crippled the prohibition movement.

But what of the possibility of compulsory State purchase on confiscatory terms? This bogey—an apparition conjured up by people whose wish is father to the thought—has, we must say, never obsessed us. If the State does see its way eventually to take over the liquor trade, a somewhat doubtful contingency viewed in the light of what is likely to be the straitened financial circumstances of the Government after the war, capital and other interests can be reasonably expected to receive fair treatment. It must be remembered that politically the Trade is a Titan still, capable of offering great resistance to any attempt to acquire its property upon terms tantamount to confiscation.

The following statement shows the results of a number of representative brewery companies, whose reports have made their appearance since the commencement of the current year. For the purpose of comparison we have given the approximate net profits for the last two financial years, together with, where readily available, pre-war figures.

Company.	Approximate Profits After Providing for Depreciation and Debenture Interest.		Allocat'd to Reserve, &c.	Approximate Pre-War Net Profits.
	1917.	1916.		
Barclay, Perkins and Co., Ltd.....	£ 92,950	£ 43,900	—	£ 92,000
Bent's Brewery Co., Ltd.	(f) 44,300	(f) 22,200	2,600	34,000
Brampton Brewery Co., Ltd.....	34,400	27,500	—	—
Brandon's Putney Brewery, Ltd....	(f) 25,450 (a)	(f) 20,700	1,000	—
Guinness, A., Son, and Co., Ltd. ...	(g) 1,193,000 (a)	(a) 1,018,000	200,000	1,203,000
Bass, Ratcliff, and Gretton.....	(g) 344,600 (a)	295,700	75,000	293,000
Cannon Brewery Co., Ltd.....	(f) 140,800	(f) 145,400	—	148,000
Hoare and Co., Ltd.	67,700	47,200	—	83,000
The Holt Brewery Co., Ltd.	(f) 80,950	(f) 31,500	5,000	—
Lion Brewery, Ltd.	52,800	46,500	—	—
Meux's Brewery Co., Ltd.	(f) 26,180	(f) 26,150	—	—
Mitchells and Butlers, Ltd.	(g) 263,500 (b)	212,350	80,000	197,000
Parker's Burslem Brewery, Ltd..	(g) 56,450 (b)	50,850	22,000	68,500
Hancock, Wm., and Co., Ltd.	39,700	38,600	nil	40,000
Tamplin and Son's Brewery, Brighton, Ltd.....	15,000	14,650	—	17,200
Threlfall's Brewery Co., Ltd.	(g) 200,800	90,800	30,000	68,500
Watney, Combe, Reid, and Co., Ltd.	(g) 340,000	210,000	—	213,000
Whitbread and Co., Ltd.....	(g) 129,900	94,200	—	126,000
Worthington and Co., Ltd.....	(f) 123,700	(f) 106,500	—	123,000

(a) After providing for two years' excess profits duty.
(b) After providing for excess profits duty.
(f) Calendar years 1916 and 1915.
(g) Financial years ended June or July.

With the exception of the figures for Wm. Hancock and Co. and Tamplin and Sons' Brighton Brewery, which are those for the last financial year before the outbreak of hostilities, the basis of computation in the pre-war profits column is that of the two best of the last three years of the ante bellum period. It must be understood that it is not suggested that the figures given constitute the statutory pre-war standard of profits within the meaning of the Finance Bill. Indeed, far from it, apparently, in the case of Watney, Combe, Reid, and Co., Hoare and Co., Whitbread and Co., and Barclay, Perkins, and Co., who were then obtaining only a comparatively small return on their capitals. As regards the allocations to reserve funds, &c., Threlfall's Brewery Co. set aside £20,000 more than in the previous financial year, while Mitchells and Butlers made, in addition to the allocation of £80,000, special provision for inner reserve. The sum set aside by Parker's Burslem Brewery compares with £25,000 in 1916. In that year, too, Hoare and Co., the Cannon Brewery Co., and Wm. Hancock and Co. earmarked £5,000, £8,000, and £5,000 respectively for the same purpose. Other allocations are the same as in the previous year. The available profits were dealt with as follows:—

Company.	Deferred or Ordinary Dividends		Carry Forward.	
	1917.	1916.	1917.	1916.
Barclay, Perkins and Co., Ltd.....	£ 72,000(c) (10 %)	£ nil (c)	101,500	80,500
Bass, Ratcliff and Gretton, Ltd.....	190,400 (14 %)	163,200 (12 %)	68,100	56,900
Bent's Brewery Co., Ltd.	7,750 (5 %)	nil	22,200*	12,800
Brampton Brewery Co., Ltd.	15,000 (15 %)	12,500 (1 ½ %)	34,800*	23,500*
Brandon's Putney Brewery, Ltd.	8,720 (7 ½ %)	6,500 (5 %)	29,320	21,100
Cannon Brewery Co., Ltd.....	28,000 (16 %)(e)	28,000 (16 %)(e)	49,100	45,000
Guinness (A.), Son and Co., Ltd.	800,000 (16 %)(e)	800,000 (16 %)(e)	177,800	104,400
Hancock, Wm., and Co., Ltd.	12,000 (6 %)	12,000 (6 %)	11,050	4,050
Hoare and Co., Ltd.....	45,150 (6 %)	30,100 (4 %)	41,240	18,660
Holt Brewery Co., Ltd.	18,750 (7 ½ %)	nil	56,050	17,600
Lion Brewery, Ltd.....	26,630 (8 %)	26,630 (8 %)	9,100	1,600
Meux's Brewery Co., Ltd.....	—	—	Dr. 726 725	Dr. 752 700
Mitchells and Butlers, Ltd.	134,500 (15 %)	89,700 (15 %)	199,260	194,880
Parker's Burslem Brewery, Ltd.....	29,500 (10 %)	16,400 (8 %)	11,570	9,920
Tamplin and Sons' Brewery, Brighton, Ltd.	8,150 (7 %)	9,050 (7 %)	11,560	11,020
Threlfall's Brewery Co., Ltd.....	75,000 (15 %)	45,000 (9 %)	121,500*	51,500
Watney, Combe, Reid and Co., Ltd.	(130,000 (d) (4 %)	81,250(d) (2 ½ %)	—	—
Whitbread and Co., Ltd.	68,870 (8 %)	nil	89,550	48,500
Worthington and Co., Ltd.	67,700 (7 %)	19,350 (2 %)	92,400	79,400
Worthington and Co., Ltd.	42,130 (c)	42,130 (c)	81,550	61,350

(c) Preference dividend. (d) Preferred ordinary dividend. (e) Dividend paid free of tax. * Subject to excess profits duty, if any.

As will be seen, in most cases substantially larger dividends have been paid, while of the reports for years ending May and June, in only one instance, that of Arthur Guinness, Son, and Co., is no increased distribution made. Mitchells and Butlers capitalised a portion of their reserve fund in 1916, and the rate of dividend, although not increased, is paid upon a much larger capital. Predictions as to the future are at the best of times fraught with endless pitfalls, and to

assume the rôle of prophet in the present chaotic state of the world's affairs is out of the question. But unless the food position becomes so acute as to compel a reduction beyond the 10,000,000 barrelage, we should not be surprised to see equally good, if not better, reports next year in several cases at least.

American Business Notes.

Who was it that said President Wilson could be trusted fully to rise to the occasion when he had time to compose his discourses and set them down on paper before delivery, and that his indiscretions and blunders of speech occurred only in his extempore addresses? Whoever said it, there was considerable truth in the statement, for since Dr. Wilson led his country to range itself by the side of the democracies struggling for liberty, his speeches appear to have been prepared with the utmost care, and possess a directness, a limpidity in moral outlook, and a force no European statesmen could excel. The latest example of wise words beautifully chosen is found in his reply to the Pope's circular calling for peace. It has been sent to the Vatican through the British Government, the U.S. having no official representative at the Pope's Court. We have no room to print this deliverance, but some expressions must be taken from it to keep it in remembrance, and our readers abreast of the dominant sentiment of the time—loyalty to righteousness. After thanking the Pope and giving him full credit for the "humane and generous motives" which prompted his message, the President went on to remind him that the response of the Allies must be based upon stern facts, and upon nothing else. It is not a mere cessation of arms the Pope desires, but a suitable and enduring peace, and that cannot be attained by universal forgiveness and conciliatory phrasings. "The object of this war is to deliver the free peoples of the world from the menace of the actual power of a vast military establishment controlled by an irresponsible Government, which, having secretly planned to dominate the world, proceeded to carry the plan out without regard either to the sacred obligations of treaty or the long-established practices and long-cherished principles of international action and honour." Does not this lift all peace propaganda, the Pope's among them, on to a higher basis?

There is only one way, the President once more reminds the world, by which we can deliver mankind from the malign influences of this despotic Government "of furious and brutal" power. It must be destroyed. "Can peace," the President asks, "be based upon a restitution of this power, or upon any word of honour it could pledge in a treaty of settlement and accommodation?" And his answer is, emphatically, "No." "We cannot take the word of the present rulers of Germany as guarantee of anything that is to endure unless explicitly supported by such conclusive evidence of the will and purpose of the German people themselves as the other peoples of the world would be justified in accepting." In other words, President Wilson says what this journal has contended for from the first—the peace that is to be must be settled between the democracies themselves, not between tyrants and patricians, sycophantic diplomats and financiers with an eye to "the main chance." As yet we have not the slightest evidence that the German democracy is capable of asserting itself and of taking its place by the side of the Allied democracies in settling the basis of a durable peace, or of any sort of peace. It is only a slave mob, beguiled no doubt, cheated in all ways, by the scoundrels who squat on its neck, but none the less a mob without a guiding mind, without independence of spirit, cowardly to the core. Therefore President Wilson's answer to the Pope could only be what it is, if he was to remain loyal to democracy, to the Republic he guides, to the liberties of mankind. And when did Pope or Church of Rome ever try to guide or suffer sacrifice of material wealth in the cause of, or unselfishly toil for, the democracy?

Such reports about food doings in Germany as manage to filter through confirm what we say on another page, and even the most fanatical of Prussian officials must surely begin to realise that no greater act of folly was ever committed by any Government claiming to be sane than the insolent defiance of humanity which brought the United States into the war on the side of Germany's opponents. It was always doubtful whether the Allies of the *Entente* would be able altogether to starve out the populations of the German and Austro-Hungarian Empires. There would have been no doubt about it had these Allies been able to control all sources of outside supply, but as has often been explained, the fact that Sweden, Denmark, and Holland lay so near the German Empire as to be in a manner coercible by it, made it impossible for us to completely stop the traffic that went through from these countries to Germany. Sweden especially stood in the way, playing with "neutrality" after the manner of King Constantine, her common people alone loyal to the *Entente*. Try as we might, therefore, without infringing the liberties of these countries we were unable to beleaguer the doomed empires as Prussia beleaguered Paris in the winter of 1870-1. To give us this power we needed an Ally whose position as the greatest of all sources of outside supply would enable us to isolate the enemy from his neutral supports. Putting aside the dominant feeling of the American people, which was always favourable to the cause of the Allies, the Prussian Government bunglers never stopped until they had given us that Ally. And now, not only has America joined us actively in the war, but it has already done better than fight.

President Wilson has issued a proclamation forbidding the shipment of any goods to Europe for neutrals except under licence. Neutrals cannot even withdraw gold without official permission. This proclamation, moreover, extends the lists of goods for which licence is required, so that it includes cotton, all kinds of meat, sugar, and most of America's other exports hitherto unhindered. It is the intention of the Government, says the President, that no American product shall be made the occasion of benefit to the enemy either directly or indirectly, and therefore the proclamation is a most determining act of war. It means that the countries just named as sources of supply to Germany will not be allowed to import an ounce of any commodity beyond what the United States authorities, after investigation, believe to be necessary for each country's own population. Holland will not be able to get wheat and cheese and bacon, and cotton, or petroleum, or anything at all from the United States to be handed on to Germany; and as for Sweden, well, we are sorry for her people, victims of Court betrayal and profiteering. If this measure does not bring the Prussian tyranny to its knees before the coming winter is over, its hoggish obstinacy must be deemed great enough to warrant the Allies in providing for the permanent degradation of the Teutonic peoples. That must be the ultimate outcome of Prussianism.

The proclamation also and naturally forbids exports of any sort to Germany and her Allies, and it is understood that export control in the United States is about to supersede the British system of giving letters of assurance for American cargoes. The new system will be simpler and much more effective. No legitimate American foreign business will be interfered with, but the Government intends first to safeguard the domestic requirements of the Republic, and next to provide as far as resources will allow for the wants of the Allies. If there is anything over at liberty to be exported such surplus will be divided up amongst the Allies according to their ascertained home requirements, but nothing at all will be allowed to reach the enemy. When he hears of this sentence of death, for it is that, even the Kaiser should surely begin to doubt the wisdom which has guided his Imperial policy in this war. But the wretched man is indeed only a Picrochole, a man repulsive as a tyrant, and destined in his fate to be one of the most impressive examples of the vengeance of an outraged humanity in history.

Not only is the United States taking a step which will do much to hasten the end of this abominable struggle, but the Washington Government's preparations for war are on a gigantic scale, and are provided for with a thoroughness which should silence all carpers everywhere and smite the Prussian brute with dismay. The Chairman of Ways and Means Committee in the House of Representatives, Mr. Kitchen, has tabled estimates from which we learn that the total expenses of the Federal Government for the year ended June 30 next are put at £3,860,000,000 as a minimum, an extra £400,000,000 beyond that being set aside for emergencies, so that the entire outlay contemplated and provided for is £4,200,000,000. Of this £1,400,000 is set aside for the use of the Allies, and £600,000 of that has already been authorised. A good deal of it, indeed, has been already paid over, and it is, incidentally, proof of the whole-heartedness with which the Republic is in this fight that not all the anarchy and confusion in Russia nor the collapse of her armies has prevented President Wilson from continuing to give liberal monetary help to the Petrograd Government in being. A credit for another £20,000,000 was opened for it this week. In all the Republic's own war outlay is placed at £2,000,000,000, and the ordinary cost of its administration is set down at £260,000,000. The Shipping Board is to absorb £200,000,000, and the new Insurance Bill calls for £35,000,000. Already the United States has issued one loan, the famous 3½ per cent. "Liberty" Loan, and soon it will raise another. Its total amount is to be £2,308,000,000, and under the scheme embodied in the Loan Bill, amongst the forms of debt to be issued will be £1 4 per cent. five-year certificates, which may be bought on the postal savings system; but it is probable, that the *Daily Telegraph's* financial correspondent says, that these certificates will not be convertible into any subsequent loan which may be offered at a higher rate of interest. The premium bond is apparently as yet no more thought of in America than accepted here.

So great is the prosperity and consequent capital necessities of the Bethlehem Steel Co. that its board has announced the issue of £6,000,000 of 8 per cent. cumulative preferred stock, with the right to convert into the common stock class "B" at 115 per cent. The plan is to be laid before the stockholders for acceptance on the 14th inst. In support of it Mr. Schwab, the well-known president of the company, has explained that the increase of capital is due to the requirements of the larger business done. The earnings of the year, he added, had surpassed the estimates, "but a very large part of what we intended to spend on improvements this year and next will be absorbed in the payment of excess profits and other war taxes." He went on to say that the Bethlehem Co.'s orders had increased to an amount in excess of £60,000,000 as compared with £38,600,000 at the beginning of the year. How it will be when war orders cease he did not appear to mention.

Tea, Oil and Rubber.

Although 1,118 tons of rubber were landed last week, and only 684 tons delivered, the market for the raw material took a smart upward turn, which carried the price to 2s. 8d. for standard crêpe and 2s. 6d. for smoked sheet. The dead season is coming to an end, and articles extolling the wonderful consumption in the United States have been making their periodical appearance. Arguments in support of the view that there is the probability—certainty some people say—of a shortage of rubber within the next two or three years have a certain amount of plausibility, and views of that kind are always most popular with shareholders. It is largely a matter of guesswork, and really we cannot say with any confidence which side is most likely to be right. We know, of course, that the new areas planted in the past few years have been relatively small, and, therefore, no great increase in the tappable area can be expected after 1919 or 1920. But, on the other hand, a great many estates—the vast majority, in fact—have

not nearly reached their full capacity of production, and others are nursing the trees, so as to reduce the amount of excess profits duty for which they may be liable. Between these two factors there is scope for a huge increase in production, and we are very reluctant to believe that any real shortage will be experienced. Of course, if the consumption of the United States continued to expand at the rate experienced in the past two or three years, the output immediately in prospect would not be sufficient for the world's requirements, but there are many reasons for thinking that the United States, like most other countries, will have to hasten slowly after the war. It used to be a favourite theory that the Central Powers would require immense quantities of rubber to replenish their stocks when peace is restored. Who in his senses can believe that they will have the money or credit to do so, however much they may want the goods?

It is announced by the Batavia Plantation Investments, Ltd., that the annual accounts of the Dutch Indies undertakings have been considerably delayed by war conditions, but are now reported to be on the way to this country. A preliminary statement shows that the average selling price per lb. for 1916 was 2s. 8.6d. for Kweeklust (compared with 2s. 5.4d. for 1915), 2s. 8.5d. for Weltevreden (against 2s. 5.6d.), and 2s. 7.8d. for Medansche (against 2s. 5.08d.). The all-in costs on the three estates respectively were 8.65d. (against 9.24d.), 9.03d. (against 9.8d.), and 10.18d. (against 11.29d.) per lb. An additional 175 acres of land has been planted up on the Medansche Estate this year. The total planted area of the three properties is now 2,756 acres, of which 2,206 acres from 6 to 17 years old are in tapping. The estimated crops for 1917 were 770,000 lbs., and 366,200 lbs. had been obtained in the six months to June 30, as compared with 337,682 lbs. for the same period last year. Forward contracts were made in January for 375,000 lbs. at 2s. 10½d. at Java ports. The full report and dividend announcement will be awaited with interest.

Those who were lucky enough to buy shares in the Cicely Rubber Estates Co., Ltd., in the early days have every reason to congratulate themselves. The issued capital is only £16,000 in 2s. shares, and the area in bearing is 800 acres, while a further 416 acres will come in during the next year or two. Output for the year to March 31 last amounted to 369,750 lbs., against an estimate of 345,000 lbs., and it is 34,000 lbs. more than was harvested in the previous twelve months. Average nett price realised, however, fell from 2s. 6d. to 2s. 3¼d., while the all-in cost was reduced from 1s. 1.08d. to 11.44d., including war risks. Gross receipts amounted to £61,850, an increase of £7,250, and the trading profit was £28,360, while the nett profit, after again setting aside £1,500 for depreciation, was £3,000 higher at £24,575. Accordingly the dividend on the preference shares is raised from 125 per cent. to 145, and on the ordinary from 120 per cent. to 140, while the carry forward is increased by £2,000 to £7,300. A year ago the dividends were raised 60 per cent. each, but the reserve fund stands at the substantial sum of £35,000, so that the increased distributions are perfectly justified. The company has purchased the Gloucester estate for £80,000, payable in 80,000 shares of 2s. each, but the Treasury has not yet sanctioned the issue of the new shares, although the estate was taken over on April 1 last. It is a wonderful little company, and helps to explain the rush of investors for rubber shares.

BOOKS RECEIVED.

Money and the State. By Hartley Withers. (London: John Murray. Price 3s. nett.)

The London office of the Union Bank of Canada announces that a branch of the bank has been opened at La Porte, Saskatchewan.

The half-yearly general meeting of the Broken Hill Proprietary Co., Ltd., was held yesterday in Melbourne, and adjourned to a date to be fixed by the board, due notice of which will be given. The auditors were re-elected.

The Week in Mines.

With one conspicuous exception, the Mining markets have been active and cheerful this week. There has been a steady stream of buying orders from the Cape for Eastern Rand descriptions, several of which have reached new high levels, notably Modder B's, Modder Leases, and Rand Selections. Rhodesians have revived under the lead of Chartereds and Rezendes, and Nigerian tin shares have been active and strong. Mexicans have advanced still further. Russians, in sympathy with Russian things generally, have been flat, but there has not been much selling of these descriptions.

SOUTH AND WEST AFRICANS.

Substantial rises are recorded in the South African market as the result of buying on Cape and local account. Modder Leases have risen 2s. 6d. to 67s. 6d., on the revision of the agreement with the Government, the effect of which will be that the company will receive the benefit to the extent of 1½ per cent. of any economy effected in working costs. New Modderfonteins have risen ¼ to 21½, Modder B's ¼ to 8½, Daggafonteins 1s. 3d. to 17s. 9d., Kleinfonteins 2s. 6d. to 23s. 6d., Rand Selections ¼ to 4½, Transvaal Consolidated Lands 1s. 6d. to 25s. 6d., and Vereenigings 1s. 9d. to 11s. 9d. The Randfontein group has also been supported, and both Randfontein Estates and Langlaagtes have risen 1s. to 16s. 6d. and 17s. respectively. In the diamond group, De Beers deferreds are ⅞ higher at 137½. Rhodesians show a general advance. Rezendes, in which business has again been very active, are ⅞ up at 2½, and Enterprises have risen 1s. 3d. to 5s. 6d., and London and Rhodesians 1s. 3d. to 6s. 6d. In the West African section, Ashanti Goldfields have been in request, and are 1s. 3d. higher at 22s.

COPPER AND MISCELLANEOUS.

Better news from Spain was responded to by a rise of ¾ to 63 in Rio Tintos. Mount Morgans at 32s. and Mount Lyells at 28s. are higher, but Mount Elliotts are easier at 5½. Broken Hill shares have been scarcely affected by the news of the strike of miners on the Barrier Range, and prices showed little change. Tin shares have been unusually active and strong, particularly Nigerians. Rises of 1s. are shown in Anglos at 12s. 6d., in Jantars at 23s. 6d., Kwalls at 7s., Bauchis at 6s., and Roopts at 18s. 6d., while Geevors have improved to 14s. 6d. Dolcoaths have weakened to 9s. 9d. on the poor report.

There has been further buying of Mexicans. Mexico of El Oros have risen ¾ to 6¼. Russians show a general decline. Kyshtims are down to 2½, Russo-Asiatiks to 4½, and Tanalyks to 1 27-32. In the Indian group, Mysore has improved to 3½. Waihis, on profit-taking, have reacted to 38s.

MINING NEWS.

RHODESIAN MINERAL OUTPUT.—The production of gold in July was £288,731, a decrease of £33,634 on the same month of last year. The following table shows the production since January, 1913:—

MONTH.	1913.	1914.	1915.	1916.	1917.
January	£ 220,776	£ 249,032	£ 293,133	£ 318,586	£ 296,113
February	2 8,744	259,888	286,789	313,769	289,734
March	257,797	273,236	299,686	335,368	300,183
April	241,098	295,907	315,541	319,386	297,977
May	242,452	290,062	318,898	323,783	299,271
June	241,303	306,421	322,473	313,070	302,195
July	249,301	320,670	336,565	322,365	288,731
August	250,576	316,972	344,493	338,001	—
September	250,429	309,398	321,085	322,035	—
October	247,063	337,241	339,997	325,608	—
November	239,036	311,711	313,160	317,135	—
December	251,687	309,669	331,376	306,205	—
Totals	2,903,267	3,580,207	3,823,166	3,895,311	2,073,204

The number of producers was 221, or 4 less than in June; and the output of other metals was 18,428 ounces of silver, 44,690 tons of coal, 366 tons of copper, 8,233 tons of chrome ore, 993 tons of asbestos, 55 carats of diamonds, and 4 tons of wolframite.

BROKEN HILL SOUTH SILVER.—In the half-year ended June 30 this important member of the Barrier group of mines made a nett profit of £232,500 as compared with £225,292 in the preceding half-year, and the capital expenditure was £8,738, or less than one-half that in the preceding six months. The mill treated 122,240 tons of crude ore, which yielded 18,180 tons of leady concentrates, as compared with 157,460 and 27,650 tons respectively in the second half of 1916, so that higher prices accounted for the increase in profits. Including development expenses—development amounted to 5,941 ft.—the total working costs were £1 7s. 8d. per ton of crude ore, an increase of 3s. 7d. on the preceding half-year's cost.

DOLCOATH.—This company is still struggling against adverse circumstances. In the six months ended June 30 it made a working profit of £4,357 against £6,883 in the first half of 1916. Ore crushed decreased by 2,789 tons to 35,174 tons. Sales of tin declined 5 cwt. to 500 tons 2 cwt., but the amount realised was £13,036 more than in the previous half-year. The produce of black tin per ton of stuff treated was 31.85 lbs., an increase of 2.32 lbs., and the average price realised for the tin sold was £125 15s., an increase of £26 2s. 6d. per ton. Costs totalled £1 14s. 1½d. per ton against £1 7s. 1½d. Drilling operations have been satisfactory. Of the total available balance, £8,543,

£2,524 is written off, and £6,019 against £4,187 brought in is carried forward.

NEW MONCKTON COLLIERIES.—The profits of this company in the year ended June 30 underwent a further marked expansion. They amounted to £84,274, as compared with £41,780 in 1915-16. A final dividend of 5 per cent. is declared on the ordinary shares, making 10 per cent. for the year, tax free. This is the same rate as was paid last year, but the distribution is on a larger capital, for last year a bonus of 50 per cent. was distributed in the form of one new share for each share held credited as 10s. paid. Thus the dividend this year is really 15 per cent. on the basis of last year's distribution. The sum of £42,500 is added to reserve to replace the bonus, and the carry forward is raised from £41,065 to £59,137.

DIVIDENDS ANNOUNCED.

Arauco Co.—Interim for current year of 5 per cent., free of tax, payable Oct. 18. A year ago was the same.

Anglo-Dutch Plantations of Java.—8 per cent.

Argentine Iron and Steel.—6½ per cent. on the preference shares and 4 per cent. on the ordinary shares for the year ended Feb. 28 last.

Bolckow, Vaughan and Co.—Further 8½ per cent. on ordinary shares (less tax), making 12 per cent. for the year, against 11 per cent. last year.

British Bank of South America.—5 per cent. on account (10s. per share), less tax, payable on Sept. 28, the same as a year ago.

Banco Espanol del Rio de la Plata.—Final 2½ per cent. for half-year ended June 30, making 5 per cent. for the year. Coupon No. 20 will be paid at the London office at the rate of \$2.50 legal currency (equal to 4s. 6½d.) per share, subject to deduction of income-tax.

Broken Hill Proprietary Block 14 Co.—9s. 6d. per share on the preference shares and 6d. per share on the ordinary shares, both less tax, payable on the 28th Sept.

British Gas Light Co.—At the rate of 10 per cent. per annum, with a bonus of 2s. 6d. per share, for half-year ended June 30, both less tax and payable in October; a year ago was the same.

British and Argentine Meat Co.—Interim of 5 per cent. on the ordinary shares, less tax, the same as a year ago.

California Exploration Co.—Interim at the rate of 6d. per share, less tax at 5s. in the £, same as a year ago.

Cock's Pioneer Gold and Tin Mines.—No. 4 of 1s. per share, less tax, payable on Sept. 12.

Glendon Rubber Co.—Interim of 5 per cent. for the half-year to March 31.

Sir J. L. Hulett and Sons.—(No. 18) Of 8 per cent., plus bonus of 6d. per share (total 2s. 1 1-5d. per share, less tax); same as a year ago.

Harrow and Stanmore Gas Co.—At the rate of £5 10s. per cent. per annum on the 5 per cent. ordinary stock, less tax, for the half-year ended June 30, leaving £4,553 to be carried forward.

Jones and Higgins.—Interim on the ordinary shares at rate of 7 per cent. per annum for six months ended Aug. 20, the same as a year ago.

London Guarantee and Accident Co.—Interim for half-year ended June 30 of 7s. 6d. per share, less tax, on the ordinary shares. Warrants will be posted on Sept. 29.

J. Mandelberg and Co. (Manchester).—Interim 5 per cent. actual, the same as last year.

Middle West Utilities Co.—£0.5 cash and \$1 in common stock per share, payable on Oct. 1, cash dividend covering quarter ended Aug. 15, and stock dividend half-year ended Aug. 15.

Main Colliery Co.—Interim at rate of 6 per cent. per annum on the ordinary and preference shares for half-year ended June 30.

National Bank of Greece.—For the first half-year, 1917, drs. 125 per share, payable against surrender of coupon No. 9 at the offices of the Bank of Athens, 22, Fenchurch Street, London, E.C. 3.

Newcastle-upon-Tyne Electric Supply Co.—Interim of 2½ per cent. on the ordinary shares, less tax, the same as a year ago.

George Newnes, Ltd.—At the rate of 5 per cent. on the ordinary shares, and £28,846, against £22,328 carried forward.

Oroville Dredging Co.—Interim (No. 14) of 6d. per share, payable, less tax, on Sept. 29, same as a year ago.

Pennsylvania Water and Power Co.—Regular quarterly 1½ per cent. for the quarter ending Sept. 30.

Plummer Roddis.—Interim for half-year to Aug. 7 at the rate of 5 per cent. per annum, less tax, on the preference and ordinary shares.

Rubberine, Limited.—Interim at rate of 5 per cent. per annum, less tax, payable on Oct. 1. A year ago was at the rate of 10 per cent.

Rosario Nitrate.—Interim 5 per cent., free of tax.

Sheepbridge Coal and Iron.—Final 10 per cent. actual (free of tax), making 15 per cent., the same as last year.

Selangor United Rubber Estates.—Final 2d. per share (actual), less tax, for year ended March 31 last, making 3d. per share (12½ per cent.) for year, same as 1915-16; to reserve, £3,000; forward £1,841, against £3,329.

Standard Bank of South Africa.—Interim for half-year ended June 30 at the rate of 14 per cent. per annum, subject to tax, the same as a year ago. Warrants will be posted on Oct. 26.

Tarapaca Waterworks Co.—Interim on account of the current year of 4 per cent. (free of tax), payable Oct. 10, same as a year ago.

Woking District Gas Co.—Dividends on the "A" and "B" ordinary stocks at the rate of 5½ per cent. per annum, same rate as a year ago.

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and August 25, 1917:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to August 25, 1917.	Total Receipts into the Exchequer from April 1, 1916, to August 26, 1916.
Balances in Exchequer on April 1—			
Bank of England	—	25,209,947	25,111,065
Bank of Ireland	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs	70,750,000	27,734,000	25,663,000
Excise	34,950,000	14,351,000	20,160,000
Estate, &c., Duties	29,000,000	12,499,000	12,761,000
Stamps	8,000,000	2,528,000	2,890,000
Land Tax	2,600,000	320,000	310,000
House Duty	—	—	—
Property and Income Tax and Super Tax	224,000,000	43,147,000	29,166,000
Excess Profits Duty (including Munitions Levy)	200,000,000	70,037,000	18,541,000
Land Value Duties	400,000	207,000	90,000
Post Office	33,700,000	13,000,000	13,000,000
Crown Lands	600,000	200,000	220,000
Receipts from Sundry Loans, &c.	7,500,000	688,899	518,087
Miscellaneous	27,100,000	20,197,014	2,503,658
Revenue	638,600,000	204,908,913	125,822,745
Total, including Balance		231,344,772	151,397,751
OTHER RECEIPTS.			
Repayment of Advances for Bullion	—	580,000	1,780,000
For Treasury Bills (for supply)	—	864,615,000	712,286,000
For 4½ per Cent. War Loan, 1925-1945	—	—	424
For 5 per Cent. Exchequer Bonds, 1919	—	—	31,656,000
For 5½ Exchequer Bonds, 1920	—	—	81,314,500
For 5 per Cent. Exchequer Bonds, 1921	—	—	54,483,000
For 5 per Cent. Exchequer Bonds, 1922	—	71,589,000	—
For War Expenditure Certificates	—	—	19,587,400
For War Savings Certificates	—	14,650,000	21,350,000
For other Debt created under the War Loan Acts, 1914-1917	—	260,159,944	10,000,000
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947	—	166,550,000	—
Temporary Advances—			
Ways and Means (including Treasury Bills £345,000,000 in 1916-1917)	—	389,631,500	409,396,500
Total		1,999,420,216	1,493,251,575

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to August 25, 1917.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to August 26, 1916.
EXPENDITURE.			
Permanent Charge of Debt ..	17,000,000	7,513,387	11,265,351
Interest, &c., on War Debt ..	194,500,000	64,294,866	40,492,090
Payments to Local Taxation Accounts, &c.	9,700,000	2,375,318	2,530,801
Other Consolidated Fund Services	1,695,000	676,247	680,701
Supply Services	2,068,826,000	1,005,240,722	654,251,280
Expenditure	2,291,721,000	1,080,100,540	715,220,223
OTHER ISSUES.			
For Advances for Bullion	—	940,000	2,040,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	—	84,909	60,914
Under Telegraph (Money) Act, 1913	—	55,000	150,000
Under Post Office (London) Railway Act, 1913	—	50,000	135,000
Under Housing Act, 1914	—	175,400	18,900
For Treasury Bills for Supply	—	505,670,000	590,753,000
For Exchequer Bonds under Section 61 of the Finance Act, 1916, and Section 34 of the Finance Act, 1917	—	238,730	—
For other Debt under the War Loan Acts, 1914 to 1917	—	14,467,156	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908	—	—	38,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	—	23,160
Temporary Advances repaid—			
Ways and Means (including Treasury Bills £124,390,000 in 1916-17)	—	374,526,500	156,286,500
Total		1,976,308,235	1,464,725,697
Balances in Exchequer—			
Bank of England	22,479,966	27,307,413	—
Bank of Ireland	639,015	1,158,465	—
Total		1,999,420,216	1,493,251,575

MEMO.—Treasury Bills outstanding on August 25, 1917.... *£822,850,000.
* Includes £208,000, the proceeds of which were not carried to the Exchequer within the period of the account.

What Balance Sheets Tell.

RAPHAEL TUCK AND SONS, LTD.

Apart from the loss arising from the sequestration of property in Germany, it was inevitable that a business of this description should suffer from the effects of the war; but we are glad to see that it is steadily recovering, and it may be hoped that no further drafts on the reserve will be necessary in order to pay the preference dividend. For the year to April 30 the nett profits were £11,500, an increase of £8,400 as compared with the previous 12 months, and this is only £2,500 short of the amount required for the preference dividend, whereas last year it was £10,700. Fortunately, the reserves are still fairly substantial at £44,500, and the company is well provided with liquid or realisable assets, so it will pull through all right without undue strain. Changes in the balance-sheet are of no particular significance, and need not be detailed.

SHAHARA (DELHI) SAHARANPUR LIGHT RAILWAY CO., LTD.

The district served by this line has been experiencing great prosperity, and the company is able to report a material improvement in revenue under all heads in the financial half-year ended March last. And, what is of equal importance, expenses have been kept down to quite an extraordinarily low level, so that a very substantial advance in profits has taken place. Nett earnings amount to Rs. 2,48,900, an improvement of Rs. 89,900. Debenture interest absorbs Rs. 60,000, leaving a profit of Rs. 1,88,900. The company's share of this amounts to Rs. 1,09,400, an increase of Rs. 44,900. Of this, Rs. 11,850 more, at Rs. 26,750, goes in managing agents' commission, and Rs. 7,500 more, at Rs. 52,500, in an extra 1 per cent. to the shareholders, the dividend being made up to 7 per cent. The remainder goes to raise the carry forward, Rs. 27,800, to Rs. 1,33,650. We hope other Indian railway enterprises are experiencing the same good fortune in economical working.

GRAND CANAL CO.

In view of the notice which the company has received that the Government intend to assume control of the canal, all balances hitherto outstanding from all sources, amounting to £6,520, have been brought into the current account, and the revenue for the half-year to June 30 shows an increase of £10,600 at £42,090. Expenses, however, were heavier, and the nett earnings are only £6,500 higher at £12,150, while the amount brought in was £4,700 smaller. It is proposed to pay a dividend at the rate of 3 per cent. per annum against 2 per cent. on the ordinary shares, and the carry-forward is about the same at £4,215. There was no expenditure on capital account.

AMERICAN CYANAMID CO.

Further substantial progress is shown in the report of this company for the year to June 30. Nett sales amounted to \$2,705,000, an increase of \$824,000, and the gross profits were \$253,000 higher at \$937,400, and the nett profits show a similar gain at \$638,650. During the year the option on the entire capital stock of the Ammo-Phos (Ammonium Phosphate) Corporation, was exercised, and owing to the demands on the company's resources to defray the cost of the phosphate mines extensions, coupled with improvements at the Ammo-Phos plant, the directors regret that they are unable to recommend a dividend of the preference shares for the past year. As, however, the dividends are cumulative, the payment is merely postponed, and if all goes well there should be no difficulty in meeting it next year. The purchase of the Ammo-Phos company stands in the balance-sheet at \$4,982,000, and during the year the issued capital has been increased by \$8,600,000 to \$14,409,000, divided into \$7,895,000 preference and \$6,514,000 in common stock. The surplus at the credit of profit and loss is \$525,000, but the dividend arrears now amount to \$440,000.

THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71 Old Broad Street, E.C. 2.

Subscribed Capital	£1,276,747 10 0
Paid up Capital	669,670 0 0
Reserve Fund and Undivided Profits ..	375,680 11 8
Reserve Liability of Proprietors	806,962 10 0

REMITTANCES made by CABLE.
DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.
BILLS on Australasia NEGOTIATED or sent for collection.
DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

THE COMMERCIAL BANK OF LONDON, LIMITED.

Chairman—The Right Hon. SIR CHARLES HOBHOUSE, BART., P.C., M.P.
CURRENT ACCOUNTS opened, and every description of Banking business transacted. Bills discounted, and advances made to customers on approved security.
SPECIAL FACILITIES GRANTED TO COMMERCIAL AND INDUSTRIAL UNDERTAKINGS.
THE PURCHASE AND SALE OF SECURITIES undertaken, also the receipt of dividends.
COUPONS AND DRAWN BONDS negotiated.
DEPOSITS received at call, or for fixed periods, at rates which may be ascertained on application.
6, Austin Friars, London, E.C. 2. ARTHUR H. KING, Manager

Minerals Separation, Ltd.—The directors announce that cable advices have been received from the United States of America that the Miami Copper Co. have abandoned their petition for a writ of certiorari to the Supreme Court of the United States, and consequently the judgment of the Appeal Court of Philadelphia as given in the company's favour stands. In the action for infringement against the Butte and Superior Co., of Butte, Montana, Judge Bourquin has delivered judgment in the company's favour, holding that oil used in excess of 1 per cent. also infringes its patents.

COMPANY MEETINGS.

WORKINGTON IRON AND STEEL CO., LTD.

The annual meeting of the Workington Iron and Steel Co., Ltd., was held yesterday at noon at the company's offices, Moss Bay Works, Workington. Sir John Scurrah Randles, M.P., chairman of directors, presided, and the other directors present were:—Messrs. William Burnyeat, Joseph Ellis and Herbert E. Wilson, managing directors, R. Critchley, Wilfred Ellis, G. G. Glen, Lieut.-Col. Arthur Handley, R.A., F. Mallalieu, A. H. Mallalieu, H. Mallalieu, and H. Valentine, W. J. V. Ellis, general manager, and J. Wiley, secretary.

Sir John Randles, in moving the adoption of the report and statement of accounts for the year ended June 30, said: I wish I could congratulate the shareholders on the fulfilment of our hope of twelve months ago, that we should not need to hold our fourth shareholders' meeting during the war. I can, however, congratulate you on the fact that your directors, managers, and staff have been able substantially to assist the Government in the successful prosecution of the war. In several respects we have had a record year. Our output has never been equalled, whilst the amount available for the shareholders remains substantially the same, for the profits made, which are repayable to the Government as excess profits, are greater far than ever before. You will find this reflected in the balance-sheet if you refer to the item of "Debts due by the company, including reserves for war taxation, &c.," and on the other side "Investments in subsidiary companies and Government securities."

The difference between the figures of this year and last are substantially represented by the amounts owing to the Government (but, until definitely ascertained, invested in War Loan, Exchequer bonds, or Treasury bills, together with the Bigrigg property, of which a word later), and the directors' report refers to another respect in which we have had a record year, that is, by the visit of their Majesties the King and Queen and their recognition of what is described by his Majesty as "the splendid manner in which your company has responded to the heavy demands made upon it for steel required for various war purposes." Everyone associated with the company, from the top to the bottom, has been encouraged and stimulated by this Royal recognition.

The managers, foremen, and workmen, who have given of the very best of their labour and have done all possible to increase the output, may welcome especially this recognition due to their efforts, if not in the line of battle, in the equally necessary work of providing material of war. I think I might point out that the experience of the year has emphasised the great importance and value of increased output.

We have had no increase in the price of our finished article, while, on the other hand, the wages paid and the cost of all materials used has been going up by leaps and bounds. Yet, notwithstanding this, the improved output has fully met the burden of increased costs, and the lesson so learned may be of some value in a consideration of after-war conditions, so full of uncertainty, to which we must look forward.

Reference to the report will show the new method that has been adopted in dealing with your accounts.

It has been found impossible to get a final settlement with the Government departments as to the amount due on excess profits. It is very complicated, by reason of arrangements for portions of your property being controlled and others uncontrolled, together with agreements for the bringing into operation of various new sections, and the changes in the method of levying the taxes introduced by the last Budget. There were two methods presenting themselves. One was not to issue a balance-sheet; the other was to make the best estimate possible as to what we might rely on being the shareholders' portion of the available profits for the year. The latter course is the one we followed, as we thought it would be most satisfactory from the shareholders' point of view. I believe myself that the estimate is a safe one. If there is any variation, it should be in favour of the shareholders, and will fall in at a later date. The dividend remains 6 per cent. on preference and 10 per cent. on ordinary shares, as last year.

You will see there is a reference to the purchase of the Bigrigg Mining Co.'s property, which has been secured during the year. It is yielding us a very fine supply of the best quality of Cumberland hematite ore, and is a great reinforcement to the company's mineral properties. The cost was £300,000, but of this sum the cash and liquid assets included in the purchase amount in value to about £150,000. With regard to our iron ore mines, the Government have recently taken over all the Cumberland hematite mines, ours included. Under the arrangement made, we continue to get the whole of the ore supply from our own properties, and our mining profit is to be maintained at the rate prior to taking over. Since the war commenced, throughout the whole of our undertakings we have had no strike by the workmen. (Cheers.) Since a few weeks ago the Government

took over our mines our mine employees, along with the rest, have been on strike, owing to a dispute with the Ministry of Munitions, but are now at work again.

It is not yet clear to me that Government officials can manage large industrial undertakings better than men who have had a lifetime's training in their own particular employment. (Hear, hear.)

The disposal of the balance at credit of profit and loss calls for no further comment beyond this, that the depreciation proposed to be written off is placed at £100,000, instead of £65,000 twelve months ago. This the directors think desirable, in view of the fact that the wear and tear of plant and machinery, owing to increased output, is at a much accelerated rate. I hope the Government accountants will appreciate the importance of this fact when we are dealing with them on the subject of depreciation and taxation. The balance carried forward is increased from £23,351 to £32,895.

During the year there have been rumours or hints at combinations or amalgamations. There is nothing definite in prospect, but suggestions and proposals have been put forward pointing in this direction. If ever anything is seriously contemplated affecting this company the shareholders will be informed at the earliest possible moment. In the iron and steel trade large combinations will probably be the order of the day. Small concerns will have poor prospects in the world contest that must come for predominance in so important an industry. It is not easy to forecast the future. We all hope for the termination of the war as soon as complete victory can be secured. Pending this the probability is we shall continue during the current year pretty much as during the last two years. What the conditions may be after no man can foresee. Every shareholder must form his own judgment. Meantime it is our duty to continue at the highest efficiency the works under our charge till the Army's return from the war. Then let younger men take up the direction of our national industries, and show to the world that whilst they have been great in war they are no less great in peace. (Cheers.)

I move that the directors' report and statement of accounts be approved and adopted. Mr. Joseph Ellis: I have very great pleasure in seconding the proposal, and I do not think I can add anything to what you have so carefully given to the shareholders, except this, that every official and workman connected with these works have been putting all in to give munitions for the war, and if the result of what they have done is shown in the balance-sheet, so I believe that they will do it to the end, so that Germany in the future shall not boss Great Britain. (Applause.) I have very great pleasure in seconding the resolution.

No question being asked, the motion was put and carried unanimously.

The Chairman: I have now to propose that a final dividend of 6 per cent., less tax, making 10 per cent., less tax, for the year, be now declared on the ordinary shares for the year ending June 30, 1917, payable to shareholders who are on the register on this, the 31st day of August, 1917, such dividend to be paid on October 1, 1917.

Mr. William Burnyeat: I beg to second that. Carried unanimously.

The Chairman: It is now my duty to propose that Lieutenant-Colonel Handley be re-elected a director of the company. We feel gratified that the Government has honoured one whom we have so long known as the Major by making him into a Colonel, and we have occupied his services to some extent by allowing him to be withdrawn to some extent from our active work in our meetings, so that he may be more fully employed on military affairs. But the Colonel is here to-day, and we are glad to see him.

Mr. H. E. Wilson: I have much pleasure in seconding the resolution, which was carried unanimously.

Lieutenant-Colonel Handley: I can only say that it is a very great pleasure being associated with Sir John and his co-directors in every way, and I shall be very glad to remain on the board as long as you put up with me.

The Chairman, in moving the re-election of Mr. Franklin Mallalieu, remarked that he undertook certain special duties they had allocated to him, and attended to them.

Mr. Richard Critchley seconded, and the motion was carried unanimously.

Mr. Mallalieu warmly returned thanks.

The Chairman, moving the re-election of Mr. Albert Henry Mallalieu, said "we are very glad to have the advantage of Mr. Mallalieu's help, assistance, and advice, and I have great pleasure in moving his re-election."

Mr. Herbert Valentine seconded, and the motion was carried unanimously.

Mr. Mallalieu: I am much obliged to you, gentlemen.

Mr. J. G. Oldfield, shareholder, moved the re-election of Messrs. W. B. Peart and Co. and Alfred Tongue and Co., at a joint fee of £750 per annum, remarking that after the long and honourable connection of the two firms with the company, he felt sure that the shareholders would have every confidence in re-electing them.

Mr. H. Bennett seconded, and the motion was carried unanimously.

Mr. Foster returned thanks.

Mr. T. W. Little moved, and Mr. J. Huntrods seconded, a vote of thanks to the directors, staff, and workmen for their services, which was carried with hearty unanimity.

The Chairman: I am much obliged to you. I think the

men on the works, and the men who do our hard work day by day, and week by week, will appreciate a little recognition, such as they will see you have afforded them, and I thank you very much on behalf of the directors and myself.

CARGO FLEET IRON.

The adjourned meeting of the Cargo Fleet Iron Co. was held at Cargo Fleet, Middlesbrough, on Wednesday, Lord Furness presiding.

The Chairman said: Our annual ordinary meeting for the year ended September 30, 1916, was, as you know, held on November 29 last, but, as the accounts could not be prepared by that date, an adjournment was decided on. You will remember I mentioned on that occasion that we were not then in a position to estimate what our liability would be for taxation under the Munitions and Finance Acts, because we had been unable to agree our profits standard, accounting periods and other matters with the Government officials. We have not even yet arrived at an agreement in regard to our liability under these headings, owing to your directors not being satisfied that the pre-war standard which has been proposed to us is an equitable one. As we are desirous of avoiding any further delay, however, it has been decided to issue the accounts and estimate the liabilities to the Government as far as possible under the exceptionally difficult circumstances. In the years immediately preceding the war our works, as is well known to you, were undergoing a process of general development, and our standard of profit under the Munitions Act is based on the profits earned during the years 1912 and 1913. During those years British steelmakers were engaged in fighting a strenuous German competition purposely designed to make it difficult to obtain new capital by causing business to be unremunerative in many staple lines of manufacture. In the opinion of your board the Munitions Act does not deal generously, or even fairly, with the more newly-established and unfinished undertakings, to which category your works belong. It was to be hoped—I may say, expected—that from a business Government we should have had more equitable treatment. We do not in this troublesome period, not indeed at any time, ask for generosity, but we do expect to receive and demand fair consideration. This, up to the present, we have not received, and I would urge on those in responsible places to remember that capital, like labour, has its limitations. Referring now to the balance-sheet, it will be observed that we have cancelled during the year first debentures to the nominal value of £16,500, thereby reducing the amount outstanding to £316,900. Sundry creditors, after allowing for the usual trade discounts, &c. (including provision for estimated liabilities to the Government), bills payable, and unclaimed dividends, stand at £738,071 3s. 11d., as against £171,898 os. 11d. for the previous year. The big increase in this item is due to some extent to the increased volume of trade, but mainly to the special provision for war profits taxation in respect of the year 1916, to which I have already referred. It also includes the special provision for the same purpose for the year 1915, which also had not been settled with the authorities at the expiry of the year now under review. The provision for renewals, re-lining, and maintenance now stands at £70,422 14s. 6d., as against £58,332 13s. 5d. As indicated last year, your directors have found it necessary to make increased provision under this head. After deducting £3,965 10s. 7d. for sales and profit on the redemption of debentures, the item freehold and leasehold works, mines, plant, machinery, &c., stands at £1,678,292 1s. 4d., as against £1,710,551 9s. 3d. for the previous year. The investments in shares and debentures of other companies has increased from £12,000 1s. to £81,833 10s., while the amount of uncalled liability on shares in other companies shows an increase from £7,666 19s. to £17,333 10s. Sundry debtors, after making the usual allowances, amount to £298,747 os. 7d., as against £154,356 os. 9d. in the previous year, the increase in this item being due largely to the increased volume of trade and to the delay in obtaining payment of money due to us from various Government departments. Cash at bankers and in hand amounts to £194,520 12s., as against £96,536 6s. 6d. in 1915. The profit and loss account, after making adequate provision for estimated liabilities to the Government, shows a gross trading and manufacturing profit for the year of £171,409 19s. 6d., as against £162,276 3s. 11d. for the preceding year. To this there is to be added the carry-forward of £49,197 13s. 4d., making a total of £220,607 12s. 10d., and after deducting £44,510 12s. 3d. for debenture interest there remains a disposable balance of £176,097 os. 7d., as against £149,197 13s. 4d. for 1915. An interim dividend of 3 per cent. was paid on December 30 last, and on March 10 this year a further dividend of 2 per cent. was paid, making a total distribution of 5 per cent. (less income-tax) on the ordinary share capital for the year ended September 30, 1916, being the same as for 1915. With regard to the question of depreciation, after giving this matter careful consideration, and having in mind the abnormal conditions under which we are working and the consequent increased wear and tear of machinery and plant, it has been decided to recommend the allocation of £75,000 for this purpose, as against £50,000 the previous year. After making this provision there remains a balance of £51,097 os. 7d. to carry forward to the accounts for 1917. The future is very uncertain, and even if peace were to be declared in the near future many commercial problems remain to be faced. These I contemplate with confidence, while not for a moment under-estimating the difficulties with which we will be confronted. If only capital and labour will go hand in hand, I cannot see why we as a nation should not regain those trades

we have lost, and rise to commercial heights hitherto unattained. Further, I venture to suggest that we are entitled to more sympathetic treatment from the Government in the furthering of British trade interests than we received before the war.

The adoption of the report was seconded by Mr. E. Lloyd Pease and supported by Mr. G. Mure Ritchie, who mentioned that he intended resigning his seat on the board of directors in consequence of the increased demands upon his business time. He congratulated the company upon what had been achieved, and said he now looked confidently forward to the future.

The report was then carried.

MOLASSINE CO., LTD.

The ordinary general meeting of the Molassine Co., Ltd., was held on Friday at Tunnel Avenue, S.E., Mr. Benjamin Horton, chairman of the company, presiding.

The Assistant Secretary (Mr. E. C. Linden) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—You have already had a copy of the report and balance-sheet showing a nett profit on the year's trading of £17,029 18s. 8d. This with £550 3s. 11d. brought forward from last year makes a total of £17,580 2s. 7d. We propose to pay one year's dividend on the preference shares, absorbing £7,000, carrying £10,000 to reserve, and leaving the sum of £580 2s. 7d. to be carried forward to the credit of profit and loss account. The debit side of the balance-sheet shows little change from last year, except that we have redeemed £3,000 worth of debentures in accordance with the conditions under which the debenture stock was issued. The sundry creditors are £8,518 2s. 10d. in excess of last year, due to the high price of raw materials. On the credit side of the balance-sheet there is an increase of £1,200 in new trade marks, patents, &c. This follows on what I said last year, that we had applied for patents for a new food for soil bacteria in this country and in others. Cash at bankers is £4,144 11s. 8d., against £558 13s. 1d. Investments, £5,308, are good, and worth their face value. Sundry debtors show an increase of £25,149 14s. 5d., due to the higher cost of our products. The fluctuating supplies of raw materials for our manufactures, labour shortage, and transport troubles have called for unceasing vigilance during the whole of the year, and considering other troubles incidental to the war which we have experienced in company with most manufacturing concerns, I hope you will consider the results of the year satisfactory. We continue to have good reports of Rito, the food for soil bacteria which I said last year we had just introduced amongst horticulturists and amateur gardeners. This year we have increased our output by selling to agriculturists in various parts of the country. We have already had some excellent reports, although it is early to say much, as the crops have not yet quite matured, but we have every reason to believe that we have in this article a very valuable asset, for which patents have been granted to us in Great Britain, America, and other foreign countries. As to the future, the position is somewhat uncertain owing to the fact that a large proportion of our principal raw material is required for national purposes. However, in these times it is not wise to attempt to forecast the future too much, but simply do our best to deal with difficulties as they arise. I now beg to move the adoption of the report and balance-sheet as presented.

Mr. C. T. Hensman, in seconding the resolution, said the shareholders would consider the report a very satisfactory one, and would be especially pleased that in these difficult times the directors were able to propose a dividend on the preference shares, which they had not been able to do of late years.

After some complimentary remarks from shareholders the resolution was put to the meeting, and carried unanimously.

Mr. Benjamin Horton was re-elected a director, and the appointment of Mr. S. W. Goodman, who had been appointed a director in place of Mr. W. A. Owston, who had died since the last meeting, was confirmed.

Messrs. Cooper Brothers and Co. were re-elected auditors.

A hearty vote of thanks was proposed to the chairman, who, in thanking the meeting, drew attention to a large display of vegetables which was made on a table in the room, and which had been grown on land prepared with Rito. It included some enormous specimens of vegetable marrows, celery, turnips, carrots, tomatoes, and other vegetables, showing a remarkable result from the use of Rito.

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INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.				GROSS TRAFFIC TO DATE.			
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.	Amount
Assam Bengal	July 7	1,00,000	—	28,400	17,61,213	—	9,894	
Barsi	June 16	16,500	+	800	2,00,400	—	11,900	
Bengal & N.-W.	July 7	4,70,480	+	1,21,413	63,56,202	—	68,021	
Bengal Nagpur	Aug. 18	10,16,000	+	49,000	1,59,97,932	+	10,26,566	
Bombay, Baroda	Aug. 18	10,85,000	—	2,000	2,90,03,000	+	13,89,000	
Burma	July 17	26,288	—	52	32,47,412	—	29,802	
Delhi Umballa	Aug. 25	74,200	+	9,913	15,67,600	+	2,03,777	
East Indian	Aug. 25	20,41,000	—	75,000	4,63,26,000	—	2,01,000	
Gt. Indian Penin.	Aug. 18	16,34,500	+	92,600	4,17,92,203	+	27,05,601	
Lucknow-Bareilly	July 7	41,595	+	2,918	7,04,629	+	34,868	
Madras and S.								
Mahratta	Aug. 14	10,50,000	+	71,080	1,50,47,446	+	3,91,064	
Nizam's Gd. (Broad)	Aug. 14	1,27,556	+	13,960	19,85,427	+	3,239	
(Metre)	Aug. 14	65,824	—	2,520	11,58,335	+	6,621	
Rohilkund and								
Kumaon	July 7	44,343	+	3,453	7,12,978	+	37,860	
South Indian	Aug. 14	7,02,943	+	56,016	1,02,93,811	+	6,94,279	

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.	Amount
Bristol	Aug. 24	12,563	+	1,478	363,547	+	23,987	
Dublin United	Aug. 24	7,099	+	25	224,955	+	23,067	
Hastings and Dist.	Aug. 26	2,019	+	111	40,973	+	6,192	
Isle of Thanet	Aug. 11	713	—	310	13,314	—	1,351	
Lancashire United	Aug. 22	2,805	+	769	77,166	+	16,678	
Provincial	Aug. 25	3,211	—	199	107,758	+	25	
Yorks. (West. Rdng.)	Aug. 26	2,305	+	319	70,073	+	11,681	

* From Oct. 1.

† From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.	Amount
Alabama Power	July 5	103,551	+	30,631	103,551	+	30,631	
Anglo-Argentine	Aug. 26	49,469	+	756	1,738,652	+	14,592	
Auckland Electric	Aug. 27	21,799	+	292	21,799	+	292	
Brazilian Traction	June	M4,022,000	+	M92,000	M24,000,000	+	M138,000	
Brisbane Elec. Inv.	June	32,720	—	160	226,315	—	915	
British Columbia	June 5	72,729	+	9,899	1,042,130	+	244,747	
B. A. Laeoz	July	38,063	—	376	38,063	—	376	
Burmah Electric	May 17b	Rs. 24,906	+	Rs. 1,321	Rs. 216,000	+	Rs. 19,447	
Cebu	Aug. 25	Rs. 69,485	+	Rs. 3,385	Rs. 216,000	+	Rs. 19,447	
Cordoba Light								
P. & T.	June	14,416	+	296	41,811	—	1,250	
Hongkong	Aug. 30	13,365	—	1,861	344,642	—	9,884	
La Plata	July 6	3,795	—	35	29,019	—	816	
Lima	June	16,843	+	1,977	100,160	+	5,662	
Madras Electric	Aug. 16c	Rs. 34,911	+	Rs. 2,642	Rs. 515,945	+	Rs. 46,565	
Mexico	Nov. 5	215,256	—	108,666	3,193,106	—	197,227	
Rangoon	July 5	4,783	+	426	3,300	+	1,465	
Singapore Electric	June 23	12,455	—	287	320,593	—	16,598	
Toronto	Aug. 5	475,408	+	27,552	271,393	+	5,105	
United of Monte V.	July	28,597	+	3,377	242,796	+	1,728	
Vera Cruz	May 5	35,000	—	4	250,800	—	—	
Winnipeg	June 5	49,664	—	37,907	435,897	—	194,611	

b 28 days. * From Jan. 1. † Net. a From July 1. c Two weeks.

UNITED STATES OF AMERICA.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.	Amount
Chesapeake & Ohio	Aug. 14	983,000	+	71,000	32,395,000	+	2,055,000	
Chicago G. W.	Aug. 14	284,000	+	4,000	9,443,000	+	455,000	
Colorado & South'n	Aug. 14	338,000	+	37,000	10,931,000	+	1,379,000	
Denver & Rio Gran.	Aug. 14	549,000	+	28,000	16,654,000	+	2,203,000	
Louisville & Nash'v.	Aug. 14	1,523,000	+	215,000	45,442,000	+	6,728,000	
Minn. S. P. (So.)	Aug. 14	705,000	+	4,000	18,151,000	—	344,000	
Missouri Kansas	Aug. 14	812,000	+	95,000	24,717,000	+	4,459,000	
So.thern	Aug. 14	2,199,000	+	323,000	66,614,000	+	8,541,000	

* Includes Wisconsin Central.

† From Jan. 1.

‡ From June.

FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.	Amount
Alooy and Gandia	Aug. 25	Ps. 7,150	+	150	Ps. 380,520	—	Ps. 82,380	
Antofagasta (Chili)	Aug. 26	46,425	+	7,880	1,348,035	+	209,910	
Arauco	June 30	10,000	+	1,200	55,000	+	11,800	
Argentine N.E.	Aug. 25	8,300	+	700	68,700	+	14,698	
Bilbao R. and Canta	July	3,644	—	1,639	24,653	—	5,408	
Bolivar	Aug. 25	11,000	+	4,925	11,000	+	4,928	
Brazil	May	M3,869,000	+	M471,175	M1725,000	+	M1853,454	
Brazil Gt. Southern	Aug. 25	M18,420,000	+	M4,100	M122,990	+	M33,700	
B. Ayres & Pacific	Aug. 25	75,000	—	8,000	591,000	—	97,000	
Do. Central	July	24,837	+	3,475	24,837	+	3,475	
Do. Gt. South'n	Aug. 26	87,000	—	5,000	709,705	—	71,549	
Do. Western	Aug. 26	42,000	—	11,000	310,000	—	86,000	
Central Argentine	Aug. 25	83,000	—	37,000	626,100	—	292,800	
C. Ur'g'ay of Mte V.	Aug. 25	14,555	+	4,003	123,328	+	35,782	
Do. East'n Ex.	Aug. 25	3,515	+	119	34,593	+	4,925	
Do. North'n Ex.	Aug. 25	2,423	+	665	23,247	+	8,864	
Do. West'n Ex.	Aug. 25	2,010	+	275	11,551	—	925	
Cordoba Central	Aug. 25	36,600	+	3,985	287,200	—	6,475	
Costa Rica	Aug. 28	3,803	—	1,414	226,731	—	7,030	
Cuban Central	Aug. 25	11,854	+	3,070	103,448	+	28,675	
Dorada Extension	July	13,082	+	4,456	91,594	+	25,605	
Egyptian Delta	Aug. 20	5,249	+	228	60,541	+	7,367	
Entre Rios	Aug. 25	13,700	—	2,000	106,100	—	9,700	
French Santa Fé	Dec.	81,752	—	1,139	1,080,727	—	156,858	
Gt. South. of Spain	Aug. 18	Ps. 51,832	—	Ps. 21,549	Ps. 295,584	—	Ps. 65,551	
Gt. West. of Brazil	Aug. 25	10,900	+	3,000	44,550	+	112,050	
Havana Central	Aug. 25	6,963	+	918	53,912	+	6,526	
Inter. of C. Amer.	July 6	14,589	—	6,325	199,480	—	24,452	
La Guaira and Car.	Aug. 25	6,250	—	2,000	56,250	—	1,250	
Leopoldina	Aug. 25	37,805	+	4,935	914,270	+	161,942	
Manila (N. & Sth.)	Aug. 6	10,389	—	1,997	10,389	—	1,997	
Midland Uruguay	July	12,128	—	2,481	12,128	—	2,481	
Mogiana	April	M1,476,000	—	M253,117	M5,386,000	—	M117,162	
N. W. of Uruguay	June	26,000	—	960	295,778	—	26,908	
Nitrate	Aug. 15b	27,491	—	4,473	474,297	—	65,516	
Paraguay Central	Aug. 25	3,430	+	610	3,430	+	330	
Paulista	April	M1,880,000	—	M230,979	M7,721,000	—	M240,648	
Peruvian Corp'n	July	S 975,000	—	S139,570	S1203,092	—	S1444,165	
Salvador	Aug. 11	11,930	—	8,945	100,160	—	31,525	
S. Paulo (Brazilian)	May	47,532	—	14,444	816,459	—	22,931	
Sorocabana	Aug. 25	M1,497,000	—	M274,702	M7,819,000	—	M859,539	
Taita	June	22,635	—	1,492	234,090	—	8,181	
United of Havana	Aug. 25	34,381	—	5,102	287,774	—	47,313	
West'n of Havana	Aug. 25	6,838	—	73	55,612	—	7,026	
Zafra and Huelva	July	11,866	—	860	77,456	—	950	

* Months. † From Jan. 1. ‡ From July 1. c Net. b 15 days. a 10 days.

COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.	Amount
Beira	June 14	£ 53,943	—	£ 5,150	9	£ 596,616	+	£ 15,923
Canadian Northern	Aug. 14	£ 746,800	—	£ 94,700	6	£ 5,367,200	—	£ 170,503
Canadian Pacific	Aug. 21	£ 2,700,000	—	£ 160,000	1	£ 92,287,000	—	£ 2,400,000
Gr. Trk. Main Line	Aug. 21	228,972	+	12,948	1	6,628,671	+	817,267
Gr. Trk. Western	Aug. 21	39,247	+	822	1	1,258,302	+	26,734
Detroit G. H. & M.	Aug. 21	13,541	—	129	1	438,840	+	4,345
Gr. Trk. Prairie Sc.	Aug. 21	24,632	+	8,735	1	175,091	+	53,053
Mashonaland	May 5	65,700	+	2,798	8	442,673	+	17,545
Mid. of Westn. Aus.	July 14	6,428	—	513	9	84,036	+	870
New Cape Central	July 14	1,578	—	107	1	52,371	+	7,429
Rhodesia	June 14	86,513	—	105	1	751,345	+	45,942

* Months. † July 1. ‡ Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.				NETT EARNINGS TO DATE.			
	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.	No. of Mths.	
		Dols.	Dols.		Dols.	Dols.		
Atchafalpa T. & S. Fé	June	3,623,000	—	79,000	12	51,952,000	+ 8,172,000	
Atlantic Coast Line	"	665,000	—	109,000	6	6,471,000	— 214,000	
Baltimore & Ohio ..	"	2,869,000	—	335,000	6	14,447,000	— 300,000	
Canadian Northern	July	904,900	+ 292,500	1	904,900	+ 292,500		
Canadian Pacific ..	"	4,017,000	— 257,000	7	23,619,000	— 1,138,000		
Chesapeake & Ohio	June	1,139,000	— 357,000	6	6,799,000	— 411,000		
Chicago & N.W. ..	"	2,341,000	+ 3,000	6	11,052,000	— 1,339,000		
Chicago Burl. & Q.	May	3,489,000	+ 620,000	5	17,144,000	— 1,436,000		
Chicago G.W.	June	462,000	— 1,000	6	1,492,000	— 423,000		
Chicago Mil. & S.P.	"	2,320,000	+ 426,000	6	10,848,000	— 1,380,000		
Chicago, Rock I. & P.	"	1,641,000	— 452,000	6	10,156,000	— 750,000		
Colorado & Southern	"	542,000	+ 150,000	6	2,830,000	+ 531,000		
Cuba	May	149,000	— 200,000	11	1,553,000	— 1,047,000		
Delaware & Hud. ..	June	734,000	+ 74,000	6	2,651,000	— 1,202,000		
Denver & Rio Gran.	"	636,000	— 117,000	6	3,877,000	— 188,000		
Erie	"	1,610,000	— 117,000	6	4,849,000	— 3,803,000		
Gr. Tr. Main Line ..	"	£ 268,800	— £ 8,650	6	£ 1,018,250	— £ 145,450		
Grand Trunk Westn	"	\$ 36,400	— £ 24,600	6	\$ 1,12,250	— £ 27,250		
Detroit G. H. & Mil. ..	"	\$ 1,100	— £ 10,200	6	\$ 3,560	— £ 59,600		
Gt. Northern ..	"	2,899,000	+ 490,000	6	9,288,000	— 217,000		
Illinois Central ..	"	1,720,000	+ 230,000	6	6,653,000	+ 2,404,000		
Kansas City Southn.	"	360,000	+ 59,000	6	2,179,000	+ 456,000		
Lehigh Valley ..	"	1,362,000	+ 280,000	6	4,686,000	— 1,233,000		
Louisville & Nashv. .	"	1,209,000	+ 280,000	6	9,260,000	— 230,000		
Minn. S.P. (Soo) f. .	"	1,183,000	+ 149,000	6	4,265,000	— 1,850,000		
Miss. K. & Texas ..	"	840,000	+ 149,000	6	4,265,000	+ 1,878,000		
Missouri Pacific ..	"	1,869,000	+ 1,259,000	6	9,985,000	— 4,970,000		
New York Cent. & H.	"	5,494,000	+ 3,000	6	20,389,000	— 1,600,000		
N.Y. N. Haven & H.	"	1,820,000	— 311,000	6	10,319,000	+ 126,000		
New York Ont. & W.	"	— 238,000	+ 36,000	6	426,000	+ 205,000		
Norfolk & Western.	"	1,677,000	— 354,000	6	10,140,000	— 1,735,000		
Norfolk Pacific ..	"	3,013,000	+ 950,000	6	14,212,000	+ 1,252,000		
Pennsylvania East	"							
and West Lines ..	"	10,046,000	— 96,000	6	39,603,000	— 10,661,000		
St. Louis & San F. .	May	1,391,000	+ 121,000	11	15,124,000	+ 2,795,000		
Seaboard Air Line ..	June	514,000	+ 47,000	6	3,990,000	+ 94,000		
Southern	"	2,050,000	+ 423,000	12	24,330,000	+ 2,053,000		
Southern Pacific ..	July	5,616,000	+ 767,000	7	34,191,000	+ 9,198,000		
Union Pacific ..	June	4,453,000	+ 673,000	6	18,850,000	+ 175,000		
Wabash	"	1,075,000	+ 109,000	6	5,700,600	— 45,000		

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CONTENTS.

Passing Events: — Revenue — Stockholm Trade Union Congress — Furness Withy Amalgamation — Proposed Fusion of Explosive Manufacturing Companies — New Wool Restriction Order — Tyne Tees Steam Shipping Financial Year — Board of Agriculture — Cuban Ports Company General Meeting — Italian Revenue Returns for July — Yorkshire Dyeware and Chemical Co. — Tariff Reformers — Abbé Wetterlé — Victoria Falls — Consolidated Main Reef Mine and Estate Amalgamation — Sir Abe Bailey — Walter Scott, Ltd. — F. Steiner and Co. (pp. 247-51).

Leading Articles: — The Next War Loan — Imports in 1916 — By-the-Way War Notes — Those Wicked Premium Bonds — The Consular Service — President Carranza on Mexican Finance (pp. 251-5 and 261-3).

Insurance News: — Northern Assurance and Provident Accident Agreement — Marine Insurance — A New Insurance Company — Star Assurance Amalgamation Negotiations — Irish United Transfer (pp. 265).

The Week's Stock Markets (p. 258-9).

London Produce Markets (p. 259-60).

Dividends Announced (p. 260).

Answers to Correspondents (p. 260).

Money and Credit Notes: — The Russian Position — Unruffled Money — Bank Return — Russia's Growing Debts — Indian Prohibition of Silver Imports and Exports — Revision of the Bank Charter — Dollar Securities — Transfers to Scheme B Closed — Silver (pp. 256-8).

American Business Notes: — Money Circulation — States Currency Expansion — Gold Increase — Baltimore and Ohio Railroad — Attitude of Labour (p. 264-5).

Tea, Oil, and Rubber: — Rubber Market — Sumatra Consolidated Rubber Estates — Sumatra Proprietary Rubber Plantations (p. 265).

Mining News: — North Broken Hill — Butters Salvador Mines — Hampden-Cloncurry Copper — South Kalguri (p. 266).

What Balance Sheets Tell: — Romano's — Woolley, Sanders, and Co. — Wright, Bindley, and Gill (p. 266).

Company Meetings: — Raphael Tuck and Sons — Argentine Iron and Steel (p. 267).

Oilfields Items (p. 260).

Notes on Books (pp. 263-4).

The Week in Mines (p. 265-6).

Public Income and Expenditure (p. 266).

Traffic Returns (p. 268).

CANADA.

THE DOMINION BANK.

Head Office, TORONTO.

Total Assets - - - \$92,860,000.

SIR EDMUND B. OSLER, M.P. (Canada), President.

W. D. MATTHEWS, Vice-President.

C. A. BOGERT, General Manager.

London Branch, 73, CORNHILL, E.C. 3.

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.
General Banking business transacted. Information furnished regarding Canadian matters.

BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, Queen Victoria Street, London, E.C. 4.

AUTHORISED CAPITAL £5,500,000

SUBSCRIBED CAPITAL.

Four per Cent. Guaranteed Stock	£529,988
"A" Preference Shares issued to New Zealand Government ..	500,000
"B" Preference Shares issued to New Zealand Government ..	250,000
Ordinary Shares	1,500,000
	<u>£2,779,988</u>

Reserve Fund and Undivided Profits £2,246,595

Negotiates and collects Bills of Exchange.

Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

SCOTTISH AMICABLE

LIFE ASSURANCE SOCIETY.

(Established 1826.)

A MUTUAL PROFIT-SHARING OFFICE.
COMPOUND BONUS.

Bonus Declared at Latest Investigation £1 15s.
per cent. to £4 12s. per cent. according to duration.

Head Office: 35, ST. VINCENT PLACE, GLASGOW.
London Office: 1, THREADNEEDLE STREET, E.C. 2.

THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial
Japanese Government, 1899.

HEAD OFFICE - - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital	£4,000,000
Paid-up Capital	1,800,000
Reserve Fund	2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, São Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILE—Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office—35, Lombard Street, E.C. 3.

Subscribed Capital	£1,078,875 0 0
Paid-up Capital	539,437 10 0
Further Liability of Proprietors	539,437 10 0
Reserve Fund	450,000 0 0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION, Manager.

BANKS.

STANDARD BANK OF SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province, to the Imperial Government in South Africa, and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL	£6,194,100
PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

BOARD OF DIRECTORS.

Wm. Referson Arbuthnot, Esq.	Horace Peel, Esq.
Sir David Miller Barbour, K.C.S.I.,	William Smart, Esq.
K.C.M.G.	Right Hon. Lord Sydenham, G.C.S.I.,
Robert E. Dickinson, Esq.	G.C.M.G., G.C.I.E.
James Fairbairn Finlay, Esq., C.S.I.	H. L. M. Tritton, Esq.

HEAD OFFICE: 10, CLEMENTS LANE, LOMBARD ST., LONDON, E.C. 4.

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CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED AND COLLECTED.

MAIL AND TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK issues CIRCULAR LETTERS OF CREDIT available in all parts of the world.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE and SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, Etc., received.

EXECUTOR and TRUSTEE BUSINESS undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.
FRANCIS SHIPTON, London Manager.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	£1,500,000
Capital Issued	1,125,000
Capital Paid Up	562,500
Reserve Fund	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837. LIMITED. INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,980,000; together £3,980,000

Reserve Liability of Proprietors 4,000,000

Total Capital and Reserves £7,980,000

HEAD OFFICE - - - 71, GORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital	£1,000,000.	Subscribed Capital	£825,000
Paid-up Capital	£500,000		
Reserve Fund	£400,000		
	£1,040,000		
Uncalled Capital	125,000		
Reserve Liability of Shareholders	625,000		
	£1,790,000		

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.
PERCY ARNOLD, Manager.

THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71 Old Broad Street, E.C. 2.

Subscribed Capital	£1,278,747 10 0
Paid up Capital	669,670 0 0
Reserve Fund and Undivided Profits	375,680 11 8
Reserve Liability of Proprietors	606,962 10 0

REMITTANCES made by CABLE.
DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.
DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

BANKS.

BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital	£3,894,980
Reserve Fund	2,800,000
Reserve Liability of Proprietors	3,894,980
	£10,589,960

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.

H. L. M. TRITTON, Esq.

WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager.

J. S. CAMPBELL, Secretary.

HALKERSTONE MELDEUM, Assistant Manager.

DAVID GEDDIE, Accountant.

The Bank has 337 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	Yen 48,000,000
Capital Paid Up	Yen 36,000,000
Reserve Fund	Yen 21,300,000

Head Office: YOKOHAMA.

Branches and Agencies at

Antung-Hsien.	Harbin.	Nagasaki.	Shanghai.
Bombay.	Honolulu.	Newchang.	Singapore.
Calcutta.	Hong Kong.	New York.	Sydney.
Changchun.	Kobe.	Osaka.	Tientsin.
Dairen (Dalny).	Liaoyang.	Peking.	Tokyo.
Fengtien (Mukden).	Los Angeles.	Ryojun (Port Arthur).	Tsinanfu.
Hankow.	Lyons.	San Francisco.	Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

THE WESTERN AUSTRALIAN BANK.

Established 1841.

Paid-up Capital	£350,000 0 0	25,000 Shares of £10 each.
Reserve Fund	£680,000 0 0	Reserve Profits .. £29,978

Reserved Liability of Shareholders £250,000.

Drafts issued, Remittances cabled, Bills negotiated or collected, Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents. The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

CAPITAL PAID UP £2,000,000

REST & UNDIVIDED PROFITS £800,986

Head Office: ST. ANDREW SQUARE, EDINBURGH.

A. K. WRIGHT, Cashier and General Manager

J. B. ADSHEAD, Secretary.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager.

166 Branch Offices throughout Scotland.

Banking Business of every description transacted. Accounts opened for Foreign and Colonial Correspondents. Bills, Cheques, and other documents collected. Deposit received at interest repayable at call or at notice.

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Write at once to The
Prudential Assurance Co.,
142, Holborn Bars, E.C. 1,
or to any of its Agents.

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Passing Events.

A revenue of £7,522,000 from taxes and monopolies last week and an expenditure of £46,312,000 nett, of which £2,852,000 was on account of miscellaneous, form a conjunction which does not look agreeable. But we are now in the leanest month of the year so far as business is concerned, and naturally the public income is affected by the prevailing quietude. On the other hand, war activities and war expenditure tend to expand. The area of strife widens; new enemy tricks and devices have to be countered and overcome, and it all means money, money, and yet more money. The outlay last week on "Supply" services alone, mostly war expenditure of one shape or another, was £43,460,000, or £6,200,000, and the total actual expenditure including miscellaneous almost exactly £6,616,000 per diem. Floating debt fell due to the tune of £38,867,000, of which £29,867,000 was owing on Treasury bills and the other £9,000,000 on temporary advances. The sale of new "Treasures," however, brought in £53,062,000, a most handsome figure, and the Government raised another £20,000,000 on temporary advances. The Exchequer bond sales produced only £2,944,000, and the War Savings Certificates £500,000, and accordingly the floating debt was increased altogether by £34,291,000, of which £23,000,000 represented the amount added to the Treasury bills debt, raising its aggregate to £846,141,000, the remaining £11,000,000 being added to "temporary advances," the total amount of which we do not know. Even with all these helps the week's disbursements exceeded the week's resources by £1,150,522, the amount by which the Exchequer balances have been drawn upon to even up the week. They are now reduced to £21,951,459. With last week's addition, the total outstanding of the present issue of Exchequer bonds is £74,533,000. Income-tax, excess profits tax, super-tax, and munitions levy brought in £4,577,000 last week, out of the total regular income of £7,522,000, and the drafts upon these sources of revenue will unquestionably have to be increased when next tax devising day comes round.

May one hope that the vote taken on the Stockholm gathering at the Trade Union Congress at Blackpool on Tuesday will finally dispose of that deceptive-looking

project so far as the genuine British working man is concerned? The vote was 2,849,000 against fraternisation with assassins; 291,000 for. So even the crank pacifists were debarred for the time being, and the Seamen's Union stood firm by its determination to carry no delegates to a conference "to shake hands with blood-stained murderers." There you have the feeling, hard as adamant, and probably as enduring that the German beast has placed himself beyond the pale of civilisation. That being so, is it not about time Socialists should give up their abuse of the word "democracy"? Mr. John Hill, in his ponderous but far from weak address as president of the congress, discoursed at large, and not without a certain eloquence, on "democracy," but did not define his meaning. It might have been another example of "that blessed word Mesopotamia," for all one could gather, merely a sweet sound; but when he told the listening delegates that they, the valiant men of toil, in this country, had "no quarrel with the German democracy," he showed that he had never penetrated beneath the phrases by whose glitter he had been led astray. What is "democracy"? It is the fellowship of the free. There can be no democracy among a slave people, and because the German peoples are slaves, there is no democracy in either Teutonic Empire to which we could appeal, except among the oppressed populations, who have kept alive their manhood by striving to throw off the yoke, but who do not count in the settlement. And just because the Germans are an unemancipated people, it is impossible to find a common ground on which those who are free could meet them. When they acquire the courage to rise up against the degrading servitude in which the majority of them now seem to delight to live, and when they repudiate the policy of the wanton spoiler who now thanks his God—when the mood moves him—over every successful-looking stroke of robbery, then it may be possible to talk together of peace and to accept the German "guarantees." At present that "when" looks a woeful way off. The war must therefore go on, and labour, in all its ramifications, should sharpen its wits to full recognition of the fact, as also of the obligations and sacrifices its continuance implies.

Another important shipping deal has been accomplished by Furness, Withy and Co., Ltd., purchasing

the fleet of James Gardiner and Co., of Glasgow. There are fourteen cargo vessels of a gross tonnage of 70,000, and it is understood that the price paid is £30 per ton, so that over £2,000,000 is involved. The transference of the fleet to Liverpool is a sore blow to the shipping prestige of Glasgow, and will involve brokers and underwriters in a considerable curtailment of their business. Glasgow has been hard hit in this respect recently, as the Clan Line is being transferred to London, and the Allan Line, since it passed under the control of the Canadian Pacific, has its headquarters in Liverpool. All the same, we may expect that the Clyde will be able to make good the deficiency before very long.

An official announcement with regard to the proposed fusion of explosive manufacturing companies is expected to be issued next month. The object of the scheme is not to effect an amalgamation, but the financial fusion, in order that a common policy may be pursued for the benefit of the industry as a whole. Under it resources will be pooled. To give effect to this idea, it is proposed to form a controlling company, with a large capital, in preferred and deferred shares, to embrace about 15 concerns.

A new Wool (Restriction of Consumption) Order has been issued this week. Despite its title, the Order, which consolidates previous Orders, is a relaxation of previous restrictions. Its purpose is to regulate the hours which may be run in all woollen and worsted factories, and to define more clearly which factories are affected. As from September 1 the weekly hours of work in any textile factory is limited to 50, as against 45 in the previous Order. All spinning factories come under this Order, wherever situated, but in the case of factories which are purely weaving establishments, the geographical area is specified. All factories in the West Riding of York, with one excepted area, the county of Cumberland, and Scotland, except the counties of Ayr and Fife, are affected.

In the shipping industry things have come to a pretty pass. The authorities, not content apparently with requisitioning almost the whole of the mercantile fleet on terms which preclude shipowners from obtaining a remunerative return on their capital, and with further penalising the companies under the new Finance Bill, have now instituted a scheme of insurance against war risks, the effect of which will be to cause owners in very many instances to work at a heavy loss. The Tyne Tees Steam Shipping Co.'s financial year ended June last, before the scheme came into operation, and the accounts make depressing enough reading. We shrink from contemplating what sort of showing the next exhibit will make if the new insurance scheme is still adhered to. For the year ended June last the company made a profit of only £20,300, as compared with £54,735, and after setting aside for depreciation less than a year ago, the profit remaining is insufficient to cover the debenture interest. The shareholders, which in 1916 received a distribution of 20 per cent., get nothing further than the interim of 2½ per cent., and this leaves the carry forward £7,890 down at £7,070. In the balance-sheet, freehold land, ships, &c., appear at £246,220, compared with £318,750, the difference being almost wholly accounted for by value of steamers lost through "war risks." Investments at cost, consisting of new War Loan stocks and Treasury bills, are £66,375 higher at £98,790. Cash has fallen £12,745, and creditors are £7,030 more at £28,225; but claims on underwriters are £7,875 larger at £13,680, and debts due are slightly higher at £56,260. The company is unfortunate in that its profits in the datum years were larger than in the years following the outbreak of war, and it is not able therefore to draw upon resources built up out of war profits.

In spite of the terribly wet and uncongenial weather in August, the Board of Agriculture is able to issue a

fairly reassuring report on harvest prospects. Most damage was experienced in a broad belt running from North Wales to the Kentish coast, but outside that area conditions, on the whole, were favourable. Unfortunately the present month, after a promising start, has taken a turn for the worse, and Wednesday night's thunderstorm has unsettled the weather again, but it is said that less damage has been done by the torrential rains than might have been expected. Fruit in many districts has suffered severely, but the spread of potato disease is the worst symptom. The crop is a very heavy one, but it is feared that a considerable proportion of it will be wasted.

Notice is given that an extraordinary general meeting of the holders of series "A" and "B" bonds of the Cuban Ports Company will be held in Havana on October 9 to consider proposals for the transfer of the assets to the Government of Cuba. No indication is given of the terms to be offered, and holders are asked to deposit their bonds entirely in the dark, but possibly further information will be furnished at a later stage. At any rate, it is to the good that steps are being taken to remove the deadlock that has existed so long, and we must hope that the Cuban Government will see the advisability of acting justly towards the company.

The Italian revenue returns for July (first month of the financial year) are stated at £9,430,280, or £1,400,000 more than in July, 1916. The considerable increase in all items is due to heavier taxation. During the first quarter, 1917, Italian foreign trade reached a total of £65,288,000, a decrease of £4,976,000 against the same period of last year. Crops in general are not so plentiful as could be wished. Notwithstanding the bonuses awarded to wheat growers and to women whose agricultural work has given satisfactory results, cereal production has not increased. Grapes are also much scarcer, and it could not be otherwise, considering the unavoidable lack of men and the constant care required by vine-growing. The price of wheat is now 48 francs per quint., but it is still too low if one takes into account the enormous increase in the price of chemical manure, the wages demanded by labourers and their scarcity. A very good result has been obtained through the cultivation of land hitherto untilled, such as drill grounds, ramparts, &c., which was encouraged by the War Office and executed by the soldiers. Over 14,200 acres were made available for cereals, and orders have just been issued directing that a larger area be turned to use. The same success has attended the breeding of fowls, rabbits, &c., by which the numbers have been increased 37,600. The price of tobacco has been lately raised by an average of 25 per cent., a step due to the difficulty in obtaining the raw material as well as the accessories which are needed for the manufacture of cigars, cigarettes, &c. The result aimed at would be (supposing the consumer does not increase his present expense) to consolidate the present revenue at the figure of £33,800,000, while selling kg. 4,650,000 less tobacco. It is, however, expected that the increased price will bring in 5 per cent. more. So that while achieving the economy of 5½ millions kg. tobacco, the profits will probably yield the State £35,120,000. Past experience has shown that the higher cost has not checked the growth of consumption.—*From an Italian correspondent.*

War conditions have brought great prosperity to the industry in which the Yorkshire Dyeware and Chemical Co., Ltd., is engaged, and 1916-17 saw a further increase in profit. To appreciate the improvement in the company's fortunes, it must be recollected that for the year ended June, 1914, a nett profit of only £2,800 was made. In the first year of war, 1915, the company earned no less than £32,800, and 1916 witnessed an even more encouraging state of affairs, profits rising to £49,800. The period just closed has been a banner year, no less a sum than £54,100 being retained as nett profit. It would, of course, be fatuous to shut

one's eyes to the fact that the present boom is largely due to the absence of competition, but, at the same time, many of the lessons learned under the stress of war will stand the company in good stead in the future, and we are not so pessimistic as to fear the industry will get back into the old rut. The large profit made is, wisely, being dealt with conservatively. After providing for the dividend and bonus, which is made up to the same rate as in the previous year, 35 per cent., £20,000 against £19,000 is allocated to reserve fund, and £10,000 to reserve for extensions. This leaves £4,420, which, added to the slightly larger amount brought in, raises the carry forward £4,420 to £8,240. All this is reflected in the balance-sheet, which displays a greatly improved liquid position. Creditors have been reduced £25,500 to £228,350, there is £27,675 more at £167,360 in bankers' balances and Exchequer bonds, and a block of War Loan amounting to £23,850 appears for the first time. These increases much more than offset the reduction of £13,200 to £115,500 in stock, and the fall of £33,920 to £97,670 in sundry debtors.

A great thing has happened. A new political party has arisen to take care of the Empire. We could not properly hail its emergence last week, because its first literary effort did not arrive at the office of THE INVESTORS' REVIEW until Friday afternoon. Among the papers then sent was a descriptive article of a kind useful in the dead season as a "fill-up," and it had already served well, most papers having printed it, so we need not. All the same, this party says it is in dead earnest—and it needs to be. Protection does not make headway among the people just at present, still less among the Allies of the *Entente*, and our dear, illogical friends, the "Tariff Reformers," as the protectionist party now labels itself, has need to be up and doing. So the manifesto informs us that "The old party system has been nothing but an organised mockery of the true spirit of the nation. If we are to win in the war—and after—we must free ourselves somehow from the clutches of this octopus," i.e., from the party system. Most alarming, is it not? Can it be that the Tories and land magnates of the Coalition have been cured of tariffitis and refuse to paddle any more in the foetid morass of customs duties and their attendant frauds, "pulls," and corruption?

The "national party" spokesmen do not say so. To them it seems that the future of the commonwealth of British nations "depends upon the honesty and capacity of our public men." And that is a fine sentiment, particularly opportune just now when there is such a lack of honesty everywhere. It used to be our idea that there could never be any true honesty cultivated by high tariffs. They have hitherto been most fertile sources of roguery and deceit ever invented; but the new national party knows better. All health and happiness, all wealth and political dominance for the "cute" lies in a properly adjusted tariff. So, at least, we infer from the silences and reticences of these men. The Government has hit on the better plan of "prosperity" induced by lavish bounties, and well may the protectionists blaspheme. Their cue is to go bang at parties and to hold up to contempt the system of government which has had to serve us for goodness knows how many years.

It is not the most perfect of systems, certainly, but it has served, and now, just when parties have coalesced, and for the time being made an end of party rivalries, these valiant Gracchi have rushed forward to deliver the Empire. They begin by warning us that the game of parties is "played and assisted by two machines which are kept in funds by the sale of honours." A most melancholy thing, good gentlemen, if indeed the truth. But how are you going to set about making all things politically new? A little pamphlet which accompanied the aforesaid "fill-up" discourses at length in full illustration of the uses of language as a vehicle

for diplomacy, and leaves us less wise than if we had never read it. But its moral sentiments might have come from the tripping pen of that most admirable of platitudinarians, M. Gustav le Bon. Of tariffs there is never a word. Instead, we get such profundities as this: "Incompetency in the governing order is the most fatal of all political diseases, and the most frequent causes of military disaster, financial embarrassment, and social discontent." So this new party is going to start a "national" against a "class, sectional, or sectarian policy," and that, also, is a fine sentiment, decidedly superior—from a body of tariffites. Of course, and naturally, there must be "complete victory in the war and after the war"—true patriotism that—and that victory means "the elimination of German influences"—by a fine scientific tariff?—to be followed by "class amity," whatever that signifies, "confidence between employer and employed," all of which leads up to "an honest administration, a pure political system, and no sale of honours." Class unity and confidence between employer and employed are neat phrases with which we should never dream of quarrelling, even if we comprehended their tariff reform significance. Still less can any live patriots safely dissent from the demand for "maximum production with fair wages and fair profit as the strength and safety of the nation demand." What does all this mean? A tariff? The pioneers of the new salvation do not explain—but, really, we must quote the last paragraphs of their "new heaven" programme, as effused in the papers before us. Its fragrance of verbal benevolence is almost apostolically sweet, worthy, indeed, of the new "national party" to promote Reform, Union, and Defence.

The safeguarding of our industries and agriculture, and the right of both capital and labour to share in the advantage of national economic defence with due regard to the interests of the consumer. The unity of the Empire in council and defence, and a policy of mutual and reciprocal aid in the development of all the territories and natural resources of the British Commonwealth. A national social policy based upon the principle that the people shall be reared in such surroundings, in such conditions, and with such opportunities, in life, work, play, as will ensure a contented, patriotic race. A policy of demobilisation and reconstruction which will eliminate waste in citizen life, preserve the liberties of the people, and ensure that the interests of sailors and soldiers with regard to employment, pensions, &c., are secured on their return to civil life.

Could the love of one's neighbours and the blessings of a tariff be more neatly expressed? Not, we are confident, in modern journalese, rich though its vocabulary is. It is to a benign, not to say redemptive, campaign of this kind that all men of intellect and patriotism are asked to give their adhesion. Hasten all ye who feel that a tariff might do your purses good, enter our magic ring and be safe evermore from the nasty foreigner with his push and competition. Above all, protect, oh, protect, our colonial interests! They must be in dead earnest, these pious men, for they do not ask for money—not yet. They merely, in the fashionable military slang of the hour throw a "dud" shell into the political arena, and sit around watching the effect. Who are these gentlemen? They are great to themselves, everyone of them, and here are a few of their names:—Colonel Lord Ampt-hill, Major Alan H. Burgoyne, Sir Richard Cooper, Bart., Brigadier-General H. Page Croft, the Venerable Archdeacon Cunningham, D.D., Captain the Viscount Duncannon, Lord Ebury, Lieut.-Col. Lord Leconfield, Lord Leith of Fyvie, Lord Montagu of Beaulieu, Lieut.-Col. Lord Stafford, and there follows a nice retinue of the common kind of men, such as Lieut.-Col. the Hon. Douglas Carnegie, M.P., Mr. W. Child Clark, Major W. H. Drummond, Lieut.-Col. Sir John Harrington, Admiral Sir Albert Hastings Markham, &c., &c. We are prepared to follow the career of these pioneers in the new wisdom with the closest and most amused attention. What is their next move to be? Is it possible that statesmanlike ability may lie hid beneath the coronet and robes of a peer, and that even a brave adviser like Sir Page Croft may be a

genius at beguiling? We wait in serenity of mind, and meanwhile thank these noble and most honourable gentlemen for enabling us to while away an hour most agreeably. They may do it again soon we hope!

It is all of a piece with the character of Prussian absolutism and with the past history of the Reichstag, whose very existence is a fraud upon the people. There is just now running through the columns of *Les Annales* some reminiscences by the eminent Alsatian journalist and ex-deputy to the Reichstag, the Abbé Wetterlé, which show us the Reichstag in action as he knew it, and they are aboundingly instructive. When the Abbé went to Berlin first to represent his oppressed country he fell in with a German deputy named Muller-Fulda, a man who had travelled, lived in England in his youth, and learned the English and French methods of business, and who had become rich by a carpet-weaving factory. The pair took to each other, and Muller-Fulda seems to have been a cynical, cool-headed, and mocking fellow, who set himself to do his best to cure Wetterlé of his illusions about the true character of this so-called representative assembly. "Everything with us," Muller-Fulda told him, "is compromise. You need not pay any attention to the public sittings of the Reichstag or the flow of oratory to be found there; we do things in the corridors and behind the scenes. The noise is only made in order to get something. Abroad they think we have national representation. We have only a handful of opera bouffe conspirators, whom a manager directs as he pleases. With us the fine words, 'ministerial responsibility,' 'liberty,' 'democracy,' have no sense at all. We are a people of valets and slaves, among whom the intellectuals, tamed, and, above everything, greedy of honours and distinctions, have schooled the crowd to every servitude. Everything is empty verbalism in our Parliamentary struggles." The Abbé was not disposed to subscribe to this just at first, but he soon found that his sarcastic friend had warrant for his attitude. He saw that after having copiously abused each other from the tribunal, Heydebrandt, Bassermann, Spahn, Hertling, and all the other star actors of the troupe gathered together in the committee rooms or promenaded arm in arm in the corridors, and regularly had long and mysterious conversations, out of which came compromise, arrived at in collaboration with the Chancellor, and for which appropriate prices were paid.

One striking example of this method of befooling Germany and humbugging the world outside was given when William the Insane decided to fling himself headlong into a "world policy." To this purpose, in 1901 it was decided that the navy of the empire should be doubled. When the project was first mooted, and the Bill brought in embodying the Kaiser's aspiration, the whole Press of the Centre and Left rose in protest. "We are going to embroil ourselves with England. We shall definitely compromise the finances of the empire, weaken our land army, and increase the weight of the taxes." "Besides, England will never allow Germany to come up to her level, and the English would be fools if they did not maintain the present distance between their fleet and ours." And the refrain of all these newspaper blarings, which were of an extraordinary violence, was always the same: "Not a pfennig for this mad enterprise." But it was all mere froth and make-believe. After a rampageous period of speechifying and denouncing, the new law was docilely accepted by an enormous majority, and the papers not only dropped their opposition, but turned round to support the Government. "Almost without transition," says the Abbé, "the Press of the Centre and Left recognised the necessity to augment the fighting fleet and concentrated all its opposition on the condemnation of a group of guard-ships whose construction had been included in the original programme, probably just for the purpose, and whose construction Tirpitz, the sly, did not want, but professed himself grieved to give up. All the time that this comedy was

going on Muller-Fulda chaffed his friend and predicted from the first what would happen. "One morning," says the Abbé, "while we were taking our coffee together, Fulda said, 'My poor Wetterlé, you are altogether too green. What you behold is only a straw bonfire. The Chancellor is now very sure to get all that he wants, and even more. The compromise is accepted by all the *bourgeois* group; Tirpitz sacrifices the guard-ships which he does not want, for the squadron of ironclads, and for other vessels to be built in order to replace the old-fashioned boats by others more modern and powerful, he will get an overwhelming majority, a formal compromise having been made to that effect by the chiefs of the group.'" So it turned out, and Count, now Prince, Bülow, then Secretary of State for Foreign Affairs, spouted the final monologue in the farce. At the end of the windy debates, he rose, and in his sympathetic bass voice said, with a calculated slowness and a restrained emotion, "Take care, all the future of the empire is at stake. I am loath to make the admission, but I must do so in order to break your unseasonable resistance. War with England is not only in the order of distant possibilities; it is probable and near. Do you wish that before this present danger we should be completely disarmed?" Of course, they did not wish that, most certainly not having been "squared," and amid plaudits, and by a thumping majority, the building of the great Imperial navy which was to conquer the mastery of the seas, in the daft Kaiser's idea, began. That was nearly seventeen years ago, and the Reichstag, with its cliques and parties and secret compacts among groups of self-seekers, its "honours" crawling and slavishness, pursues the same miserable parade of independence in politics to this hour, will seemingly continue to do so until the last Junker has surrendered to the Allies and been sent before a Court of Justice to answer for his crimes. All the losses and privations of the war the Junkers arranged have not yet made men of a race of slaves.

Although the Victoria Falls and Transvaal Power Co., Ltd., has never done anything towards its original scheme for harnessing the Victoria Falls, its business has made rapid strides in recent years. No longer ago than 1910 the gross receipts were only £175,000, and the nett profit £36,000, so that the 6 per cent. preference shareholders had to be content with a distribution of 4½ per cent. Last year the gross profits were £834,500, an increase of £77,000 over 1915, and after setting aside £32,000 more at £305,700 for depreciation and taxation (including excess profits duty), the nett profit is £31,500 larger at £254,600. Moreover, £55,000 more was brought in, and the directors prudently place £150,000 to reserve, after which the preference shares again receive 10 per cent. and the ordinary enter the dividend list with a maiden distribution of 5 per cent. These shares were given to the promoters in respect of Victoria Falls rights, and for a long time looked of very doubtful value, but with the expansion of the business they are likely to become increasingly valuable. The carry forward is reduced by £90,000 to £72,400. During the year £76,000 second debentures were redeemed, and £161,000 first debentures were drawn for redemption on January 2. The company has nearly a million and a half in cash, Treasury bills, &c. (an increase of £420,000 in the year), against creditors for £817,000, so it is in a very strong financial position.

The Consolidated Main Reef Mine and Estate Co. is about to absorb a further contiguous undertaking—namely, the Main Reef West. Both companies belong to the Neumann group, which as from July 1 has been merged in the Central Mining group. The effect of the amalgamation will be to increase the Consolidated Main Reef Company's area by 550 claims to 1,350 claims. The Main Reef West has a capital of £491,188 in £1 shares, valued in the market at 3s. 6d. per share, and 6 per cent. debentures, amounting to

£249,963. No dividend has been paid since 1912-13, and owing to the disappointing results obtained, it was arranged in 1915 to suspend the redemption of debentures for three years. The Consolidated Main Reef has a capital of £950,000 in £1 shares, of which £924,364 is issued, and these have a market value of 16s. per share. It has paid moderate dividends regularly for the past ten years, and the life of the property, already a long one, will be considerably extended by the new acquisition. Moreover, the amalgamation should enable the combined property to work on a larger scale, and therefore more economically.

It is announced that Sir Abe Bailey, who recently acquired the control of the Rezende Mine from the Farrar group, has formed a company in Johannesburg, entitled the Anglo-American Rhodesian Exploration Company, with a capital of £250,000, which is to be increased to £1,000,000 next year. Sir Abe Bailey has left for New York, where it is understood he proposes to enlist American financial support for his Rhodesian interests. It will be recalled that last year Mr. Isaac Lewis secured American participation in the Lewis and Marks Eastern Rand properties, which are awaiting the passing of the Mining Leases Bill before active development work is undertaken. There is little doubt that in the near future American capital will be used for the first time in exploiting minerals in South Africa and Rhodesia, and that it will be gradually increased. In fact, plans have already been made for expending seven or eight millions sterling.

Walter Scott, Ltd., the Leeds firm of steelmakers, ironfounders, and colliery proprietors, did exceedingly well during the twelve months ended June 30 last, for profits, after making provision for liabilities to the Government, jumped up £30,500 to £125,400. True, as the directors state in the report, the plant and machinery at the several works has not been kept up to its usual efficiency, and some heavy charges may have to be incurred in this connection, but we do not think this is a circumstance which should give the shareholders any anxiety. The nett profit, after providing for debenture interest, amounts to £113,400, and the payment of the preference dividend, which absorbs £18,000, leaves an available surplus on the year's working of £95,400. No addition is made to the rate of distribution on the ordinary shares, which remains at 15 per cent., the increased profit going to general reserve, that fund receiving £30,000 more at £40,000. Doubtless some of the shareholders feel disappointed at not receiving a larger return, but we think at the present juncture the directors are quite right in pursuing—may we call it—an ultra cautious policy. Anyway, the present return is quite a handsome one, and the post war outlook is far from discouraging. In spite of the larger business done, the item "moveable stock" in the balance-sheet is £4,045 less at £148,340. Capital expenditure at £936,000 is practically the same as a year ago, and consequently the company's liquid resources are considerably larger. Creditors are up £158,000 at £227,500, while debts due to the company and cash exhibit decreases of £24,250 and £13,100 respectively; but there is £256,850 invested in War Loan and Exchequer bonds, and whereas last year's current liabilities exceeded liquid assets by £27,750, this time liquid assets are in excess of current liabilities to the extent of £27,940. The special and general reserves now total £303,000 against a share capital and debenture debt of £875,000.

A further remarkable improvement has taken place in the profits of F. Steiner and Co., Ltd., the Turkey-red dyers and calico printers, which, on the top of the enormous increase of £113,000 a year ago, have jumped up £37,650 to £209,500. And this after provision for excess profits duty, which, as the company's year ended July 31, must have called for a very large sum. After writing off £42,900, against £32,990, in

respect of depreciation and repairs, and providing for the debenture interest and preference dividend, which require £18,000 and £22,500 respectively, there remains a sum of £126,080, an improvement of £28,700, available for the ordinary dividend, which is increased from 7 per cent. to 10 per cent. The reserve fund receives £80,000 against £40,000, and the carry forward is left £1,400 down at £38,250. As would be expected, a very large increase has taken place in stock, this balance-sheet item having gone up £277,550 to £918,900. Sundry investments at cost or under appear at £123,850, an increase of £26,200, and cash assets are slightly more at £188,675. Creditors have risen £218,000 to £329,580. The reserve fund now amounts to £250,000. A greatly improved position.

The Next War Loan.

"It is in the air," as the saying is. Everybody in the City feels that it must come soon because, according to the accepted formula, the present mode of providing for war costs by temporary expedients is becoming more risky every week. So enormous is the floating debt that "we shall have to fund it to prevent a mess." Such is the common opinion, and we can subscribe to it only with sundry important reservations. To begin with, neither the market nor the nation is ready yet to provide another huge loan "on the square" and without resorting to fakes on the German model. All the subscriptions to the last loan have not yet been paid back by clients to the banks that lent the money, and although much fresh profit has been gleaned in the interval, it is not to any important extent available for the Treasury in the form of subscriptions to a new loan. It follows that to make even a show of "great success," higher interest would have to be offered, and that would involve conversions and adjustments of the earlier debts of a most troublesome and costly kind, as well as an additional burden on the ordinary trade of the country. From this point of view the longer a funding loan is put off the better.

"Yes, but the longer a loan is put off the more unwieldy becomes the floating debt and the greater the ravages of the tax-gatherer." Let us examine these two assertions in their order. What is an "unwieldy" floating debt? Surely nothing more than a debt which cannot be renewed with ease. The mere mass of a debt matters little so long as it can be renewed, and renewed again and again on easy terms as it falls due. When the day arrives upon which the bill discounter says: "I cannot let you have my money at the old rate, you must give me—6 per cent., 7 per cent., 8 per cent., or else pay the loan off," then it may be all up for a

THE LONDON CITY & MIDLAND BANK LIMITED.

Head Office: 5, THREADNEEDLE ST., LONDON, E.C.2.

Foreign Branch Office: 8, Finch Lane, London, E.C. 3.

Subscribed Capital -	-	£22,947,804
Paid-up Capital -	-	4,780,792
Reserve Fund -	-	4,000,000

Deposits	(26th July, 1917)	£182,517,486
Cash Reserve (	Ditto)	42,075,526

Merchants and others purchasing goods from abroad can buy their exchange for payment on the best terms through any of the Branches of this Bank.

time with the credit of the borrower. Now, is there any danger that our market will soon reach this critical point? None is visible that we can see. The money market, sustained by the belief that the nation's resources are good for all its debts, is day by day creating through its banks the credit which enables it to cover the expanding wants of the Government with ease. Its rates for the discount of Treasury bills have not varied in a sense unfavourable to the borrower this year. On the contrary, the Government can get money on its bills now at from $\frac{1}{2}$ to $\frac{3}{4}$ per cent. cheaper than it did at the beginning of the year, when the mass of Treasury bills was much smaller than it is to-day. It is able to count upon this comfortableness of the money market, because its own necessities have brought such masses of credit into existence as would be wholly unemployable were the ordinary commerce of the country, or of the world, alone to be depended on to absorb the ever-gathering pile. Were the war to end and trade to burst forth and expand with an energy long pent up, there could only be a very transient season of high discount rates, because the cessation or reduction of the war spendings would throw released bankers' credits on the market in such abundance as to check effectually any tendency to excessive charges for their use.

It follows that as long as the war goes on in full measure the Exchequer need have no anxiety about finding ways and means. War outlays create their own "means" to an almost boundless extent. Were it not for this all the belligerents in this war would have been pulled up long ago. They would have found it impossible to pay for anything. Munitions workers might have struck for more pay, but that would have availed them nothing, because there would have been no money to pay with. But by emitting paper money, by raising credit at the banks and by distributing this credit through the medium of their payments to furnishers of supplies a fountain of seemingly inexhaustible wealth is brought into play, a force on which the belligerents continue to draw until—until the whole of a country's wealth may be devoured, spent, mortgaged, and remortgaged. Then the ruin is complete.

It is towards this impotent condition that events are now driving the robber Empires of the Hohenzollern and the Habsburg, and the rising madness of their despair reveals to onlookers the fact that they begin to be conscious of the doom they have invited, and that overhangs them. But are we not all in the same boat? We are—and we are not. We are, because our expenditure in this war has been disagreeably, not to say disgracefully, lavish, and almost entirely uncontrolled; because we have had to sustain our Allies, and because the longer the war goes on the more expensive it becomes, and because the field of our operations is always widening. A point, therefore, must one day be reached—and we are not at all sure that it is not coming into view now—when we likewise would find ourselves exhausted, all our wealth swallowed up in the anarchy and chaos of our civilisation. The differences between us and the barbarians is only one of degree, but yet in it lies the hope and chance of our salvation. In so many ways is our position happier still than that of the enemy. The sea and its world-wide trade is open to us, and we continue to do a good and profitable business, whereas the enemy has no sustainer of that kind—he has only the proceeds of rapine. We have solvent Allies of great and potential power to aid us in recuperating when the war ends, and we have the as yet hardly touched wealth and resources of the United States now ungrudgingly on our side. All the world and its industries and capacities, in short, are at the service of the Allies of the Entente, whereas the enemy is everywhere mistrusted or hated and loathed as a result of his own conduct. Not a day passes but what some deed is done by the Germans which deepens the world's horror and disgust. As we said last week—how are Powers so debased to be able to procure financial help abroad in their extremities? They have shut themselves out of every centre of civilisation.

It is unnecessary to dwell upon that subject. We have reverted to it now only as paving the way for the

suggestion that we might find a way to utilise our unity of aims and efforts in the war in the preparation and issue of a war loan under the common guarantee, and upon the joint credit of all the Allies together. At present the City is exercised considerably in mind over the terms upon which the coming loan will be raised. On the Stock Exchange the tax-exempt 4 per cent. loan is going up, and the tax-paying 5 per cent. loan is going down because the public is selling the latter and buying the former, on the fear that the income-tax will have to be increased. That fear is probably well grounded, and the fact that the looming tax demands of the Treasury should be depressing the country's credit in the market seems to add weight to our oft-given contention that to borrow money whose interest is taxable without restraint or limit is to borrow dear. And the short-sighted method brings other evils with it than advancing rates of interest, as we have mentioned above.

Now, why not turn the difficulty by arranging a common loan for the Allies, a loan of unlimited amount, on universal tax-exempt terms? A loan of five or six thousand million pounds might be arranged for at 4 per cent. if this rate were free of income-tax everywhere. In the full flush of our war-created wealth such a stock might at times be saleable at a substantial premium—witness our own 4 per cent. But always the demur is that it would be invidious to offer such a loan at a time when we know increased taxation to be an imperative necessity. That is not the proper way to look at it. The very fact that our taxes must grow more and more onerous if we are to continue solvent when the war is over makes it expedient that citizens should have available at least one source of income which could be counted on as unfailing in all circumstances. The hour is at hand when the Exchequer will have to absorb the bulk of the rents of the land. Would it not then be cheering for the much-stripped landowner to see a security available, the interest from which could never be taxed? If in our necessities premium or bonus bonds have to be issued, as is probable, their interest must be low, and to be effective as a magnet for savings the low interest must be paid free of income-tax. Why not all loans? "It is as broad as it is long," we are told. "The public discounts the tax liability in the price it gives for the stock." But that is just what the public does not do. It either forgets all about the clog and pays too much for the stock, or it becomes alarmed at the prospect of another advance in the poundage, and flings its stock away at a loss, to the weakening, it may be, of its own power, to give further help, and to the injury of the national credit. And, say what we may, it is a clumsy, many would say a tricky, way to offer 5 per cent. or more for the public's money, and then to arrange that 25 or 50 per cent. of the rate should be kept back as tax.

The habit of thoughtful thrift, solicitous for the welfare of the nation and the Empire, will not be cultivated and braced by this kind of financial legerdemain. Rather will the moneyed man, be he wage-earner or mere millionaire, say to himself, "Why should I bother to save? Far better pay taxes and avoid loss of my capital." Borrowing upon the scale we are doing, and shall be obliged to continue to do, ought to be arranged upon lines calculated to give the maximum of attractiveness to the security, and the rate of interest alone is not the only compelling force. It often may not be the chief one; it cannot be if it is a figure variable at the will of the tax-collector. Will Mr. Bonar Law give his mind to the problems from our point of view? He must know well the formidable nature of the taxation he will be compelled to impose in his next Budget; will he also weigh the consequences of high taxes on thrift, and try to measure the power of the nation to subscribe loans, and, with a view to the hindrances he must impose, do his utmost to make the conditions attached to his loan or loans as durably enticing as possible? It must be made worth while for the sorely pinched taxpayer to strain a little more and save money to invest it in Government stock.

Busybodies are fussing to turn Mr. Law out of the Exchequer—in grateful acknowledgment of his services, we suppose. Probably he would be glad to be quit of a disagreeable job; but, all the same, we hope he will not quit office too lightly. For he must by now have learnt something of finance, and who among the Commons, except Mr. McKenna, is there to take his place? An outsider? A great and experienced banker? Perhaps Mr. George might do worse than go outside the politicians for his Finance Minister likewise. But whoever becomes chief director, there seems no need for him to hurry up with that new loan. The floating debt is tremendous, but so are the resources it creates, so is all the war.

Imports in 1916.

The issue of the "Annual Statement of Trade" affords an opportunity of taking a wider survey of our foreign commerce than is afforded by the monthly statistics, especially in their present abbreviated form, and a study of the figures over the past four or five years brings out much interesting and valuable information. In considering last year's results in relation to the position as it exists at the present moment, it must be remembered that the "unrestricted" submarine warfare commenced only in February, since when we have lost 543 vessels of 1,600 tons and upwards out of a total of 72,870 vessels which entered and 73,520 which cleared from British ports. These fiendish depredations must have depleted supplies of many important commodities, and it has been stated that sugar cargoes have been particularly unfortunate. But for these losses our imports would have been considerably larger, while the cargoes of outgoing vessels which have been sunk naturally figure in the export returns. However, the losses last year were comparatively insignificant, and it may be useful to compare the two years before the war with the last two years of war conditions. In the following table we show the total value of imports and exports, distinguishing our trade with foreign countries and British Possessions:—

ooo's omitted.				
IMPORTS.				
	1912.	1913.	1915.	1916.
	£	£	£	£
Foreign.....	558,627	577,219	580,068	645,834
Do. bullion.....	19,165	24,646	13,766	13,685
British Possessions.....	186,013	191,516	271,825	302,673
Do. bullion.....	50,302	49,383	7,623	17,782
Total.....	814,107	842,764	873,282	979,974
EXPORTS (INCLUDING RE-EXPORTS).				
Foreign.....	407,418	425,898	323,142	403,136
Do bullion.....	38,147	39,498	37,879	32,929
British Possessions.....	191,543	208,922	160,788	200,709
Do bullion.....	26,724	22,644	8,700	16,262
Total.....	663,832	696,962	530,509	653,036
Visible balance of trade	150,275	145,802	342,773	326,938

It will be seen that the adverse balance of trade has enormously increased since the war, mainly owing to the huge advance in imports, which in turn is partly accounted for by higher prices. However, we may congratulate ourselves on being able to draw supplies so freely from all over the world, and the bill has doubtless been met partly by the sale of foreign securities, partly by the obligations of our Allies, and partly by increased earnings from freights and insurance, so that the actual deficit is not nearly so formidable as it looks. Meantime, our exports keep up in a really astonishing manner, when it is remembered to what an extent industrial energy has been diverted into the production of munitions, which, of course, do not figure in the returns. Imports from British Possessions have increased in much greater ratio than those from foreign countries, but in this connection we have to recollect that some 80 odd millions of imports from Germany are entirely eliminated, and the total from enemy countries was very much larger, but the United States especially has been able to make good the deficiency. The enemy factor must also be taken into account in considering exports, but here again compensation has been found in the larger supplies sent to France, Italy and Russia.

There was a heavy drop in exports in 1915, but a very substantial recovery last year, thanks partly to higher prices. Shipments to foreign countries were only £4,000,000 short of the 1912 level, but nearly £23,000,000 less than in 1913. Those to British Possessions were £9,000,000 larger than in 1912, but £8,000,000 less than in 1913. Bullion movements naturally show a big reduction. Whereas in 1913 we imported £74,000,000 and exported £62,000,000, in the two complete years of war we imported only £52,500,000 and exported £98,800,000, so that we have lost on balance £46,300,000 since the beginning of 1915.

When we turn to the details of imports many interesting facts emerge, and the following comparison between last year and 1913 is worth studying, especially in the cases where quantities are available:—

	Quantities.		Value.	
	1913.	1916.	1913.	1916.
			£	£
Apparel.....	—	—	3,761	723
Ammunition, &c.....	—	—	378	807
Butter.....cwt.	4,139	2,175	24,084	18,964
Cheese.....cwt.	2,297	2,604	7,035	12,946
Chemicals.....	—	—	4,535	12,268
Cocoa, raw.....lbs.	78,360	198,940	2,283	6,758
" preparat'ns.....cwt.	244	266	1,839	2,278
Coffee.....cwt.	846	1,631	2,921	4,727
Corn and grain....cwt.	225,284	192,628	85,495	133,253
Cotton, raw.....centals	21,743	21,710	70,570	84,730
" piece goods.....yds.	125,659	39,035	3,375	1,971
" manufactures....	—	—	7,800	5,493
Drugs.....	—	—	1,985	4,254
Dyes, aniline.....cwt.	283	—	1,543	—
" indigo.....cwt.	4	31	55	1,455
" unenumerated,cwt.	136	272	302	2,238
Eggs.....great 100's	21,580	6,606	9,590	4,742
Fish.....	—	—	4,887	10,608
Flax.....tons	84	74	4,180	6,710
Fruit, dutiable....cwt.	2,400	2,242	3,488	6,109
" duty free.....	—	—	12,078	13,000
Hemp.....tons	138	140	4,192	6,654
Hides.....cwt.	1,454	1,371	5,848	7,484
Leather.....cwt.	1,176	1,213	10,572	15,250
Jute.....tons	351	238	9,247	7,560
Machinery.....tons	104	71	7,283	7,988
Meat.....cwt.	23,278	23,348	55,309	93,382
Iron and steel.....tons	2,220	773	15,232	11,214
Nuts and kernels....tons	81	373	1,933	8,532
Oil, lamp.....gals.	157,141	127,340	2,680	3,071
" motor spirit....gals.	100,858	161,411	3,803	9,974
Painters' colours..cwt.	2,791	1,226	1,952	2,120
Paper.....cwt.	12,882	9,377	7,674	8,327
" pulp, &c.....tons	1,229	813	5,816	8,135
Rubber.....centals	2,574	1,685	20,524	22,996
Seeds.....	—	—	15,288	18,986
Silk manufactures....	—	—	14,433	12,379
Spirits.....gals.	7,152	14,419	1,586	4,155
Sugar (refined)....cwt.	18,451	8,208	12,351	12,459
" (unrefined)....cwt.	20,934	22,459	10,715	24,908
Tea.....lbs.	365,043	377,666	13,783	17,745
Tobacco.....lbs.	165,954	167,251	8,033	7,364
Onions.....bushels	9,105	6,843	1,035	2,062
Potatoes.....cwt.	9,427	1,788	2,589	1,519
Wine.....gals.	12,333	12,960	4,078	3,512
Wood and timber..loads	11,017	5,917	29,878	36,860
Wool.....lbs.	848,576	638,502	36,632	38,868

Looking through this list, we are most impressed with the wonderful way in which, as a general rule, our supplies of food and raw materials have been maintained. Naturally there are exceptions, the two principal being butter and eggs. Of the former we received only about half the 1913 amount, while the cost was reduced by less than one-third. In the case of eggs we got 6,606,000 great hundreds, against 21,580,000 in 1913, but the value was only cut almost exactly in half. We actually received more cheese, but the price was very nearly doubled. Arms and ammunition only refer to private supplies. The biggest item is sporting cartridges, of which we bought 57½ millions, against 107½ millions in 1913. In spite of the German market being closed, we managed to secure nearly three times the amount of chemicals we required before the war. The cocoa figures are amazing, and, with shipping so scarce, difficult to understand. Imports were 199 million lbs., against 78½ millions, and the price showed only a comparatively small increase. Stocks are now enormous, and yet we believe the consumer has to pay nearly double the old rates. Some-

thing similar has occurred in the case of coffee. We imported almost exactly double as much as in 1913, and there is only a decimal point variation in the price, but here again the unfortunate consumer has had to pay "through the nose" to the profiteers. But probably the worst case of all is that of tobacco. Last year we imported 167½ million lbs., a good million and a quarter more than in 1913, and the increased amount actually cost nearly three-quarters of a million less than before the war. Yet in several tobacco manufacturers' reports we have seen it stated that the cost of their raw material has increased by 100 per cent. We should not like to think that they say what is not strictly true, but it is certainly a puzzle in view of these figures. Imports of corn and grain show a rather heavy drop of 33,000,000 cwts., and the smaller quantity actually costs £48,000,000, but with short crops and all the world clamouring for bread, a big advance in price is inevitable.

Every line in the above table is illuminating, and deserves to be studied carefully, but we can only afford space to refer to a few more items. It will be seen that the price of meat has advanced about 60 per cent., whether legitimately or not does not for the moment concern us. For 3,500,000 cwts. less paper we had to pay nearly £700,000 more, but even so, it is difficult to find any justification for an advance of 300 per cent. or more in the price the consumer has to pay. Here also is a case to look after the profiteers. Taking the whole of the sugar imports, we got 30,600,000 cwts. last year, against 39,300,000 cwts. in 1913, and considering the enforced economies in consumption, it is perfectly disgraceful that there should have been the trouble in getting reasonable supplies that the public has experienced. Moreover, it has been worse since food control was instituted than it was before. Also a glance at the figures will show that while the cost has increased 60 per cent., consumers have to pay three to four times pre-war prices, and even then have the greatest difficulty in securing a minimum of their requirements. The position with regard to spirits and wine is too utterly ridiculous for anyone outside the German bureaucracy, and tea is, perhaps, worse. Stocks in Calcutta and Colombo that ought to be available here are being consumed by vermin, and rotting with mould, in order to allow the multiple distributors to make an extra 6d. or 1s. per lb.! Are we getting much nearer a solution of these problems? We hope so, but are not quite sure.

By-the-Way War Notes.

Do not let us get depressed about the course of the war or about the fate of Russia by the German capture of Riga. It is a great blow to the new Russia, and greater still to Riga itself, but nothing like so severe as it would have been had it happened last year. The Prussians have again triumphed too late, and the "delirium of joy" into which Berlin is said to have plunged only accentuates once again the hopeless mental disorder into which the serfs of the military tyrants in Germany have fallen. Because the inhabitants of Riga speak German the occupation of the city is hailed as one more "reconquest" of a portion of the "fatherland"; which it nowise is, for Riga has been a free self-ruling city, and as an admirable article in Tuesday's *Times* reminds us, was a great place of trade and an independent municipality before Prussia had emerged from the chrysalis stage. The serfs of Prussia might with as much reason claim Scotland as "German" because its dialects are rich, on the East coast at least, in many words of Teutonic derivation. But Riga will be free again presently, and while it is held by the barbarians it can profit them little. But that the Russian fleet is mutinous and demoralised Riga might not have been in Prussian hands to-day, and neglect and gross mishandling is at the root of the fleet's betrayal. Part of the land forces defending the approaches fought right bravely, and the bracing influence of the stupid brutalities attendant on a German

occupation will soon have an effect in stimulating Russian patriotism, which may yet cost the victors dear. Even supposing they hold the place until the end of the war, and, with it as base, push on towards Petrograd, driving the Government from thence, wherein will the mad Kaiser's empire profit? "It will dominate the Baltic." Yes, perhaps; but can it get outside the Baltic? Has it gained sea outlet by the adhesion of Turk and the Bulgar, by the conquest of Wallachia? It has not. Each fresh extension of the territory it has to hold down only adds to its burden and cripples it still further in its capacity for effective defence on the vital fronts of Belgium and France. We have but to press on and fight on, to give all help possible to broken and harassed Russia, and all will end well. For the Russians are a great people, and the elements making for order within the country are far stronger than our Press guides would have us believe. The agony through which the country is now being compelled to pass is sure to evoke the noblest qualities of the race—and its diet has never been "hate"—and whether as a federation of independent communities—a great Federal Republic—as Prince Kropotkin suggests, or as a centralised empire, like France, Russia will shake herself free and grow great among the brotherhood of liberated nations that is to come as reward for the sufferings of this conflict.

Ah, "to come"! It is long in coming. At present darkness and apprehension dominate the prospect. True, but we must look under the surface a little. The nearer they come to their ruin the more wildly demonstrative and unrestrainedly diabolical become the rulers of the Teutonic Empires. And the serfs who grovel before the impious William grow more wanton in their infamies, if that be possible, the more visible their destiny appears. On sea as on land they stick at nothing. Provided only that they can assuage their lusts, born of hatred and envy, they are eagerly ready to commit every imaginable crime, heedless of the fact that their devilishness has already begun to recoil on themselves. Each fresh invention of the devil they bring into play in the fury of their war, the Allies—often with a commendable reluctance—soon surpass in skill and inventiveness, and they get back more than they gave. When they began the war all their confidence was in their monster guns; their overpowering artillery was going to pound all opposition to dust before them on all fields of battle, to demolish every fortress, no matter how strong, that blocked the way to conquest. Their artillery has been matched and beaten. We of the *Entente* are now Prussia's masters. The brutish faith of the slaves was then ordered to place itself in trenches and machine-guns, in Zeppelins and poison gas, or in a new "Greek fire," but in no instance have events justified the faith the obedient helots of the military caste were directed to place in them. So at last the greatest object of worship among the German gun-fodder—still unpulped—appears to be in aircraft and submarines; indeed, Hindenburg seems disposed to direct that the submarine alone shall be regarded as saviour, and although allegiance may still be somewhat scattered, it is not improbable that the twentieth century Blücher will soon be unquestioningly obeyed.

The Germans in mass now know that they are beaten. They know it probably by instinct more than by intelligence, but that consciousness of defeat is now deep and widely disseminated is proved by the intensified recklessness of their conduct. In guns, in aircraft, in all the cunning and skill of war they are now mastered on the Western and Italian fronts—and they acknowledge defeat by the indiscriminate fury with which they strive to effect wanton damage in places where the crimes may be committable in comparative safety. Along the Franco-Belgian British front the German aircraft is now everywhere dominated in the fighting, and every day damage more or less extensive and hampering is done to German depots behind the lines, to railway stations and warehouses, aerodromes, gas and munitions factories, docks and harbours, to barracks, lines of communication, and such like. Unable to beat us off, the Germans retaliate by throwing bombs

on hospitals in the rear of our lines, and favoured by moonlight and a high barometer, by making dashes on the English coast, on the Thames estuary, and on London, striving to scatter wounds and death indiscriminately with a vengeful callousness loathsome to witness. A manly race would not stoop to self-degradation like this even in defeat, but the Germans have sunk morally so low that they glory in their infamies more and more the nearer they come to their final discomfiture. Their satyr-like bestialities, the more they are indulged in, the more emphatically do they condemn Germany, and all things German, to a punishment which may last until the race perishes off the face of the earth save as helots. They are such vanity-puffed-out idiots in their swinishness that the warnings they get pass unheeded. Look how the Kaiser and his wolves fooled themselves about the temper and probable behaviour of the Germans in the United States. They imagined that a signal had only to be given and they would arise and betray their adopted country. Money by the ton was lavished to excite and maintain hostility to the Republic, and crimes were planned by the highest of German functionaries and committed against its people and property because the Berlin officials held the view that it was wrong for America to sell ammunition to the Allies, and right only to sell it to Germany. The result of all the ferment, the scheming and plotting, has been that to-day, so far from the American people having to fall back on the 500,000 lamp-posts mentioned by Mr. Gerard as in existence handy for the hanging of German traitors, probably 90 per cent. of the German-bred Americans are to-day loyally on the side of the Allies in the war. At a conference of New York State German-Americans held at Albany in the beginning of this week, Mr. Henry Weissmann, who presided, announced amid hearty cheering, that "there can be no two loyalties in the U.S. We must give the American Government our undivided support." A minority is not doing this, but it is a diminishing minority, because the crimes the German race is perpetuating in the sight of mankind at the bidding of its masters are filling all nations with repulsion, with an indignation which is the herald of the beginning of Germany's punishment. As Mr. Otto H. Kahn, the great American banker, said in his eloquent address before the Merchants' Association of New York, in furtherance of the "Liberty Loan": "The fight for civilisation which we all fondly believed had been won many years ago, must be fought over again. In this sacred struggle it is now our privilege to take no mean part and our glory to bring sacrifices." That was nobly said by a native of Germany, and it is being nobly done. Such is the "success" which attends the infamies of the Prussian-debased Teutons.

Everywhere, save in Russia, all has gone well on land for the Allies this week. And the glories of the fighting are shared by the warriors on all fronts, but the most conspicuous victories have fallen to the Rumanians and the Italians. Rumania deserves to be placed first, because its armies have held their own and beaten back the hordes under Mackensen, while suffering from the defection of their Russian allies. It has been a long, hard fight, but the Rumanian soldiers have proved themselves heroes, and we hope their example will stimulate more and more of the Russian troops to rally and stand by their side. No Moldavian or Russian grain must be available for the derelict empires this year.

And, as for Italy, words fail us to express our thankfulness and joy at the splendid triumph her armies have won this week on the Isonzo front to the north-east of Gorizia. That city, ever since it was captured by General Cadorna's troops, has been the object of spiteful shelling by the Austrians. The capture of Monte Santo first, and still more that of Monte San Gabriele, which was accomplished this week, should go far to render Gorizia immune henceforth, and accomplish much besides. The Italian troops have now taken a long step towards Trieste and the deliverance of all Istria and Carniola from Austrian tyranny. Much

strenuous fighting remains, but it will be against a defeated and demoralised enemy, and a penniless one to boot. We only hope it will go on until the Habsburg imposture and fraud is ruined beyond hope.

In the West, also, fighting has been continuous, and the French have been illustrating the quality of their alleged "exhaustion" by smashing up German counter-attacks, by clearing the enemy out of whatever places they selected for purification, by creating devastation behind the German lines, and by visiting with swift, retaliatory punishment selected objectives on German ground. The untoward weather of the past week has prevented the execution of any large offensive movement, especially on the boggy British front in Flanders, but the enemy is never allowed to rest; he is steadily losing pawns and ground around Lens, and at other places, and everywhere we are holding him to be killed. In his rage his greatest feat is to sneak through our air defences and throw bombs from his aircraft on our wounded. If the doughty assassin kills some of his own wounded and a hospital nurse or two, he cannot surely fail to win the Kaiser's thanks and Iron Cross.

The word "Kaiser" reminds us that the *New York Herald* has been rivalling the *Daily Telegraph* this week by its publication of correspondence between William, or "Willy," of Berlin, and Nicholas, or "Nicky," then of Petrograd, in which plots were hatched and a treaty signed having for object the forming of a ring of Powers to isolate Britain for "Willy's" profit. The seizure of Denmark was also in contemplation. That the schemers got nothing for their pains is not the fault of their scruples—for it was the case of a conspiracy between a degenerate knave and an if possible still more degenerate fool—but the ignorance of mankind shown was such as anew to make us marvel how any people thinking itself sane could so long have tolerated William Hohenzollern, and not only tolerated, but worshipped and obeyed him, to its everlasting befoulment. It is about time the world were rid of such poisonous and slimy asps.

There is nothing to plume ourselves upon in last week's record of U-boat crimes. Including two sunk the previous week but not reported, 20 ships of 1,600 tons gross and upwards were submarined and sunk last week, and two of smaller size. No other kinds of craft were lost, and only four ships were reported to have been attacked without success. For the five weeks ended September 2, 26,638 ships—13,300 entered, 13,338 cleared—visited our ports, and of these 86 of 1,600 tons gross and over were sunk, or an average of 17.2 a week, besides 15 smaller craft, or three a week, and one a week of fishing boats. The unsuccessful attacks of the month numbered 46. For large ships the month's average loss is slightly above that for the previous month—viz., 17.2 against 16.75—but with that exception it is the lowest since March, the weekly average of large ship destruction for which month was 16.25. But in April the average rose to 26.6 a week, and in June it was 20.2. The Germans have circulated a boast that they have now 300 of their submarines in use, and they also favour us with descriptions of the great size and splendid equipment their newer boats can boast. If all the reports—made for our benefit through Holland usually—are true, then we are holding our own in this fight against treacherous assassins with something to the good. That should be our encouragement to do still better. And we shall. Both on sea and in the air the foul foe will get the recompense he is working for.

MESSRS. N. M. Rothschild and Sons announce that bonds amounting to £35,200 nominal capital of the Chilian 4½ per cent. loan of 1895 and to £3,740 nominal capital of the Chilian Government 4½ per cent. bonds for £275,000 nominal capital (law September 7, 1910) have been purchased for the sinking fund of October 1 next.

A Berlin telegram says that the seventh German War Loan will be issued on September 19, and closed on October 18. The conditions will be similar to those of the sixth loan, the issue consisting of 5 per cent. bonds and 4½ per cent. Treasury bills, the subscription price for both being 98. The 5 per cent. bonds will not be redeemable until October 1, 1924. The Treasury bills will be redeemable at 110 at lowest.—Reuter.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

ASSETS exceed £11,000,000.

FIRE (INCLUDING LOSS OF PROFITS), LIFE, ACCIDENT, ILLNESS, ANNUITIES, PENSIONS, LEASEHOLD, BURGLARY, CLASS BREAKAGE, TRANSIT OF SECURITIES, FIDELITY, PROPERTY OWNERS' LIABILITIES, HORSE DRIVING ACCIDENTS, MOTOR CAR RISKS, THIRD PARTY, EMPLOYERS' LIABILITY AND MARINE INSURANCES EFFECTED ON THE MOST FAVOURABLE TERMS.

Edinburgh: 35, St. Andrew Square.

London: 5, Walbrook, E.C. 4, and 5, Pall Mall, S.W. 1.

PHENIX ASSURANCE COMPANY LIMITED.

ESTABLISHED 1782.

Head Office: PHENIX HOUSE, KING WILLIAM STREET, LONDON, E.C. 4.

Total Assets Exceed £17,000,000.

Claims Paid Exceed £98,000,000.

Chairman—Rt. Hon. LORD GEORGE HAMILTON, P.C., G.C.S.I.

FIRE. LIFE. ACCIDENT. MARINE.

Loss of Profits following Fire, Workmen's Compensation, Fidelity Guarantee, Burglary, Trustee and Executor, &c.

Prospectuses and Proposal Forms may be obtained on application to any of the Branch Offices or Agencies, or to the Head Office.
General Manager - SIR GERALD H. RYAN.

THE LIVERPOOL & LONDON & GLOBE INSURANCE CO., LTD.

FIRE. LIFE. ACCIDENT. MARINE.

Total Assets exceed - - - £14,800,000

Total Claims Paid over - - - £98,000,000

Head Office:
1, Dale Street, Liverpool.London Chief Office:
1, Cornhill, E.C. 3.

The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Moods vary in the money market, but rates hardly ever. The business done in the discount market is largely in Government paper, our own first and those of the Allies after. Parcels of both Italian and Russian bills have been taken in the market during the week at previous rates, and, although depressed in feeling, the City has by no means abandoned hope of a Russian recovery. It has really no reason to, and we should be unwise to lay too much stress on the retreat from Riga or to allow ourselves to be alarmed at the apparent political disorder and the absence of a new hierarchy of bureaucrats. Russia has forces working for order within her whose actions make no show on platforms or in street processions. These forces were active, and succeeded in accomplishing much under the stifling régime of the deposed officials of autocracy, and they are now far more free to carry on their work. It is well therefore to wait in hope, and last night's news from Petrograd was encouraging in that sense.

Money has been usable always, and the week closes with call loans firmer at 4 per cent. Otherwise the market is unruffled, and rates as before.

The Bank return revealed a decline of £278,500 in the reserve, bringing it down to £32,068,000. Only £15,000 in gold was lost, but the note circulation expanded £264,000. These figures have no significance. Nor is there much to be made of the larger changes. In order to pay off £7,759,000 due to the Bank under "Other Securities," public deposits had to be drawn upon for £2,064,000 and other deposits for £6,097,000. That is practically the whole story, and students given to drawing inferences must make of it what they can. The shiftings may neglect the fluctuations in the Bank's accounts produced by the ups and downs of the "temporary borrowings." What is sure

is that compared with a year ago public deposits are down £7,757,000 and other deposits up £19,903,000. Government securities are also higher by £15,606,000.

Taking the Russian rouble at the conventional exchange just for the purpose of comparison, and according to the figures of the Russian Imperial Bank, the public debt has expanded from about £900,000,000, the total at which it stood before the war, to £5,000,000,000. The note circulation has in the same time expanded from £163,300,000 to £1,364,600,000, and the gold reserve has declined a little over £31,000,000 to £129,200,000. These changes are ominously significant, and yet the load the expansion of the debt involves need be nowise unmanageable if only the nations composing the autocrat's former dominions continue to devote their united strength first to the defeat and expulsion of their enemy, and next to the development of their country's boundless natural wealth.

In consequence of the rise in silver, the Indian Government has prohibited the exports of silver, and also imports. The stoppage of exports was inevitable, for the rupee, which is now intrinsically worth over 1s. 6d., can be purchased for 1s. 5d. per rupee, which is the quotation for India Council drafts. India is thus the cheapest market for silver, and obviously the Government could not allow silver to be exported at 1s. 5d. for which it has itself to pay 1s. 6d. The prohibition of imports is another matter, and presumably is due to the desire of the Indian Government to eliminate all purchases of silver except on its own account, thus reducing the number of possible buyers in the market and checking the rise in silver. Hitherto the Government has permitted imports, but it has acquired all that has been imported at 5 per cent. under the London price current on the day of arrival. But this basis of payment has proved no deterrent to imports, for silver has persistently risen in price since this arrangement was made. The stock of silver in the Indian Treasury has been doubled within the past three months, and presumably the Government thinks it can control the situation. Of course, the real cause of the currency difficulty is that India continues to conduct business on a metal basis, and the only solution that is possible, so long as the demand for silver exceeds the supply, is a modification of the arrangement by which all notes are convertible into silver at the Indian treasuries.

The Council of the Association of Chambers of Commerce on Wednesday unanimously passed a resolution to the effect that a revision of the charter of the Bank of England being overdue, and likely to come before Parliament in the near future, the operations and functions of the Bank should be inquired into by a committee appointed by the Government. The investigation, it is urged, should consider the position of the bank as the "national bank of the Empire," and as a possible closer co-operator with the banking institutions of the country in promoting trade and commerce at home and abroad.

No further transfers can now be made of securities lent to the Treasury under Scheme A to Scheme B. The opportunity of transferring to the latter scheme, which is more advantageous than the earlier scheme, has been open to depositors for about a twelvemonth. But the Treasury is still prepared to purchase securities deposited under Schemes A or B, at prices which can be obtained on application to the American Dollar Securities Committee.

SILVER.

Silver has risen to 48½d per ounce, a jump of 2½d in a week. There is little of the metal changing hands, but the demand is active. The price now quoted is the highest since January, 1891, Messrs. Mocatta say.

Applications for the Rs. 90,00,000 India Council drafts offered on Wednesday amounted to Rs. 2,05,55,000. Of these, Rs. 82,77,000 were allotted in deferred transfers, and Rs. 7,23,000 in immediate transfers. Tenders for bills and deferred transfers at 1s. 4 5/32d. and for immediate transfers at 1s. 4¼d. received about 44 per cent. The amount to be offered next Wednesday is again Rs. 90,00,000. Since April 1 the total sales have been Rs. 24,90,00,000, realising £16,800,986.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, September 5, 1917.

ISSUE DEPARTMENT.

Notes Issued	£ 70,277,915	Government Debt	£ 11,015,100
		Other Securities	7,434,900
		Gold Coin and Bullion	51,827,915
		Silver Bullion	—
	£70,277,915		£70,277,915

BANKING DEPARTMENT.

Proprietors Capital	£ 14,553,000	Government Securities	£ 57,794,320
Reserve	3,573,111	Other Securities	97,739,184
Public Deposits (including		Notes	29,607,545
Exchequer, Savings		Gold and Silver Coin	2,460,046
Banks, Commissioners			
of National Debt, and			
Dividend Accounts)	44,461,822		
Other Deposits	124,997,022		
Seven Day and other Bills	16,740		
	£187,601,695		£187,601,695

Dated September 6, 1917.

E. M. HARVEY, Deputy Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. Sept. 6.		August 29, 1917.	Sept. 5, 1917.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,566,787	Reserve	3,556,748	3,573,111	16,363	—
52,218,949	Pub. Deposits	49,535,875	41,461,822	—	2,064,053
105,094,078	Other do.	131,093,744	124,997,022	—	6,096,722
22,184	7 Day Bills	14,844	16,740	1,896	—
	Assets.			Decrease.	Increase.
42,187,947	Gov. Securities	57,899,020	57,794,320	104,700	—
95,739,358	Other do.	105,498,510	97,739,184	7,759,316	—
37,527,683	Total Reserve	32,346,691	32,063,191	283,500	—
				8,150,775	8,160,775
				Increase.	Decrease.
£	Note Circulation	£ 40,406,800	£ 40,670,370	£ 263,575	—
55,341,803	Coin and Bullion	54,303,491	54,288,561	—	14,930
239 p.c.	Proportion	182 p.c.	189 p.c.	7 p.c.	—
6 "	Bank Rate	5 "	5 "	—	—

PUBLIC INCOME AND EXPENDITURE.
(For 7 days ended Sept. 1.)

REVENUE.		EXPENDITURE.	
Customs	£ 1,291,000	National Debt Service ..	£ 897,370
Excise	313,000	Interest, etc., on War Debt	1,764,153
Estate, &c., Duties	511,000	Development & Road Impvt	—
Stamps	210,000	Payments to Local Taxation	160,000
Land Tax and House Duty	10,000	Other Consolidated Fund	—
Property and Income Tax	2,053,000	Charges	30,866
Excess Profits Tax	2,544,000	Supply Services	43,459,970
Land Values	10,000	Bullion Advances	—
Post Office	600,000	For Advance for Interest	—
Crown Lands	40,000	on Exchequer Bonds under	—
Sundry Loans	—	Capital Expenditure	—
Miscellaneous	37	(Money) Act, 1904	—
Bullion advances repaid ..	—	For Treasury Bills	29,867,000
For Treasury Bills for Supply	53,062,000	For Exchequer Bonds issued	—
5% Exchequer Bonds, 1919 ..	—	under the War Loan Re-	—
5% Exchequer Bonds, 1922 ..	2,944,000	demption Act, 1916	—
5% Exchequer Bonds, 1920 ..	—	Expenditure Certificates	—
War Expenditure Certificates	—	under War Loan Act, 1916	—
War Savings Certificates ..	500,000	Other Debt under War Loan	—
4% War Loan, 1929-1942 ..	—	Acts, 1914-16	—
5% War Loan, 1929-1942 ..	—	For Exchequer Bonds under	—
Other Debts created under	—	Section 61 of Finance Act,	—
War Loan Act, 1915, and	—	1916	—
Finance Act, 1916	—	Under Telegraph (Money)	—
Telegraph Money Act, 1913	—	Act, 1913	—
Under Post Office Rly. Act,	—	Under Post Office (Lon-	—
1913	—	don) Railway Act, 1913 ..	—
Under Military Works Acts,	—	Under Military Works Acts	—
1897-1903	—	Under Housing Act, 1914 ..	—
Under Public Buildings	—	Public Buildings Expendi-	—
Under Housing Act	—	ture Act, 1903	—
Repayment of Advance for	—	Old Sinking Fund, 1907-8 ..	—
Interest on Exchequer	—	Old Sinking Fund, 1910-11 ..	—
Bonds, 1904	—	China Indemnity	—
China Indemnity	—	East African Protectorate	—
East African Protectorate	—	Loan repayment	—
Loan repayment	—	Suez Canal Drawn Shares ..	—
Suez Canal Drawn Shares ..	—	Temporary Advances repaid	9,000,000
Ways and Means Advances	20,000,000	Increase in Exchequer	—
Decrease in Exchequer	—	balances	—
balances	1,150,522		
	£85,178,550		£85,178,559

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,595,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,445,416,000	333,290,000	—
June	1,486,612,000	1,147,630,000	338,982,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August 1	336,410,000	290,541,000	45,869,000	—
" 8	306,218,000	281,203,000	25,015,000	—
" 15	341,672,000	276,710,000	64,962,000	—
" 22	326,981,000	259,155,000	67,826,000	—
" 29	317,087,000	257,173,000	59,914,000	—
Sept. 5	352,657,000	293,577,000	59,080,000	—
Total	12,942,685,000	10,440,107,000	3,535,640,000	—

CURRENCY NOTES.

Return of Currency Notes for the week ended September 5, 1917.

	Issued.	Cancelled.	Outstanding.
£1 notes	£ 3,620,104	£ 2,057,138	£ 126,980,327
10s. notes	1,295,280	1,149,377	32,519,642
Note certificates	150,000	60,000	15,000,000
Previous total	680,200,882	515,938,791	—
	694,365,276	510,805,307	171,559,969

Ratio of gold held against notes, this week, 17.86 p.c.; last week, 18.00 p.c.

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Aug. 3, 1917.	July 27, 1917.	July 20, 1917.
Gold coin and certificates ..	£ 79,957,000	£ 92,152,800	£ 97,623,800
Gold Settlement Fund ..	87,630,600	91,147,800	80,764,200
Gold with foreign agencies ..	10,500,000	10,500,000	10,500,000
Total gold held by banks ..	178,087,600	183,800,600	188,888,000
Gold with Federal Res. Agent	93,569,000	86,835,600	84,777,800
Gold Redemption Fund ..	1,878,000	1,813,400	2,338,200
Total gold reserves ..	273,534,600	272,452,000	276,004,000
Legal tender notes, silver, &c.	10,741,800	10,357,800	10,060,200
Total reserves ..	284,276,400	282,809,800	286,064,200
Bills discounted—Members' ..	26,189,600	27,691,800	32,277,200
Bills bought in open market	34,846,600	30,010,400	29,445,000
Total bills on hand ..	61,036,200	65,711,200	71,822,200
U.S. Gov. long-term sec. ..	8,484,400	8,277,000	8,453,000
U.S. Gov. short term sec. ..	5,092,800	7,163,600	6,610,000
Municipal warrants ..	249,800	293,800	437,200
Loans on gold coin and bullion	—	—	—
Total earning assets ..	74,853,200	82,395,000	87,322,400
Due fm other Fed Res bank ..	949,200	2,221,200	822,600
Uncollected items ..	30,411,600	40,951,200	48,593,400
Total deducts. fm gross dep.	49,360,400	38,370,000	49,416,000
5% Red. Fund ag Fed. Res. bknts	100,000	100,000	100,000
All other resources ..	8,400	211,400	322,200
Total resources ..	390,688,800	404,217,400	423,224,800
Capital paid in ..	11,576,200	11,505,000	11,544,000
Government deposits ..	11,353,000	28,606,400	36,926,200
Due to members—Res. account	238,577,400	227,091,200	232,999,000
Due to non-mbrs—clearing ac.	2,453,800	1,709,400	953,400
Members' bank deposits—nett	—	—	—
Collection items ..	26,410,600	27,563,600	33,056,800
Total gross deposits ..	278,794,800	284,970,000	303,935,400
F.R. notes in actual circulat'n	108,157,000	106,803,000	106,845,200
F.R. bk nts in circn—nett liab.	565,600	491,800	461,200
All other liab. in for Gov credits	305,200	147,600	438,400
Total liabilities ..	390,688,800	404,217,400	423,224,800
Gold res. ag nett deposit liab.	74.0%	74.6%	74.2%
Gold & lawful money reserve	79.1%	78.8%	78.1%
against nett deposit liabilities	—	—	—
Gold res ag F.R. nts in act circ	88.2%	83.0%	81.5%

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Sept. 1, 1917.	Aug. 25, 1917.	Aug. 18, 1917.	Sept. 2, 1916.
Loans	£ 769,882,000	£ 763,270,000	£ 770,184,000	£ 650,040,000
Reserve held in own Vaults ..	23,124,000	25,528,000	26,230,000	89,280,000
Reserve held in Fed. Res. Bk.	73,118,000	74,200,000	72,416,000	32,980,000
Cash in own Vaults ..	17,988,000	17,434,000	18,222,000	—
Reserve held in Other Depos.	15,434,000	13,788,000	12,458,000	10,742,000
Nett Demand Deposits ..	712,360,000	705,304,000	704,070,000	643,654,000
Nett Time Deposits ..	40,944,000	40,554,000	41,332,000	34,634,000
Circulation ..	6,132,000	6,132,000	6,074,000	6,238,000
Excess Lawful Reserve ..	12,508,000	15,230,000	13,038,000	22,674,000

Lawful Reserve consists of 15% of the Demand Deposits and 5% of the Time Deposits.

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Sept. 1, 1917.	Aug. 25, 1917.	Aug. 18, 1917.	Sept. 2, 1916.
Loans	£ 169,910,000	£ 169,770,000	£ 170,118,000	£ 142,938,000
Specie	11,790,000	11,984,000	11,900,000	11,896,000
Deposits	162,712,000	169,816,000	170,104,000	150,956,000
Legal Tenders ..	3,066,000	2,878,000	2,786,000	1,788,000

BANK OF FRANCE (25 francs to the £).

	Sept. 6, 1917.	Aug. 30, 1917.	Aug. 23, 1917.	Sept. 7, 1916.
Gold in hand ..	£ 131,070,880	£ 130,988,760	£ 130,904,360	£ 192,692,800
Silver in hand ..	10,403,400	10,400,760	10,413,240	13,499,880
Bills discounted ..	22,402,000	23,937,400	22,666,480	15,512,720
Advances ..	44,765,800	44,086,280	44,543,080	46,942,280
Note circulation ..	834,289,720	822,756,520	818,742,720	663,954,480
Public deposits ..	1,807,720	609,760	716,040	6,883,480
Private deposits ..	106,550,000	111,311,000	108,627,960	84,888,600
Foreign Bills ..	65,880	60,560	55,720	86,640

Proportion between bullion and circulation 26.72 per cent., against 27.08 per cent. last week. Advances to the State £452,000,000; increase, £4,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £20,819,720; decrease £30,360, and at the branches £25,889,520; decrease £75,340.

NETHERLANDS BANK (12 Florins to the £).

	Sept. 1, 1917.	Aug. 25, 1917.	Aug. 18, 1917.	Sept. 2, 1916.
Gold and Silver ..	£ 55,951,333	£ 55,357,083	£ 55,340,000	£ 49,360,417
Bills and Advances ..	14,812,166	10,678,250	10,393,500	15,305,500
Note circulation ..	66,089,016	64,031,116	64,319,000	50,811,250
Deposits ..	8,227,500	5,697,583	5,257,250	11,059,500

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Aug. 31, 1917.	Aug. 23, 1917.	Aug. 15, 1917.	Aug. 31, 1916.
Total Coin & Bullion ..	£ 124,953,750	£ 124,728,000	£ 124,476,800	£ 124,715,450
Treasury Notes ..	31,367,750	28,376,900	27,364,000	16,681,300
Bills discounted ..	568,230,500	553,342,950	568,430,000	353,874,250
Advances ..	504,900	390,150	682,050	634,350
Note circulation ..	406,855,100	448,898,850	446,718,600	355,982,900
Deposits ..	204,529,150	293,742,700	304,010,300	141,776,450

Clearing House return during August, £386,111,030.

IMPERIAL BANK OF RUSSIA (10 roubles to the £).

	Aug. 29, 1917.	Aug. 21, 1917.	Aug. 14, 1917.	Aug. 29, 1916.
Notes in reserve	£ 13,850,000	£ 13,450,000	£ 13,660,000	£ 9,400,000
Gold	129,790,000	129,740,000	129,490,000	155,090,000
Gold in reserve abroad	230,800,000	230,800,000	230,800,000	205,700,000
Loans and Discounts, including Treasury Bonds	1,355,260,000	1,360,520,000	1,344,860,000	389,460,000
Circulation note issue	1,407,620,000	1,443,450,000	1,412,540,000	696,090,000
Deposits, including Treasury deposits	329,430,000	339,660,000	331,880,000	20,210,000

BANK OF SPAIN (25 pesetas to the £).

	Aug. 25, 1917	Aug. 18, 1917	Aug. 11, 1917	Aug. 26, 1916
Gold	£ 72,474,018	£ 70,974,786	£ 69,652,985	£ 45,704,353
Silver	29,071,672	29,545,898	29,566,149	30,384,003
Foreign Bills	3,712,980	3,724,935	3,734,799	3,867,520
Accounts and Short Bills	29,221,879	29,322,083	29,312,135	23,395,423
Treasury Account, &c.	25,233,169	25,143,059	25,071,168	30,343,934
Notes in Circulation	103,099,344	103,655,832	103,867,981	88,890,328
Current Accounts, Deposits	37,319,127	35,853,038	34,582,313	32,023,674
Dividends, Interests, &c.	—	2,098,577	1,661,898	1,656,289
Government Securities	6,263,822	6,077,284	6,980,638	1,722,880

BANK OF SWEDEN.

	Aug. 11, 1917.	Aug. 4, 1917.	July 28, 1917.	Aug. 12, 1916.
Gold	£ 11,365,000	£ 11,365,000	£ 11,368,000	£ 9,213,000
Balance abroad and Foreign Bills	7,385,000	7,240,000	7,286,000	9,365,700
Swedish and Foreign Govt. Securities	3,435,000	3,847,000	3,864,000	3,813,000
Discounts and Loans	9,907,000	9,632,000	8,872,000	3,193,000
Notes in circulation	24,433,000	24,747,000	23,588,000	18,174,000
Deposits at notice	8,280,000	7,547,000	8,001,000	6,213,000

BANK OF NORWAY.

	Aug. 22, 1917.	Aug. 15, 1917.	Aug. 7, 1917.	Aug. 22, 1916.
Gold	£ 7,147,000	£ 7,148,000	£ 7,151,000	£ 6,328,000
Balance abroad and Foreign Bills	4,316,000	4,161,000	4,182,000	6,250,000
Govt. Securities	705,000	705,000	705,000	767,000
Discounts & Loans	15,926,000	15,556,000	15,719,000	5,354,000
Notes in Circulation	16,202,000	16,135,000	16,346,000	12,126,000
Deposits at notice	8,597,000	8,144,000	8,250,000	4,075,000

BANK OF ITALY (25 lire to the £).

	July 20, 1917	July 10, 1917	June 30, 1917	July 20, 1916
Total cash	£ 38,344,800	£ 28,149,400	£ 39,722,560	£ 44,965,240
Inland Bills	22,638,040	21,822,160	21,252,500	19,317,520
Foreign Bills	832,720	832,720	832,720	832,840
Advances	12,672,160	14,052,560	16,933,680	7,740,320
Government securities	8,777,010	8,820,120	8,790,880	8,793,080
Circulation	181,312,760	181,795,320	178,670,600	134,594,280
Deposits at notice	23,260,000	25,645,240	30,843,920	13,555,960
Current accounts	12,624,520	13,397,200	12,176,080	15,236,800

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Sept. 5, 1917.		Sept. 7, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam	Cable transfers	11.33	11.36	11.31	11.34
"	Three months' bills	11.48	11.53	11.47	11.50
Paris	Cable transfers	27.47	27.50	27.46	27.50
"	Three months' bills	27.85	27.90	27.85	27.90
Switzerland	Cable transfers	22.75	23.00	22.65	22.85
"	Three months' bills	23.10	23.40	23.00	23.20
Petrograd	Cable transfers	265	270	266	269
Genoa, &c.	Cable transfers	36.40	36.70	36.30	36.40
Spain	Cable transfers	21.38	21.48	21.25	21.35
"	Three months' bills	53 1/2	54 1/2	53 1/2	54 1/2
Lisbon and Oporto	Cable transfers	31 1/2	32 1/2	31 1/2	32 1/2
Copenhagen	Cable transfers	15.52	15.62	15.50	15.60
Christiania	Cable transfers	15.49	15.59	15.40	15.50
Stockholm	Cable transfers	14.08	14.18	14.07	14.12

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques	Francs to £1	25.22 1/2	27.44	27.48 1/2
Amsterdam, cheques	Florins to £1	12.107	11.34	11.33
Italy, sight	Lire to £1	25.22 1/2	35.67 1/2	36.45
Madrid, sight	Pesetas to £1	25.22 1/2	21.52 1/2	21.60
Lisbon, sight	Pence to milreis	53 1/2 d.	31 1/2 d.	31 1/2 d.
Switzerland, sight	Francs to £1	25.22 1/2	21.47 1/2	22.50
Christiania, sight	Kroner to £1	18.159	15.55	15.52 1/2
Stockholm, sight	Kroner to £1	18.159	14.15 1/2	14.12 1/2
Copenhagen, sight	Kroner to £1	18.159	15.67 1/2	15.59 1/2
Petrograd, sight	Roubles to £100	94.57	267 1/2	280
Alexandria, sight	Piastres to £1	97 1/2	97 1/2	97 1/2
Bombay, T.T.	Sterling to rupee	1/4	1/4 1/2	1/4 1/2
Calcutta, T.T.	Sterling to rupee	1/4	1/4 1/2	1/4 1/2
Hong Kong, T.T.	Sterling to dollar	—	3/8	3/8
Shanghai, T.T.	Sterling to tael	—	4/6	4/10
Singapore, T.T.	Sterling to dollar	—	2/4 1/2	2/4 1/2
Yokohama, T.T.	Sterling to yen	24.58 d.	2/12	2/18
New York, cable	Dollars to £1	4.36 1/2	4.70 1/2	4.70 1/2
Buenos Aires, T.T.	Pence to dollar	47.58 d.	49 1/2 d.	49 1/2 d.
Valparaiso, 90 days	Pence to peso	—	13 1/2 d.	14 1/2 d.
Montevideo, T.T.	Pence to dollar	51 d.	54 1/2 d.	53 1/2 d.
Rio de Janeiro, 90 days	Pence to milreis	16 d.	13 d.	12 1/2 d.

SWISS NATIONAL BANK (25 francs to the £).

	Aug. 23, 1917.	Aug. 15, 1917.	Aug. 7, 1917.	Aug. 23, 1916.
Gold and silver	£ 15,916,320	£ 15,898,798	£ 15,866,769	£ 13,257,476
Bills	7,007,968	9,412,560	8,001,491	7,239,149
Note circulation	20,320,000	20,100,108	21,032,005	16,178,596
Current and deposit accounts	5,491,448	7,090,568	5,660,117	6,349,404

OPEN MARKET DISCOUNT.

	Last week Per cent.	This week Per cent.
Thirty and sixty day remitted	4 1/2
Three months	4 1/2
Four months	4 1/2
Six months	4 1/2
Three months fine inland bills	5 1/2
Four months	5 1/2
Six months	5 1/2

BANK AND DEPOSIT RATES.

	Last week Per cent.	This week Per cent.
Bank of England minimum discount rate	5
" " short loan rates	—
Bankers' rate on deposits	4
Bill brokers' deposit rate (call)	4
" 7 and 14 days' notice	4 1/2
Current rates for 7 day loans	4 1/2
" for call loans	3 1/4

The Week's Stock Markets.

With no particularly stimulating news from the Western Front, the retirement of the Russians from Riga had a more subduing influence on the stock markets than might otherwise have been the case. At the same time, business has shrunk to very small dimensions, but that is no unusual experience at this time of the year, and except for a sharp fall in Russian Municipal securities, the effect on prices was not very pronounced. Gilt-edged stocks, in fact, kept wonderfully steady, and the weakness in the Home Railway section was due to fears of renewed labour troubles. Argentine Rails, also, were affected by threats of a strike, and railway investments generally are out of favour at present. There has been a fair amount of activity in the Industrial and Mining groups, but dealings have not been so active as they were last week, and prices have had an easier tendency. We are just having holiday markets, and that is all there need be said about them.

It has been an extremely quiet week on the Stock Exchange, with dealings occasionally only just topping the 3,000 mark. And the tone has been rather dull owing to the Russian reverses and the evidence they afford of the continued disorganisation of the army. Gilt-edged stocks have been wonderfully steady in the circumstances, but Consols, Irish Land stock and Indian issues yielded a fraction, and Bank of England stock dropped a point. Colonials did not receive much attention, and scarcely moved. The Commonwealth issue has not been fully digested, and the New South Wales loan is still in the lap of the underwriters, so there is reason enough for a pause in this section. Russians have been falling heavily since the news about Riga, and some of the Municipal loans especially have been weak, but with the rouble steadily depreciating in value, that is not to be wondered at. Mexicans and Spanish were good, but Brazilians were rather flat, and Cuban Ports dropped on the vague circular calling a meeting to consider terms for the purchase of the assets by the Cuban Government. Argentines, Chinese, and Japanese were steady, but attracted little interest.

Home Railways were dull on signs of further labour unrest, and, anyhow, there is nothing much to "go for" now that the dividends are out of the way. Americans also sagged, but generally closed above the worst. Canadian Pacific put on a fraction, but Grand Trunks were not helped by a good traffic return. The last monthly statement showed that gross receipts have little relation to net earnings. Mexican Rails were flat, in spite of the improvement in Government securities and the advance in silver, which must have a substantial influence in restoring the prosperity of the country. Argentine Rails were heavy on threats of another strike. Labour everywhere is restive at present.

Banks were firm where prices were tested, but Breweries fell back on profit-taking after the recent sharp advance. Allsopps City of London, and Watney Combe dropped a point or more. Imperial Continental Gas gained a point, while Mexican Light and Power fell a similar amount. Iron and Steel shares were on the dull side, but Richardsons, Westgarth and one or two others gained a trifle. In the Land group, Hudson's Bay, Nigers, Pahangs, and Pekin Synd. all eased off a little, but Forestal Lands improved. Shipping shares were quiet, and in the Telegraph group Marconis were dull. Textiles were rather dull, and among Miscellaneous Industrials only a few favoured shares were in much request.

Oil shares were decidedly flat, and most prices gave way

where they were put to the dealing test. Rubbers were fairly active, all things considered, and the tone was buoyant on the

LONDON PRODUCE MARKETS.

SUGAR.—Previous quotations were repeated this week.

COFFEE.—General steadiness prevailed in this market for all suitable qualities, and moderate absorption of available supplies took place. Fair to good bold Mysore, sold, 88s. 6d. to 99s.; middling Coorg, 85s.; fair to good bold sizes of Costa Rica, 90s. to 93s.; bold to extra bold unwashed Dumont, 73s. 6d. to 74s. 6d. The terminal market remained dull.

COCOA.—Of 6,049 bags offered in auction this week 5,679 bags comprised colonial descriptions. Demand principally ran upon British West India and West Coast African. The former realised an advance of 2s. 3s. against rates prevailing last sales, and latter ruled firm. Good Trinidad, sold, 90s.; fair West Coast African, 65s.

SPICE.—Pepper market continued quiet, but rates ruled steady.

CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING SEPTEMBER 7, 1917.

	Last Week	This Week		Last Week	This Week
Consols.....	56	55½	N.S.W. 4½% 5 yr. bds.....	98½	96x
War Loan 3½%.....	87½	87½	" 4½% 1922-7.....	91½	91½
" 4½%.....	97½	97½	" 5% 1921-3.....	96	96
" 5% 1920-17.....	94½	94½	" 5½% 1920-2.....	98½	98½
India 3%.....	102½	103	New Zealand 4% 1929.....	86	86
" 3½%.....	66½	65x	Queensland 4%.....	80	80
Australian 5½% 1920-22.....	99½	99½	Union of S. Africa 4½%.....	92	92
Canada 4% 1910-60.....	81½	80x	1920-5.....	92	92
" 4½% 1920-5.....	93½	93½	Victoria 4½% 1920-5.....	92½	92x
N.S.W. 4% 1933.....	82½	82½	Westn. Aus. 4%.....	81	81
Argentine 4% 1900.....	65	65	French War Loan, 5%.....	81	80½
Belgian 3%.....	60	60	Japan 4½% (1st), 1905.....	96	96
Brazil, 1913.....	71	71	" 5% 1907.....	94½	94½
" 5% 1914.....	80	80	Mexican 5% 1899.....	67	68
Chinese 1896.....	94	94	Russia 4%.....	55	52½
" 1912.....	79	80	" 4½% 1909.....	62½	61
Egypt Unified 4%.....	84	84	" 5% 1906.....	70	67
Caledonian defd.....	8½	8½	London and N.W.....	91½x	90½
Gt. Central pld.....	13½	13½	London and S.W. defd.....	22	21½
" defd.....	6½	6½	Do red. pt. 1914.....	92	92
Gt. Eastern.....	34½	34½	Metropolitan.....	23	23½
Gt. Northern defd.....	36	36	Do.....	90	90
Gt. Western.....	85½	84½	Met. District.....	15½	16½
Lancs. and Yorks.....	61	63½	Midland defd.....	53½	55
London Brighton defd.....	58	57	Nth. British defd.....	13½	13½
London Chatham ord.....	88	88	Nth.-Eastern.....	99	98½
			Stn.-Eastern defd.....	27	27
Canadian Pacific.....	179½	179½	Chesapeake.....	62	60
E. Indian Guar. 4½% debts.....	86	86	Erie.....	27	26
Grand Trunk ord.....	10	10	Southern.....	29½	29
Do. 1st pf.....	65½	65½			
Do. 3rd pf.....	25	24½	Cent. Argentine ord.....	63	61½
Antofagasta defd.....	126½	126½	Leopoldina.....	40	39½
Brazil Common.....	5½	5½	Mexican ord.....	21	19½
B. A. & Pacific.....	41	41	San Paulo (Brazilian).....	186	186
B. A. Gt. Southern.....	79½	79½	United of Havana.....	85	84½
B. A. Western.....	77	75½	London & S.W.....	12½	12½
Anglo-South American.....	6½	7	London City & Midland.....	78	78
Bank of Australasia.....	118	118	London County & West.....	142	142
Bank of N.S. Wales.....	34½x	34½	London Joint Stock.....	24	24½
Barclay & Co. "A".....	78	78	Nat. Prov. of Eng. (£10 pd).....	27	27
Do. "B".....	118	118	Do.....	31	31
Capital & Counties.....	23	23	Parr's.....	29	29
Chartered of India.....	65	65½	Standard of S.A.....	16½	11
Hongkong & Shanghai.....	79	78½	Union Discount.....	102	102
Lloyds.....	24	24	Union & Smiths.....	232	232
London & Provincial.....	15½	15½			
London & Brazilian.....	232	232	Kynochs.....	38/	37/
Armstrong, Whitworth.....	39/	39/	Mond Nickel ord.....	38	38
Birmingham Small Arms.....	54/	54/	South Durham Steel.....	36/6	37/
Cannell-Laird.....	68	68	Thornycroft.....	36/	38/6
Cargo Fleet.....	21/3	21/3	Vickers.....	33/3x	38/3x
Dorman, Long.....	39/6	40/	Fine Cotton Spinners.....	31/	31/
Associated Cement.....	38½	38½	Forestal Land.....	46/	49/
Borax defd.....	38/6	38/6	Furness, Withy.....	45/6	46/
Bovril.....	19/6	19/6	Harrods Stores.....	3	2½
Brazil Tractor.....	47½	46½	Hudson's Bay.....	7½	7½
British Amer. Tobacco.....	18/3	18/3	Imperial Tobacco "C" pf.....	34/6	34/7
British Aluminium.....	33/6	33/9	Lever Bros. "C" pf.....	20/3	20/3
British Oil & Cake.....	30/9x	30/6x	Lyons, J.....	48	48
Brunner, Mond.....	4½	4½	Marconi.....	38½	38½
Castner-Kellner.....	3½	3½	Maypole Dairy defd.....	24/6	25/
Courts.....	68	68	National Steam Car.....	19/3	19/6
Courtaulds.....	78	78	Pears, A. & F.....	1½	1½
Dunard.....	3½	3½	P. & O. defd.....	32½	32½
Edwards Bros.....	38/	37/	Royal Mail.....	114½	113½
Eastern Telegraph.....	146	146½	Underground Inc. Bds.....	83½	83½
Eastmans.....	9/6	9/3			
English Sewing Cotton.....	49/	50/	North Caucasian.....	1½	1½
Anglo-Egyptian "B".....	15/	21/6	Roumanian Cons.....	11/9	12/3
Baku (10s).....	2/9	2/9	Royal Dutch (100 gulden).....	49	48½
Burmah.....	64½	64½	Shell.....	5½	5½
Lobitos.....	42/0	2½	Spies (10/-).....	11/6	10/6
Maikop Pipeline.....	3/	3/	Ural Caspian.....	1½	1½
Mexican Eagle pf.....	38	38			
Anglo-Java Rub. (2/-).....	7/6	7/6	Merlimau 2/-.....	6/3	6/1½
Anglo-Malay 2/-.....	15/3	15/3	Pataling 2/-.....	44/6	46/
Ayer Kuning £1.....	52½	52/6	Port Dickson 2/-.....	41/	41/
Bukit Mertajam 2/-.....	5/6	5/6	Rubber Trust £1.....	28/7½	29/9
Bukit Sembawang 2/-.....	3/4½	3/4½	Sapumalkande £1.....	27/3	28/
Carey United £1.....	47/6	47/6	Selangor.....	36/3	37/
Chersonese.....	3/9	3/9	Sialang £1.....	75/6x	76/9
Gula Kalumpung £1.....	36/6	36/6	Singapore Para 2/-.....	4/9	4/9
Highlands £1.....	61/6	62/6	Singapore United 2/-.....	3/2	3/2
Java Para £1.....	33/3x	34/6	Taping 2/-.....	4/8	4/8
Johore Rubber Lands £1.....	36/3	37/3	Tanjong £1.....	90/	93/
Langen Java £1.....	46/3	46/3	Tanjong Malim £1.....	36/6	38/0
Linggi 2/-.....	30/	30/	Tebrau £1.....	74/	74/6
London Asiatic 2/-.....	9/	9/3	United Serdang 2/-.....	12/3	12/6
Malacca £1.....	5½	5½	Vallambrosa 2/-.....	24/3	24/3
Malayalam £1.....	37/	37/			
Abbotiakoon (10/-).....	4/9	4/9	Gt. Boulder (2/-).....	12/6	12/9
Bechuanaland Exp.....	6/9	7/1½	Kyshtum.....	2	1½
Brakpan.....	5½x	5½x	Mashonaland Agency.....	5/9	5/4½
Broken Hill Prop. (8/-).....	46/9x	47/	Meyer & Charlton.....	5½x	5½x
Cam & Motor.....	10/	11/6	Modder "B".....	8½x	8½x
Central Mining (£12).....	6½	6½	Do. Deep.....	7x	6½x
Chartered.....	13/10½	13/9	Mysore.....	3½	3½
City Deep.....	3½	3½x	Rand Mines (5/-).....	3½x	3½x
Cons. Gold Fields.....	18	18	Rio Tinto (£5).....	62½	63½
Cons. Langlaagte.....	22/9x	22/9x	Russo-Asiatic.....	4	3½
Crown Mines (10/-).....	2½	2x	Spring Mines.....	3½	3½
De Beers defd. (£2 10s).....	13½	13½	Tanganyika.....	3½	3½
East Rand.....	7/9	6/9	Tanayik.....	1½	1½
Geduld.....	39 x	39 x	Van Kyn Deep.....	3½x	3½
Gov. Areas Mod.....	67/	3½x			

* Treasury prices.

continued advance in the price of the raw material, while dealings were well distributed throughout the active list.

Maikop Combine.—Production week ended August 25, 327 tons; and week ended Sept. 1, 327 tons.

Russian Petroleum.—Production week ended August 25, 41,700 poods.

United British of Trinidad.—Production week ended August 29, 404 tons. Falling off due to heavy rains.

	Last Week	This Week		Last Week	This Week
Sugar—per cwt., duty 14½, 98% polarisation.....	£ s. d.	£ s. d.	Wool—per lb. Australian.....	£ s. d.	£ s. d.
Tate's Cubes	2 13 9	2 13 9	Scoured Cr'sabrd ..	nom.	nom.
Crushed	2 13 9	2 13 9	Greasy Merino ..	nom.	nom.
Granulated	2 6 9	2 6 9	Greasy Crossbred ..	nom.	nom.
Lyle's granulated ..	2 6 9	2 6 9	New Zealand (scoured) Merino ..	nom.	nom.
Foreign granulated, first marks f.o.b., spot	nom.	nom.	Greasy Crossbred ..	nom.	nom.
German Cubes f.o.b. ..	nom.	nom.	Cape snow white ..	nom.	nom.
French Cube	nom.	nom.			
Crystallised, West India	2 6 9	2 6 9	Indiarubber p. lb. Plantation, Spot ..	0 2 8	0 2 10
Best, 88% f.o.b. ..	nom.	nom.			
			Coal—per ton ..		
Tea—per lb., duty s. d. s. d. s. d. s. d. ..			Durham, best ..	nom.	nom.
1/- lb.	11-1 3	11-1 6	Seconds	nom.	nom.
Indian Pekoe	11-1 3	11-1 6	East Hartlepool ..	nom.	nom.
Broken	11-1 3	11-1 6	Seconds	nom.	nom.
Orange	11-1 3	11-1 6	Steamers, best ..	30 0	30 0
Broken	11-1 3	11-1 6	Seconds	27 0	27 0
Pekoe Souchong	11-1 3	11-1 6			
Ceylon Pekoe	11-1 3	11-1 6	Lead—per ton ..	£ s. d.	£ s. d.
Broken	11-1 3	11-1 6	English Pig	nom.	nom.
Orange	11-1 3	11-1 6	Foreign silt	£ 30½-29½	£ 30½-29½
Broken	11-1 3	11-1 6			
Pekoe Souchong	11-1 3	11-1 6	Quicksilver—per bottle firsthand ..	nom.	nom.
Cocoa—per cwt., duty 6d. per lb. ..	s. s.	s. s.	Tin—per ton ..		
Trinidad—per cwt. ..	82 0-87 0	84 0-90 0	English Ingots ..	£ 242-243	£ 239-240
Grenada	68 0-85 0	70 0-87 0	Do. bars	£ 243-244	£ 240-241
West Africa	57 0-65 0	57 0-65 0	Standard cash ..	£ 244-244½	£ 241-241½
Ceylon Plantation ..	70 0-85 0	70 0-85 0	Tin Plates, per box ..	nom.	nom.
Guayaquil Arriba ..	95 0-98 0	95 0-98 0			
Coffee—per cwt., duty 42/- per cwt. ..			Copper—per ton ..		
East India	81 6-103 0	80 0-104 6	English, Tough, per ton ..	nom.	nom.
Jamaica	66 0-120 0	66 0-120 0	Best Selected ..	£ 135-131	£ 135-131
Costa Rica	78 0-102 6	78 0-102 6	Sheets	£ 160	£ 160
			Standard	£ 120-120½	£ 120-120½
Provisions—					
Butter, per cwt. ..	206/-203/	nom.	Jute—per ton ..		
Australian finest ..	206/-211/	nom.	Native firsts for shipment ..	£ 18 10	£ 18 10
Irish Creameries ..	nom.	nom.	f.o.b.	f.o.b.	f.o.b.
Dutch ditto	nom.	nom.			
Russian finest	nom.	nom.	Oils—		
Normandy baskets ..	nom.	nom.	Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Danish finest	nom.	nom.	Rape, refined	£ 71	£ 71
Brittany rolls	23/6-24/	23/6-24/	crude	£ 66	£ 66
doz. lb.	23/6-24/	23/6-24/	Cott'n Seed, crude ..	£ 60	£ 60
			Oil, refined	£ 67-£ 95	£ 67-£ 95
Bacon—per cwt. ..	160/-162/	160/-162/	Petroleum Oil, per 8 lbs. ..	1/3½	1/8½
Irish	145/-162/	145/-162/	Water White	1/4½	1/9½
Continental	155/	157/	Oil Seeds, Linseed ..	—	—
Canadian	148/-152/	152/	Calcutta—per ton ..	Spot	30 0 0
American	176/-180/	184/	Rape	30 0 0	30 0 0
Hams—per cwt. ..	110/-137/	110/-137/			
Irish	nom.	nom.	Iron—per ton ..		
Canadian	nom.	nom.	Cleveland Cash ..	nom.	nom.
American	nom.	nom.			
Cheese—per cwt. ..	nom.	nom.	Tobacco—duty, unmanufactured ..	7/4 to 8/ per lb.	
Dutch	nom.	nom.	7/4 to 8/ per lb. Maryland & Ohio ..	nom.	nom.
Canadian	132/	132/	per lb. bend	nom.	nom.
English Cheddar ..	nom.	nom.	Virginal leaf	0 8-2 1	0 8-2 1
Willis leaf	nom.	nom.	Kentucky leaf	0 7-0 11	0 7-0 11
New Zealand	nom.	nom.	Latakia	2 0-5 0	2 0-5 0
			Havana	1 6-6 6	1 6-6 6
Rice—per cwt. ..	s. d. s. d.	s. d. s. d.	Manna	nom.	nom.
Japan	29 6	29 6	Cigars, duty 10/6 ..	2/ upds.	2/ upds.
Rangoon 2 stars ..	26 3	20 3	per lb.		
Eggs—per 120. ..	27 6 29 0	28 0-30 0	Timber—Wood ..		
Irish	25 0-26 9	24 0-26 0	Pitch pine	300/-400	300/-403/
Danish	23 6-25 0	23 6-25 6	Indian Leaf	380/-700	380/-700
Spelter—			Turpentine—		
G.O.B. as to position ..	£ 54-£ 50	£ 54-£ 50	American Spot ..	2 18 0	2 18 6
Flour—per sack ..	59/-61/	59/-61/	Copra—per ton ..	46 0 0	46 0 0
Country Straight ..					
Runs ex Mill ..					

Sales include black Singapore basis, fair, on spot, at 11½d.; and to arrive, 11½d. Muatok, to arrive, buyers, 1s. 1½d., c.f. and i. Cloves steadier. Fair Zanzibar, on spot, sold, 1s. 2½d. Tapioca quietly steady. Fair flake, spot, sellers; 5½d.; and Penang seed pearl, fair, sold, 52s. 6d.

TEA.—18,100 packages Indian and 12,000 packages Java offered by auction met with good competition at full prices. D class dearer.

RICE.—A moderate demand ensued at steady rates, but later a quiet tone ensued. Beans and peas unaltered.

HEMP.—The market for New Zealand ruled irregular, but more active. Chinese steady, quiet.

SHELLAC.—Market irregular. T.N., October, sold, 229s.-231s. 6d.; December, 230s.-234s. Spot sales limited on the basis of 235s. for fair free second orange.

RUBBER somewhat unsettled, with moderate transactions. Plantation, spot, crepe, sold, 2s. 9d. to 2s. 9½d.; October-December, 2s. 10d., 2s. 10½d., 2s. 10d., and 2s. 11d.; January-June, 2s. 11½d. Standard, ribbed smoked sheet, spot, sold, 2s. 6½d. and 2s. 7½d. Fine hard Para, spot, done, 3s. 3½d.; soft fine ditto, quoted, 2s. 9½d.; ball, 1s. 9d.

COPRA.—Market quiet, but steady. F.M.S., Singapore, September-October, sold, £45 10s. to London and buyers.

TALLOW.—Sales met with good competition, prices being firm to occasionally 3d. dearer.

CORN (Mark Lane).—The market displayed a steady tone during the past week, business being moderate, and price changes unimportant. Wheat: Home grown, 73s. 6d per quarter, 504 lbs., being sparingly offered. Imported No. 5 Manitoba, 77s. 3d., ex ship. Flour: Iron Duke, 75s., ex store. Barley: Indian, 82s. 6d., ex quay. Oats: American white clipped No. 2, 60s. 3d., ex ship, and 61s. 3d., landed. Chilian tawny in latter position, 63s. 6d. Maize: African white flat, 86s., ex quay.

COTTON (from our Manchester correspondent).—There has been very little activity in the market during the past week, and the conditions prevailing at the moment are not of a character to result in any enterprise on the part of buyers. The easier tendency in cotton rates has continued, and owing to the fear of a further drop in values, buyers of yarn and cloth have acted with caution. The scheme of the Control Board for curtailing production comes into operation on Monday next, and from that day all spinners and manufacturers, except licences have been obtained to run additional machinery, will be compelled to stop 40 per cent. of their spindles and looms. The inquiry met with in cloth for India has been of retail dimensions, and most of the offers have been a long way out, especially in grey staples. For China certain special makes of shirtings have been made fairly freely, and something has been done in finishing cloths. The minor markets of the Far East continue to give fair support, and certain producers of fancies and specialities have extended their order lists for Java. Rather more demand has been reported in home trade fabrics, and buyers have been willing to place orders where makers have not been too difficult to deal with. American yarns for home use have moved off slowly from day to day at irregular rates. Certain numbers in twists seem to be a little better situated. Stocks in wefts remain plentiful. Shipping counts have not attracted much attention. Limited operations have transpired in Bolton spinnings.

DIVIDENDS ANNOUNCED.

Anglo-Malay Rubber Co.—Interim of 15 per cent. (actual) for year ending Dec. 31, 1917, payable on October 1, less tax, the same as a year ago.

Aramayo Francke Mines.—First interim of 1s. per share on account of year 1917-18, against 6d. a share a year ago.

Astley and Tyldesley Collieries.—Interim of 15s. per share on the fully-paid and 12s. per share on the partly-paid shares, both less tax, the same as a year ago.

Broken Hill South Silver Mining Co.—6s. per share, less tax, payable Sept. 28, the same as a year ago.

Bank of Australasia.—Dividend for half-year to April 16, of 14 per cent. per annum, and bonus of 12s. per share, together £3 8s. per share, equal to 17 per cent. per annum, and £35,000 is added to reserve fund. A year ago was the same.

British Tobacco Company (Australia).—Interim of 3 per cent. on the ordinary shares, payable on the 29th inst., the same as a year ago.

City of London Electric Lighting Company.—Of 6s. on ordinary shares for year ending Dec. 31, 1917, subject to tax, payable on Sept. 24, the same as a year ago.

Canadian General Electric Company.—Quarterly 2 per cent. for three months to Sept. 30, being at the rate of 8 per cent. per annum on the common stock. A year ago the dividend was at the rate of 7 per cent.

Crosswell's Cardiff Brewery.—Dividend of 12 per cent., less tax, on the preference shares, against 2 per cent. a year ago.

Consolidated Gas of Baltimore.—Regular quarterly \$2 per share, or at the rate of 8 per cent. per annum, on the capital stock, payable Oct. 1.

Davis and Timmins.—Interim on the ordinary shares at the rate of 6 per cent. per annum, free of tax, for half-year ended June 30 last.

Molson's Bank (Montreal).—2½ per cent. (being at the rate of 11 per cent. per annum) for the current quarter.

Northern Banking Co.—At the rate of 13 per cent. per annum on the A shares and 6½ per cent. per annum on the B shares for the past half-year, less tax, the same as a year ago.

Oriental Consolidated Mining Co. (New York).—50 cents per share, the same as a year ago.

River Plate Trust, Loan, and Agency Co.—Interim of 9 per cent. on the "A" shares and 3 per cent. on the "B" shares, less tax, for half-year to June 30, payable Oct. 1, the same as a year ago.

Sephinjuri Bheel Tea Co.—First quarterly 10 per cent., less tax, on account of season 1917, payable on the 20th inst., the same as a year ago.

Shelford Rubber Estate.—Interim 5 per cent., less tax, for the year ending Dec. 31, 1917, the same as a year ago.

Shorts.—Half-yearly on 6 per cent. preferred ordinary shares, payable on and after Oct. 1.

Ulster Bank.—At the rate of 21½ per cent. per annum, less tax,

for past half-year, payable on the 22nd inst., the same as a year ago.

Ulu Rantau Rubber Estates.—Interim of 10 per cent. for year ending Dec. 31, 1917.

Edinburgh Rubber Estate, Selangor.—Interim of 12½ per cent., less tax, for year to Dec. 31, the same as a year ago.

Godfrey Phillips.—Interim of 5 per cent. on the ordinary shares.

General and Commercial Investment Trust.—Interim for half-year to Aug. 31 at rate of 5 per cent. per annum on preferred stock, and of 4 per cent. per annum on the deferred stock, to be paid on 28th inst., the same as a year ago.

General Ceylon Rubber and Tea Estates.—Interim of 10 per cent. for year 1917, payable Oct. 1, free of tax.

Imperial Tobacco Co. of Canada.—1½ per cent. on ordinary shares, payable 27th inst., the same as a year ago.

Java Investment, Loan, and Agency.—Final of 5 per cent., making 10 per cent. for the year, less tax. For the previous year 10 per cent. was also paid.

Kepong (Malay) Rubber.—Second interim of 15 per cent., less tax, for the year ending Dec. 31, 1917.

Lincoln Waggon and Engine Co.—Interim at the rate of 7 per cent. per annum, less tax, the same as for the previous year.

Linggi Plantations.—First interim of 33½ per cent., less tax, in respect of the year ended Dec. 31 next. A year ago 25 per cent. actual was paid.

Leigh Mills Co.—8 per cent., plus a bonus of 1s. per share on ordinary shares, tax free; to reserve, £10,000; forward, £6,564.

Madras Electric Tramways (1904).—Interim for the half-year ended June 30 last of 8 per cent. per annum on the ordinary shares.

Answers to Correspondents.

Boscombe.—It is an important concern, owning forests, cattle lands, light railways, &c., and does a big business in quebracho, an extract used for tanning. Had an excellent year, and should continue to do well. Shares are already higher, and may go better still, as the yield is tempting. If you buy you must be prepared for fluctuation in dividends.

D. P.—(1) We think you might wait for the report. The company is reported to be doing well and is a straightforward undertaking. The market has slipped back since you purchased, but nothing serious. (2) These shares have been written down to 4s., and the company is much in arrear with its preference dividend. We cannot recommend a purchase, as they are purely speculative.

B. J. H.—The company does not publish its figures, but it has a good reputation and is, we believe, well managed. If you can buy within the quotation you might increase your holding.

Conway.—We see no reason for any quick rise. Much depends on the Government's arrangements. They yield well and the interest is safe, but you may be able to get in cheaper still if you can wait.

Ignoramus.—Quite good. They run for about 35 years. A certain portion of each pound is kept back and invested, so when they expire the capital is represented by these accumulations.

M. R.—In 1949, but company has the right to repay after 1924. It is quite a good bond and worth keeping.

Mamo.—The company is doing well, like many of its neighbours, and will probably continue. The shares look cheap, and might easily rise 20s. or so, but they are not likely to go back to the old level. A purchase would probably pay you, but if you buy take advantage of any quick rise.

F. O.—The bond is quite a good one, but it is not possible to say definitely they will not go lower. They are redeemable, which helps to steady the market, and accounts for them yielding comparatively a moderate return as yields go now. If you are prepared to hold on, we think you might average.

Nearly Stumped.—Perhaps, but they are now only £4 shares. The debentures should be all right and pay over 6 per cent. clear.

Z. Y. X.—Well, they pay nearly 7 per cent. at the price, but the future is quite uncertain. Do not buy many.

Wastie.—(1) Good, and pay well, but offer less. (2) This also is dear, but should pay at least 5½ per cent. clear of tax.

K. A. J.—Your stock is evidently in bearer form. If you inscribe it, dividends will be paid on the full amount.

Data.—(1) If you are prepared to wait, yes. The property owned is a large one, so there is room for considerable development. (2) Very doubtful—purely speculative.

R. L. P.—Recent discoveries are said to have improved the company's prospects, but the present price seems very high, and we think you should take advantage of it.

OILFIELDS ITEMS.

Anglo-Egyptian.—Production for the past week:—Gemsah, 749 tons, against 22 tons previous week; Hurghada, 8,137 tons, against 2,029 tons previous week.

Black Sea Amalgamated.—Production week ended Aug. 25, 327 tons; and week ended Sept. 1, 311 tons.

European.—Production week ended Aug. 26, 77,000.

Lobitos.—Production for August, 7,767 tons.

Maikop Orient.—Production for week ended August 25, 9,900 poods from well No. 3 on plot 435a.

Those Wicked Premium Bonds.

Persistence is shown by the "Nonconformist conscience" in its opposition to the issue of prize, bonus, or premium bonds as a method of securing for the Treasury large sums of money now running to waste. Letters, deprecatory and remonstrative, still get into the papers, and show that the Government will meet with no small hostility should it take the plunge and issue what these worthy people call a "Lottery Loan." Their objection is based on what they claim to be "moral grounds," but the morality is never defined. We should, therefore, like to examine the subject a little from the standpoint of actual facts and experiences.

Can any "conscientious objector" to bonds over whose mass bonuses or prizes are peppered to increase their attractiveness tell us where the demoralisation comes in? Is it in the gambling which the hazards of the "wheel of fortune" may contain? It cannot be, because gambling in any active sense there is none. The most vauntful prognosticator in the world could not get up a rush after "lucky numbers," and as a matter of fact there is no class of securities to be found on stock exchanges less capable of giving pretext for excitement, or "rigs," "booms," or "corners," than these premium bonds. Their yield is known, and the average chances of prizes discounted in their current price.

Where, then, does the "demoralising" influence of this form of debt make itself evident? In the possibility of securing a fortune in the shape of a £5,000, £10,000 or £20,000 prize? Yes, that appears to be the contention, implied, if not expressed, by the volunteer guardians of our public morals, and inasmuch as their motives are unquestionably often worthy of respect, they must not be just derided and left grieving as we pass on our way. We should ask them rather to explain and illustrate how the demoralising process works. Does the purchaser of a 2½ or 3 per cent. bond of the City of Paris or Brussels embracing a chance of a prize carry the number of it always about with him, subscribe for journals in whose pages the numbers of drawn bonds are published, and feverishly scan them to find out whether he has won a prize? We never met or heard of anybody who acted in this way, any more than of people who trafficked in "winning numbers," and for a sufficient reason. The prizes of any magnitude are too rare to be exciting. And the small ones? They are too insignificant to have much more influence on the mentality of a bondholder than a shilling ticket in a raffle at a charity bazaar in a chapel would have, which gave a chance to the holder to win a live ass, a clock, or a taltalus. As between man and man there is no room in these bonus bonds for demoralisation. The bonds give no scope for cheating one's neighbour. If, then, a loan of this kind neither conduces to gambling nor tempts men to prey upon their fellows, wherein lies the source of its degrading influence? We have hitherto failed to discover it in the admonitions of the unhappy bewailers. It is possible, no doubt, that people of undisciplined minds might now and then be tempted to spend more than they should, or than they could afford, by foolishly beguiling themselves with imaginings of sudden wealth coming to them, possible but not probable in any important degree, and the only grave danger of demoralisation we can find is that which might spring from the big prize actually won. A village tailor or grocer or cobbler who drew a lucky number that put him in possession of £1,000, or £500, or even a mere £250, might occasionally lose control of himself and indulge, for a space, in riotous living, but for one who would do that there are hundreds who would use the windfall of a prize prudently, and even were it not so, the moral defilement of the lapsed one is not nearly so deadly as the blunting of all sense of honour which is often produced by the ordinary usages attendant upon gambling

in stocks and shares, usages with which, to our knowledge, many opponents of "lottery loans" are not unfamiliar.

When a man takes a tip from an acquaintance—and we have known really worthy and pious people habitually ready enough to do that when gain was promised—and in response thereto buys shares in a concern about which he may—and usually does—know nothing, and, having bought, waits his chance to sell at a profit to somebody else, in order to "take his profit," is it ever his habit to look at the moral relationship he may establish between himself and that "somebody"? We should say never. The good citizen may have joined a group formed to play on public credulity, and to take profit from public cupidity by "rigging" that share, and, although taking no direct part in the process of "working the market" or in the Press snaring, yet stands ready and willing to catch the profit of the "deal," and meanwhile to pass on the convenient or suitable lies—all in good faith—that help him to his success. Does he ever give a thought to the lot of the one to whom he has sold? Again we answer—Never. *Caveat emptio* is a maxim that absolves from all responsibility, and the "lucky" punter chuckles as he pockets his profit, and is ready for the next well-arranged "good thing" that comes along.

Is there any comparison between the demoralisation this kind of business causes, and that alleged to arise from the possession of a bond or bonds which may have cost £1—or perhaps only 10s.—but to which is attached the far-away possibility of winning a prize of, say, £50,000? We have no doubt which individual is the less estimable in conduct, but should like very much to have the opinion of the strait and pained moralist. Humanity is so full of contradictions, and one is so unconscious often of those in one's own attitude or opinions, that it might be unfair to mock or denounce. But the premium or bonus bond has got to come, and it would be well to thrash out the subject of its influence on morals beforehand.

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The Consular Service.

There are plenty of examples of the fact that as a nation we have a wonderful genius for "muddling through" any enterprise we tackle, but it often happens that the lack of reasonable organisation, even of the most elementary character, amounts to a scandal. That is the case with the Consular Service, which in its chaotic arrangements might be a survival of the troglodyte period, and it is a constant source of amazement that the work is done with any degree of efficiency at all under the circumstances. Appointments are made by the Foreign Office, and they are divided into three watertight compartments called the Levant, the Far-Eastern, and the General Services, between which there is no interchange of officials. The Levantine Service embraces the rickety Ottoman Empire, Persia, Egypt, and Morocco, and most of the Balkan States, but not Rumania. The Far-Eastern Service is fairly well defined, but it includes Havana and excludes Haiti and San Domingo. General Service embraces most of Europe (including Rumania), East and West Africa (but not Northern Africa), North and South America, and Polynesia. Consequently a Consular officer may be moved from San Francisco to Nairobi, but he must not be shifted from Belgrade to Bucharest. Candidates for the Levant Service alone receive any special training, having to undergo a prescribed course at Cambridge University for two years before proceeding to Constantinople as student interpreters. After a further period of two years there they are appointed Vice-Consuls at the handsome salary of £300 a year, with £20 a year increase. No special training is required for the Far-Eastern Service, but it is not usual to nominate candidates as Vice-Consuls until they have acted for a period as student interpreters. For the General Service the chief qualification was the ability of the candidate to kick his heels around the Foreign Office and the Board of Trade for three months in an undefined position that made the test extremely irksome, but since 1914 a probationary period in a Consulate abroad has been added to the Whitehall experience—on half pay. The only compulsory language used to be French, but an easy test in Russian has recently been added, and candidates have now to qualify either in German or Spanish. Even so, there is no attempt to fit the round peg in the round hole; the student who masters German will, as likely as not, be sent to a post where Spanish is most required, and *vice versa*, while no special provision of any sort is made for Portuguese-speaking countries, Italy, Rumania, Holland, Denmark, Norway, and Sweden. How the system works at all under these circumstances is an absolute puzzle.

In addition to the inadequate training, the conditions of service are about as unsatisfactory as could be designed. Removals are frequent, and almost invariably ordered by telegram without any other notice. A man may have just begun to get thoroughly acquainted with his work, say, in Boston, after a year or two's service, when he may be sent to Lisbon or Archangel, and the powers that be never stop to inquire whether he knows a word of Portuguese or Russian. Moreover, the insecurity of tenure tends to reduce the prestige of the service as a Vice-Consul, liable to be shifted at a moment's notice, is naturally reluctant to set up a permanent establishment or enter into long contracts for rent, &c. It would surely be possible to make appointments for a minimum period of five years to commence with and to give reasonable notice of transfer thereafter. Another glaring anomaly is the position of the unsalaried officials. These constitute by far the largest part of the Consular Service, and are divided into two classes: those who are employed locally by a salaried Consul, and receive the title of Vice-Consul or Pro-Consul as a matter of official convenience, and those who hold semi-independent posts to which they are nominated by the Foreign Secretary. The former are merely Consular clerks, paid by the Consul out of his allowance for clerical expenses; the latter are usually local business men—mostly foreigners—who do the necessary work

for a small fee, but mainly for the sake of the status which the post gives them. In many ways this system works unsatisfactorily, and the trade of the United Kingdom is surely of sufficient importance to be looked after by properly qualified and properly paid officials.

In January last a Committee was appointed to consider how the Commercial Intelligence services could be improved. It consisted of Lord Faringdon, as chairman; Mr. Dudley Docker, president of the Federation of British Industries; Mr. Pennefather, M.P., representing the Associated Chambers of Commerce; Sir Wm. Clark, of the Board of Trade; and Mr. Wellesley, of the Foreign Office. The Committee having failed to come to a unanimous agreement, the whole question was further considered by the Foreign Office and the Board of Trade in the light of the Committee's two reports, and a scheme has been worked out in agreement between the two Departments concerned. The Board of Trade have obtained the sanction of the Treasury for a large development of the Department of Commercial Intelligence, and for a wide expansion of the system of Trade Commissioners within the Empire, and the Foreign Office have also elaborated schemes for strengthening and developing the Commercial Attaché and Consular Services, and increasing their utility to British trade. The scheme aims at solving the difficulties which have always existed in defining and adjusting the limits of responsibility of the Foreign Office and Board of Trade—a system of dual control which, more than anything else, is responsible for the weakness of our Commercial Intelligence and Consular Services. An enlarged Commercial Intelligence Department will be created. Parliamentary control over the Department will be exercised through a new Parliamentary Secretary, who will occupy the position both of Additional Secretary of the Board of Trade and also Additional Under-Secretary for Foreign Affairs. This Parliamentary Secretary will be responsible to the President of the Board of Trade for all matters within the competence of that Department, and responsible to the Secretary of State for Foreign Affairs for all matters concerning the Foreign Office. The Commercial Intelligence Department will eventually comprise the existing Department of Commercial Intelligence of the Board of Trade and the Foreign Trade Department of the Foreign Office, and will take over such of the staff and records of the War Trade Intelligence and Statistical Departments as may be required. The appointment and control of the Trade Commissioners within the Empire will, as at present, rest with the Board of Trade, and the appointment and control of the Commercial Attachés and Consular Services with the Foreign Office, but the work of the new Department will comprise all matters dealing with commercial intelligence, and, as far as necessary for that purpose, it will give directions to the oversea services and make the necessary arrangements for keeping them in close touch with the commercial classes in this country. Opportunity will be given to diplomats and consuls in training to serve for a period in the Department. It will also draw *personnel* from the Commercial Attaché and Consular Services, and from men of outside business experience. In the same way officers of the Trade Commissioners' Service will be trained in the Department, and will be attached to it from time to time.

All these are steps in the right direction, and they indicate an awakening interest on the part of highly superior officialdom to the needs of trade, but the scheme can only be judged by results, and we must wait, hoping for the best. But we are afraid the commercial community will be somewhat disappointed. There has been an increasingly insistent demand in recent years for the establishment of a Ministry of Commerce, and the best possible organisation will be more than ever necessary when after-the-war problems come to be tackled. Instead of Minister we are to get an Additional Parliamentary Under-Secretary! One label is as good as another, so far as we are concerned, if the work is efficiently done, but there is a suspicion of half-heartedness about the scheme which is not alto-

gether reassuring. However, if the right man is secured as Additional Parliamentary Under-Secretary, he will doubtless blossom into a full-blown Minister in due course, and then everyone will be satisfied—perhaps.

President Carranza on Mexican Finance.

In an address to the Mexican Congress, President Carranza gave much curious information about the finances of the Mexican "wars" which preceded and followed the expulsion of Porfirio Diaz. The "constitutionalists," of whom the President of Mexico, Señor Carranza, is the leader, and the various generals created paper currency as required. The first quasi-legally permitted issue was a mere \$5,000,000 Mexican, and the mass of paper money afloat had only attained \$72,000,000 when the "Provisional Government of Vera Cruz" began urgently to want currency for various purposes. Altogether it emitted \$599,339,221, bringing up the aggregate of all sorts of paper money in existence to \$671,954,221. That, however, was not all. The "military chiefs" had to be given liberty to put out promises to pay in the form of notes of local currency, and that notorious brigand, Villa, distinguished himself in this line of activity even "before his defection." He was authorised to issue notes up to \$10,000,000, a limit to which he paid no regard from the first. After he became a highway robber on his own account his liberality in creating paper money became boundless, so that in Chihuahua, the great Province where most of his activities centred, the paper money "amounts to several hundred million pesos," all mixed up with notes of other rebels notorious and with those legally created by the Government. The Villa dilapidations apart, however, President Carranza says the total of paper money for which his generals were responsible did not exceed \$30,000,000. Most of this paper has already been withdrawn, and only \$2,000,000 remain. It is in the hands of the financial commission waiting conversion into the recognised money of the Republic.

President Carranza also gave some account of the Budgets during war time. At first all was freedom, or confusion, each "general" doing what he pleased, getting money where he could or creating it when there was none otherwise to be had. But after the Constitutionalist Government finally managed to get possession of Mexico City, things began to be put in order. It was then sought to find out what moneys had come in and where the income was dissipated, and thus far the light thrown on this important field of mystery has been scanty. "In many cases the funds furnished for the needs of the campaign were handed over in bulk to the military chiefs," who naturally never thought of keeping count or a record of how the money had been disbursed. The administration, however, is toiling away, so "it is possible that, before the beginning of the new fiscal year, an approximate estimate of the extent of the disbursements and receipts of the revolution will be available." We sincerely hope that the President may be able to gratify the thirst for enlightenment on this obscure theme. But at best, as he was careful to explain, the truth can only be guessed. With the present and the future it should be otherwise, although a guess has even been made at the costs of the revolution. As far as can at present be known by an examination of the books of the Treasury, the revolution cost Mexico \$95,417,400 gold and \$855,819,000 paper. The real expenditure must have been much greater, but that, and the private losses—and public likewise—are beyond reckoning.

As for the actual position of the Treasury, in the first four months just past—the President spoke in June (?)—the deficit on an average is not less than \$5,000,000 monthly, "or at the rate of \$60,000,000 a year." Presumably this is a paper money deficit, and whether that or not it is small. The Budget of 1912-13—we think the year ends June 30, as in the United States, but neither the "Statesman's Year Book" nor

"Whitaker" condescends to mention a small yet important fact like that—relating to a time comparatively normal estimated for a deficit of \$120,000,000. As the present Government cannot borrow, not even in the form of additional paper money, it fell back on the expedient of "appropriating" the metallic reserves of the banks, and has in all relieved them of "approximately" \$20,000,000 gold. But the Government is economising, too, by, among other expedients, paying its employees half their salaries in notes, and adding the balances to the national debt. That is the lot of the common civilians, but as for the military, "it would have been impossible to obtain efficient services if only one-half the salaries were thus paid." So the troops and many others had to have 75 per cent. or the whole wage due paid to them.

Economising is always less easy in practice than in theory. For all that, Mexico is settling down, and the people have suffered much less by the robbing and fighting than might have been feared. The country, as we often remind people, is enormously rich, both in cultivable land and in minerals, so that if only the people were justly dealt with in the matter of land-owning and holding, they might wipe out all trace of the recent confusion in ten years' time. Already some little progress has been made with the setting in order and limitation of the paper money. Fraudulently or unauthorisedly issued notes have been, as far as possible, got in, and cancelled. Every "enemy" general had his printing press, and when the rebels managed to lay hold of Mexico City they made what use they could of the Government's plant and patterns of notes found there to provide themselves with "money." All this spurious paper, of whatever origin, has been repudiated, and quite rightly, and thus eliminated from the cost of the revolution to the Federal Government. Its new debt is computed to be only \$120,000,000 gold all told, viz., genuine paper money in circulation—to be, perhaps, redeemed at 20 cents to the dollar—\$80,000,000; Vera Cruz paper, \$5,000,000; bonus from the banks, \$20,000,000; miscellaneous, including debts to employees, as above explained, up to April 30, \$20,000,000. But beyond this there will be indemnities to be paid, not only to private persons, but to the owners of the damaged railways. &c. The sum required to repair the National Railways system alone will run into a good many millions. Of his proposed loan of £30,000,000, which he is seeking to raise in the States and here, President Carranza has set aside £10,000,000 to be used in restoring the physical condition and equipment of the National lines. The time has probably hardly yet come to lend so much money to Mexico in a heap, but Carranza and his colleagues in the Government can hasten its arrival by cleansing the administration and dealing justly alike with the nation and its creditors.

Notes on Books.

Our Money and the State. By Hartley Withers. (London: John Murray. 3s. nett.)

"This book," says the author in his preface, "grew out of a course of lectures on Public Finance, delivered at the London School of Economics in February and March." They must have been very pleasant and instructive lectures to listen to, for they are quite all that to read, written in a style at once more terse and less colloquial than Mr. Withers sometimes uses. There are five chapters in the book—none of them long, for it only extends to 120 pages post octavo all told—entitled "The Objects of Government Spending," "Money Taken by Borrowing," "Money Watered by Inflation," "Money Taken by Taxes," and "The Limits of Government Spending," all subjects worthy of the thoughtful citizen's attention, and all handled deftly, as well as in the main soundly, by Mr. Withers. He is a strenuous upholder of direct taxation as the ideal to be aimed at, and glorifies the income-tax, with its possibilities, in a style that should gratify Chancellor of the Exchequer. And he is right both in his conclusions regarding the income-tax and in his criti-

cisms of the inequalities and injustices of indirect taxation. He should, therefore, be a powerful ally in helping us on towards the ideal. His distinctly interrogative attitude towards State control and ownership of businesses, now almost clamoured for in all directions, is also opportune, and we should have been glad if he had developed this part of his subject further by discussing how far it may be possible or practicable for industries to concentrate and combine so as to become their own controllers on a large, sometimes an all-embracing scale. We have long felt that there is a powerful impulse towards higher things social, in the more equitable adjustment of competition, in the distribution of profits, and, consequently, in the relation of man to his fellow, wrapped up in these powerful, selfishly monopolist combinations of capitalists in the United States, whose performances have so often excited our wrath and scorn.

The talk of State ownership or bureaucratic control of our railways is "in the air." We dread the advent of that day, and would like to have had from Mr. Withers a brief, luminous review, such as he is so capable of giving us, of some of the alternatives. Were the various railways to "fuse," so to say, to unite their systems and properties, purge away their excrescences and incumbrances of boards of directors, wasteful and wasting multiplications of general managers and staffs of officials, and arrange to have one supreme head or group of heads, one policy of management, and so forth, might not the end imagined by the sanguine to be obtainable by State ownership only be better secured? In our belief we shall have to remodel and reduce our swarms of Government officials after the war instead of increasing them, we shall be so poor. Much of our public service will have to be voluntary.

The mention of poverty brings to mind a point at which we do not understand Mr. Withers. What he says we comprehend well enough—or imagine that we do—but why he says it, and what he really wishes to teach us in saying it, are points that elude us. "We cannot hand on the burden of this war to posterity," he says. . . . "Whatever posterity produces will belong to posterity for its own use, and nothing that we do now can deprive posterity of a single ear of wheat that it sows and grows." That is perfectly true; but what has it to do with the relation of posterity to the debts we leave for it from this, or from any, war? Has not the obligation imposed upon the people of this country by the Napoleonic war debts had the direct effect of hardening the lot of the majority of its inhabitants from the day the debt was imposed onwards? Mr. Withers himself answers that question in the affirmative, in describing, with his usual vivacity, the different consequences ensuing to one man who subscribes £50 and to another who subscribes £500 to the last War Loan. Debt produces a permanent and usually an increasing inequality and divergence between the rich and the poor; pile the load of debt high enough and it will destroy the civilisation of any people. Mr. Withers understands the danger and the risks as well as any man. Why, then, this excursion into what may be called academic economics of no bearing upon the facts? Is it to cheer up the depressed citizen, or what? We are puzzled, being uneducated and old-fashioned, knowing only two ways by which succeeding generations can rid themselves of the debt burdens they may inherit from us—repudiation or repayment.

On the interesting discussion of "inflation," its sources and consequences, which occupies Chapter III. of the little book, we have left no room to speak. It is clear and sensible, and the whole book is good, even the bits we may be unable to agree about, for they stimulate.

The transfer books of the Grand Trunk Railway Co. of Canada, so far as regards the perpetual 4 per cent. consolidated debenture stock, will be closed from the 15th inst. to October 13 inclusive. Warrants for the interest accrued to the 30th inst. will be forwarded on October 13th next to all proprietors of this stock registered on the 15th inst.

American Business Notes.

Mr. Joseph Drexel Holmes has been writing in the New York *Commercial Chronicle* to draw attention to the illustration of the meaning of that phrase "an elastic currency" furnished by the statistics of the actual money in circulation in the States in recent years. He takes July 1 in each year as the date for comparison, and begins with 1906. In that year the total of money circulating within the Republic was £550,000,000 as near as may be. Five years later, by July, 1911, the total had risen to £646,000,000, and by 1916, after still another five years, it had become £804,000,000. With the entrance of the United States into the devouring European conflict yet more currency has been needed, and accordingly at the end of the June half of the current year the "money circulating" within the Union had expanded to upwards of £970,000,000. No sign of that "automatic shrinkage when not wanted to be on the stretch" is to be found in this record. Taken by "per head" measurement of necessities, the circulation of all moneys in the Union has risen from \$34.64 in 1913 to 46.57 last July. In the interval the lowest "measure of capacity" was 34.53, on July 1, 1914. It will be higher than ever next July.

An interesting exhibition of currency expansion has been furnished by the Comptroller of the Currency in the United States. In a table he sets forth the amount of National Bank and of Federal Reserve Bank notes issued by his office during the financial year ended June 30 last, together with the amount redeemed. From this table we learn that National Bank notes were "redeemed and destroyed" during the year to the amount of \$28,398,620. In Federal Reserve notes there was an increase of \$371,239,510 in the amount outstanding, caused chiefly by the custom established by these banks of buying gold and issuing notes against it. What will happen should the country one day have to export large amounts of gold? That day is sure to come.

Analysing the details relating to the "stock of money in the country" as at July 1, we find that the gold has increased within the twelvemonth then ended by no less than £93,600,000, and amounted to £502,600,000 at the date given. Of this, \$153,000,000 was metal represented by gold certificates. The actual stock of gold coin and bullion in the Treasury was £618,122,000 or thereby. During the year the Federal Reserve notes in circulation rose from £34,675,000 to £108,950,000.

Last calendar year the Baltimore and Ohio Railroad earned \$116,969,000 gross, an increase of \$9,251,000, and expenses went up \$16,808,000 to \$84,460,000. Nett earnings from working were accordingly down, but only \$557,000 down at \$32,508,000, and the clear income from all sources was \$34,555,000, against \$34,938,000. After paying the ordinary stockholders the 5 per cent. dividend, the surplus left was \$2,612,000, and a year ago, with the same dividend paid, it was \$5,568,000. But debt interest was over \$2,000,000 higher last year than for 1915-16.

Is there any need to emphasise again the genuineness of the spirit of comradeship in a great, a sacred, enterprise which now animates the people of the United States? There should not be, but we may be sure the misguided and depraved type of German will do his utmost, and if possible excel his reputation in the dissemination of depreciatory falsehoods on every occasion. That he is active still is proved by the behaviour of the pro-Germans and their allies the pacifists in Chicago and elsewhere. But even in that great centre of German population and of Prussianism the sentiment is overwhelmingly on the side of the champions of liberty. The Mayor, a violent pacifist and pro-German, has been censured by his own council, and the pro-German gush in praise of the Kaiser which had found its way into school books used in Chicago has been expunged. But the plotters are busy still, have been discovered scheming to destroy harvesting machinery so as to prevent the gathering in of the crops. There should be short shrift for the leaders of such ruffians.

Most significant of all is the fashion in which labour of all grades has stood by the President and his intervention in the war. In this attitude it only ranged itself alongside the American Bar Association, 1,000 delegates of which, in convention at Saratoga, passed a resolution, moved by Mr. Elihu Root, expressing the conviction that "the future freedom and security of our country depend upon the defeat of German military power in the present war." And the scenes at the patriotic manifestation in Washington, when recruits marched past the President and his Cabinet, revealed impressively where the nation's heart lay. But of practical unity of will and purpose with the Allies in Europe we have the best of all evidence in the action of Congress, whose liberality in providing us with means to continue the war, puts us beyond the fear of failure to win out to our goal. Mr. Kitchin, the Chancellor of the Exchequer, otherwise chairman of the Ways and Means Committee of the House of Representatives, gave the information that henceforth £100,000,000 a month will be placed at the disposal of the Allies to enable them to pay for what they buy in America and for such other war purposes as required money. And even that limit will probably be exceeded, as we have already explained. But are we sure that liberality like this is not being allowed to stimulate waste here?

Insurance News.

The provisional agreement recently entered into between the Northern Assurance Company and the Provident Accident and Guarantee Company has now become absolute, shareholders representing more than the requisite amount of 80 per cent. of the paid-up capital of the Provident Accident having intimated their acceptance of the Northern company's offer. By this transaction the Northern secures control of a nett premium income which for the past year reached nearly £320,000, of which £170,000 was derived from the marine branch, the balance being made up of personal accident and employers' liability insurances, with a certain amount of fidelity risks.

Shareholders of the Marine Insurance Company will meet on September 18, to consider certain alterations in the company's deed of settlement, alterations being necessary consequent on the proposed acquisition of the shares by the London and Lancashire Fire Insurance Company. The proposed alterations are to be made in order to enable the purchasing company to exercise the controlling interest that passes to it with the acquisition of the shares.

A new insurance company has just been registered at Somerset House under the title of the British Commonwealth Insurance Company, the capital being £200,000 in £1 shares. The company is to carry on any marine, marine accidental, or other insurance and guarantee business, except assurance of the class specified in Section I. of the Assurance Companies Act, 1909, and to insure marine risks on the mutual principle.

An announcement issued by the board of the Star Assurance Society gives the shareholders early intimation of the fact that negotiations are in progress for amalgamation with another insurance company, which, if completed, will tend to augment the value of the society's shares. Further particulars will be given as soon as possible. The directors have taken a wise course in giving the shareholders the earliest possible intimation that negotiations were in progress.

Shareholders of the Irish United Assurance Collecting Society have agreed by an overwhelming majority to the transfer of the business to the City Life Assurance Company of London. There was a full attendance of the policyholders at the meeting, and before the proceedings began the numbers outside the office were so large that measures had to be taken to prevent the obstruction of the ordinary traffic—surely an unique experience for insurance officials.

The Standard Bank of South Africa, Ltd., notify that the address of their New York Agency is now 68, Wall Street.

Canadian Northern Prairie Lands Co., Ltd.—Dividend at the rate of 8 per cent. per annum, payable 1st October.

Tea, Oil and Rubber.

With the price for spot crêpe up to over 2s. 9d., and forward contracts being made up to 2s. 11½d., there has been no holding of the rubber market. Last week the landings were 702 tons and the deliveries 1,068 tons, but stocks still stand at 13,130 tons, against 7,900 tons last year, so that there need be no immediate fear of any shortage, although the restriction of imports will begin to be felt from now onwards. At the same time rubber is so necessary for war purposes that there is no danger of the Shipping Controller allowing stocks to get too low. However, the figures gave a useful handle to the bulls, and as the floating supply of shares is seldom equal to the demand, it is inevitable that prices should advance. Many shares are already quite high enough on any sound reading of the prospects, but all the well-managed estates are giving such excellent results that we see no reason to anticipate a serious reaction in the near future.

Two Sumatran reports are to hand this week, and as they are under the same control we may deal with them together. The Sumatra Consolidated Rubber Estates had an output of 606,480 lbs. in the year to April 30, an increase of 170,000 lbs., and for the current year the estimate is 680,000 lbs. Average price realised was 2s. 7.38d., or 1½d. less than in 1915-16, while the all-in cost was reduced 0.11d. to 11.85d. Nett profits amounted to £51,790, an increase of £11,800, but £1,200 less was brought in, and the available balance is £10,600 up at £52,530. On this occasion £27,000, or £11,000 more, is placed to reserve, and after repeating the dividend of 25 per cent., the carry forward is a little smaller at £500.

The Sumatra Proprietary Rubber Plantations, Limited, is a smaller concern, with a planted area of 1,650 acres, but it is progressing satisfactorily, and the output to April 30 was 176,640 lbs., or not far short of double the previous year's crop. It realised an average of 2s. 9.66d., against 2s. 8½d., and the all-in cost fell from 1s. 8.61d. to 1s. 4.12d., so that the profit has risen from £1,740 to £10,140. This enables the directors to write off the whole of the expenses of the debenture issue, amounting to £6,400, and to pay a maiden dividend of 6 per cent., leaving £1,200, or £450 less, to be carried forward. For the current year the crop is estimated at 235,000 lbs., and with that heavy debenture expense out of the way, a much more substantial distribution may be confidently expected a year hence.

The Week in Mines.

Business in the mining markets has been active this week, though it may be doubted whether the transactions represented a very substantial amount of money. Operations in the more active shares were chiefly professional, and it certainly appeared as if efforts were being made to induce the public, by a display of activity, to take an interest in a number of low-priced shares of very questionable value. It is therefore necessary to warn the public not to be misled in participating in gambles of the Chaffers variety, for they will almost certainly lose their money.

SOUTH AND WEST AFRICANS.

In the South African market many of the leading descriptions have been marked ex dividend this week, but the Cape has continued to send buying orders for the investment varieties, such as New Modderfonteins, which are 21½ ex dividend, Modder Leases, which have risen 1s. to 68s., for Springs, which are 1-32 higher at 37½, and for Rand Selections, which have recovered more than the dividend, and are quoted at 4½ ex dividend. Land shares have been actively supported. African Farms have risen 1s. to 9s., Oceana Consols 1s. to 4s. 6d., and Vereeniging 1s. 9d. to 13s. 6d. Diamond shares have been supported, among which may be mentioned Jagers at 4½. Efforts have been made to galvanise the Rhodesian market into life on the strength of Sir Abe Bailey's formation of a new company. Cam and Motors have risen 1s. 6d. to 11s. 6d., Falcons 1s. to 17s. 3d., and Lonely Reefs 6d. to 27s. 6d. Tanganyikas have, however, fallen 3-32 to 3½. In the West African section Gold Coast Amalgamateds have advanced 1s. to 17s.

COPPER AND MISCELLANEOUS.

Copper shares have been firmer. Rio Tintos have risen ½ to 63¼, and Arizonas at 2½ and Mount Morgans at 32s. 6d. are a shade higher. Broken Hill shares have been firm, in spite of the strike, the rise in silver being a counteracting influence. Sulphides have risen 9d. to 28s., and Broken Hill Proprietary debentures 1½ to 101½. Activity in Nigerian tin shares has

been maintained by professionals, and several sharp rises in prices have occurred; but the public should be careful of taking a hand in this market. Mongus have risen 1s. 3d. to 14s. 6d., Jantars 1s. 6d. to 25s., Naraguta Extendeds 1s. 3d. to 10s. 3d., and Ropps 9d. to 19s. 3d. Geevors have advanced 1s. 9d. to 16s. 3d. The rise in silver has caused buying of Canadian silver shares, and Mining Corporations are 9d. higher at 17s. 3d. Indians have also been in request, and Burmas are $\frac{1}{8}$ s higher at 4 $\frac{1}{8}$ s.

Russians have been the only weak feature. A general decline is recorded on the week, ranging from $\frac{1}{8}$ s in Sisserts to $\frac{3}{4}$ s in Kusso-Asiatics, the latter falling to 3 $\frac{3}{4}$ s.

MINING NEWS.

NORTH BROKEN HILL.—This company, one of the most prosperous of the Barrier group, reports an increase in its profits for the first half of the year. The nett balance was £175,834, as compared with £164,203 in the second half of 1916. Of this £49,167 has been transferred to dividend equalisation reserve, £6,667 to debenture reserve, and £7,000 has been added to reserve for depreciation and general purposes. Surplus assets amount to £483,350. During the six months the mill treated 111,290 tons of ore, producing 22,045 tons of concentrates, as compared with 117,190 tons and 23,123 tons respectively in the preceding half-year. Including development expenses, the total working costs per ton of crude ore was 22s. 5d. as compared with 21s. 10d.

BUTTE'S SALVADOR MINES.—This company has now, after a rather short but prosperous career, been placed in liquidation, owing to the exhaustion of its gold mines in Salvador. The capital of the company is \$750,000 in shares of \$5 each, and this amount has been returned to the shareholders several times over in dividends. A first distribution of 65 cents a share on account of assets is now to be paid to the shareholders. Included in the assets is an interest in a mine situated in Nicaragua, a small but promising property. Milling operations with a small plant have begun, and profits are being made.

HAMPDEN-CLONCURRY COPPER.—The report for the half-year ended February 28 states that at that date the ore reserves amounted to 284,200 tons, containing 20,108 tons of copper. These figures include 106,000 tons of concentrating ore, containing by estimation 4,300 tons of copper. At the end of August, 1916, the ore reserves were estimated at 299,000 tons, containing 22,100 tons of copper. The furnace smelted during the half-year 46,443 tons, and the profit on working account was £64,539 against £165,223 in the preceding half-year. The sum of £23,430 is transferred from equalisation reserve, making the total available £81,976. Out of this two dividends, amounting to £70,000, have been paid; £11,888 is placed to reserve for depreciation, and £88 is carried forward. As the result of steady running conditions since the close of the half-year, and of realisations of products under the 1917 contract, operations in the three months March, April, and May resulted in a profit of about £80,000. A further dividend of 1s. per share was declared on May 21. The past half-year should show a return to the prosperity of the period preceding the half-year under review.

SOUTH KALGURLI.—The results of this company for the year ended March 31 last show an appreciable decrease. Receipts totalled £126,092, against £147,833, and the nett profit declined by £12,285 to £4,050, which added to the sum brought in makes £8,591. Depreciation absorbs £4,460; the dividend is cut down from 1s. to 3d. per share, and the carry forward is reduced from £4,541 to £1,006. The average yield was 22s. 9d., and the average costs 21s. 10d. per ton. Reserves of ore are estimated at 133,221 tons, valued at 5 $\frac{1}{2}$ dwts. per ton.

What Balance Sheets Tell.

ROMANO'S, LTD.

This well-known Strand restaurant has not recovered its pre-war prosperity, but it is, considering its many difficulties, doing wonderfully well. For the year ended June last gross profits rose £5,750 to £23,500. Expenses were £1,530 higher at £14,250, but of this increase £500 is accounted for by redecoration, replacement, &c. The nett result, after writing off £2,100 in respect of depreciation on general equipment against nothing a year ago, is a profit of £7,060, an improvement of £2,030 on that of the previous year. This enables the company to increase the dividend from 5 per cent. to 6 per cent., to allocate £3,600 to reserve, and to raise the carry forward £760 to £16,640. Cash is £3,500 higher, and the loan has been reduced £3,360 to £22,300.

WOOLLEY, SANDERS AND CO., LTD.

We should imagine this company has had many difficulties to contend with as regards labour and supplies of raw materials, and the profit of £10,170 can only be considered as being distinctly satisfactory. It represents an increase of £850 on that of the previous year, and exceeds the amount required to repeat the dividend of 8 per cent. by £3,670. A larger amount was brought in than on the previous occasion, and the carry forward exhibits an increase of £4,850 to £9,320. This latter sum is subject to excess profits duty, but the average net profit for the last two datum years comes out at £8,000, and the amount the company will have to pay will be well within its resources. Current liabilities have gone up £11,570 to £50,385, but on the other hand stock exhibits an increase of £6,150, and liquid assets are £9,330 larger.

WRIGHT, BINDLEY AND GILL, LTD.

Although the profits of this company for the financial year ended June last are only slightly in excess of those of the preceding year, it is doing very well. In the last year before the

war the company made a profit of only £2,440, and was unable to keep up the preference dividend. Now its profit amounts to £19,000, and it is able to pay 5 per cent. on the ordinary shares. The profit is subject to excess profits duty, but the surplus of £7,700 should more than suffice to meet this, and the company thus has apparently a substantial reserve in the carry forward of £17,000. In the balance-sheet investments at market value are up £8,700 at £26,500, cash exhibits an increase of £3,370 at £11,480, and creditors and disbursements are £7,320 less at £35,870. Of course, the improvement in investment values may be followed by a reaction, and a certain amount will presumably have to be paid away in excess profits duty, but the company's liquid position is, compared with what it used to be, fairly strong.

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and September 1, 1917:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Sept. 1, 1917.	Total Receipts into the Exchequer from April 1, 1916, to Sept. 2, 1916.
Balances in Exchequer on April 1—	£	£	£
Bank of England	—	25,209,947	25,111,065
Bank of Ireland	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs	70,750,000	29,025,000	27,022,000
Excise	34,950,000	14,664,000	20,470,000
Estate, &c., Duties	29,000,000	13,010,000	13,220,000
Stamps	8,000,000	2,738,000	2,950,000
Land Tax	2,600,000	330,000	310,000
House Duty	—	—	—
Property and Income Tax and Super Tax	224,000,000	45,200,000	30,667,000
Excess Profits Duty (including Munitions Levy)	200,000,000	72,561,000	21,643,000
Land Value Duties	400,000	217,000	110,000
Post Office	33,700,000	13,600,000	13,600,000
Crown Lands	600,000	200,000	220,000
Receipts from Sundry Loans, &c.	7,500,000	688,899	518,087
Miscellaneous	27,100,000	20,197,051	2,508,739
Revenue	638,600,000	212,430,950	133,268,826
Total, including Balance		238,866,809	158,843,832
OTHER RECEIPTS.			
Repayment of Advances for Bullion	—	880,000	1,780,000
For Treasury Bills (for supply)	—	917,677,000	811,695,000
For 4 $\frac{1}{2}$ per Cent. War Loan, 1925-1945	—	—	424
For 5 per Cent. Exchequer Bonds, 1919	—	—	32,801,000
For 5 $\frac{1}{2}$ per Cent. Exchequer Bonds, 1920	—	—	81,654,500
For 5 per Cent. Exchequer Bonds, 1921	—	—	56,230,000
For 5 per Cent. Exchequer Bonds, 1922	—	74,533,000	—
For War Expenditure Certificates	—	—	20,149,000
For War Savings Certificates	—	15,150,000	22,850,000
For other Debt created under the War Loan Acts, 1914-1917	—	260,159,944	10,000,000
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947	—	166,550,000	—
Temporary Advances—			
Ways and Means (including Treasury Bills £345,000,000 in 1916-1917)	—	400,631,500	409,396,500
Total		2,033,448,253	1,605,410,256

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Sept. 1, 1917.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Sept. 2, 1916.
EXPENDITURE AND OTHER ISSUES.			
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	17,000,000	8,410,757	11,265,351
Interest, &c., on War Debt ..	194,500,000	66,059,019	49,288,131
Payments to Local Taxation	—	—	—
Accounts, &c.	9,700,000	2,535,318	2,640,801
Other Consolidated Fund	—	—	—
Services	1,695,000	706,313	690,768
Supply Services	2,068,826,000	1,048,700,692	690,506,697
Expenditure	2,291,721,000	1,126,412,099	754,391,748
OTHER ISSUES.			
For Advances for Bullion	—	940,000	2,140,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	—	4,909	60,914
Under Telegraph (Money) Act, 1913	—	55,000	150,000
Under Post Office (London) Railway Act, 1913	—	50,000	135,000
Under Housing Act, 1914	—	175,400	18,900
For Treasury Bills for Supply	—	535,537,000	637,012,000
For Exchequer Bonds under Section 61 of the Finance Act, 1916, and Section 34 of the Finance Act, 1917	—	238,730	—
For other Debt under the War Loan Acts, 1914 to 1917	—	14,467,156	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908	—	—	38,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	—	23,160
Temporary Advances repaid—			
Ways and Means (including Treasury Bills £151,205,000 in 1916-17)	—	383,526,500	185,101,500
Total		2,061,486,794	1,579,071,222
Balances in Exchequer—	1917. Sept. 1.	1916. Sept. 2.	
Bank of England	21,290,838	25,045,933	
Bank of Ireland	670,621	1,323,101	
Total			
		21,961,459	26,369,034
Total		2,083,448,253	1,605,410,256

MEMO.—Treasury Bills outstanding on Sept. 1, 1917, £846,141,000.
* Includes £504,000, the proceeds of which were not carried to the Exchequer within the period of the account.

COMPANY MEETINGS.

RAPHAEL TUCK AND SONS, LTD.

The sixteenth annual ordinary general meeting was held on Wednesday, at Salisbury House, Sir Adolph Tuck, Bt., managing director, in the chair.

The Secretary (Mr. J. W. Bretherton) having read the notice convening the meeting and the auditors' report,

The Chairman, after referring to the many difficulties connected with the restrictions both with regard to the export of the company's publications and the import of the necessary material, made the gratifying announcement that the business of the company in this the fourth year of the war was again on the upward grade, the nett profit for the year amounting to £14,530 3s. 1d.

In dealing with the outlook for the future, Sir Adolph Tuck gave some interesting particulars with regard to the new collections placed upon the market by the company for the coming season. It is surely a matter of pride, he said, to have produced such a collection with the whole of the fighting strength of Raphael House on active service; with the Raphael House Women Workers' Guild, which is affiliated to the British Red Cross Society, still continuing its beneficent work for the wounded; and with the older men in the house responding to the country's call for National work in all directions, and it can surely be no idle boast to say that in thus putting forward for the coming season so remarkable a line of new publications in all departments, this company gives sterling proof of doing real National Service in the cause of Art and Education, and to yet another highly important essential, the home and overseas trade. He afterwards referred to the results of the past year's working, and to the principal items in the balance-sheet, and pointed out that the entry of "copyrights, patents, goodwill, &c.," remained unchanged at £240,732. He had explained the justice of retaining that figure for goodwill, copyrights, &c., on previous occasions, and the arguments adduced applied as fully this year. In reality it represented a portion of the capital of the company, and at the same figure as in the first year of its formation 16 years ago, during which period the world-name of their business had continued to spread. It needed but a victorious peace again to provide the interest on this as on the remainder of the capital. The balance of the profit and loss account, £11,500, with the transfer of £2,249 from the general reserve, had provided for the payment of the dividend on the cumulative preference shares, and he need scarcely point out the value to the ordinary shareholders of the policy followed by the directors in seeing to it that not a single penny had been left owing throughout the war to the cumulative preference shareholders. With regard to the American company, in which the London company was so largely interested, the results for the past year were more encouraging, and gave promise that when normal conditions once again prevailed the American business would make up for its losses in the past few years. He was glad to be in a position to make the gratifying announcement that last year's veto by the War Office on the dispatch of Christmas cards to America by the public had been entirely removed. After expressing the confident hope that the improvement they had been able to show during the third year of the war would be more than maintained in the present year, he concluded by moving the adoption of the report.

Sir Arthur Conan Doyle, in one of his characteristic speeches, seconded the motion, which was adopted.

ARGENTINE IRON AND STEEL.

The fifth ordinary general meeting of the Argentine Iron and Steel Co. (Pedro Vasena & Hijos), Ltd., was held yesterday at Winchester House, Old Broad Street, London, E.C., Mr. Charles Lock, vice-chairman, presiding.

The Acting Secretary, Mr. W. F. Yaxley, having read the notice calling the meeting and the auditors' report,

The Chairman, in the course of moving the adoption of the report and accounts, said: As stated in the report, the conditions under which the business has been carried on during the year have been somewhat adverse. The heavy demand for iron and steel goods, to which I alluded at the meeting last year, has continued and has even been accentuated. Practically our only source of supply has been the United States of America, which country has been drawn upon by nearly all parts of the world, with the result that buying prices have risen to heights formerly unknown. It has been difficult to place orders with manufacturers, and equally difficult to get deliveries at reasonably early dates. For these reasons our local board some time ago sent a trusted representative to New York to report on the situation, so as to facilitate not only the company's operations during the latter half of last year, but also, it is hoped, the course of business during the current year. Another factor which is highly important to us as importers is the question of freight. It is a matter of common knowledge that freights have reached figures which, within the experience of most of us, are quite unprecedented, and prices in Buenos Ayres have consequently been so high as to restrict business to what may be called absolute necessities. Fortunately we commenced the year on March 1, 1916, with a sound, well-selected stock of considerable value, and with orders placed for future deliveries extending substantially over the whole of the year. The local board are to be congratulated on the foresight they displayed during the past financial year in placing these orders, as the fact that forward contracts were made in good time has enabled the company always to maintain its stock at a satisfactory level, and at, in the circumstances, a not unduly high cost, and thus meet the varied requirements of its numerous *clientèle*. There have been no large contracts going during

the year, but judging from the reports which we have received and from the manager's report, I can say that we have obtained a large proportion of all that were available, and that our work and the rapidity with which we have executed contracts have given satisfaction to our clients.

Last year I was able to announce that to supplement the falling-off in large constructional operations, the management had introduced several new lines of business. These have been developed and have given a material contribution towards the trading profit. Summarising in a few words the effect of the year's work, I may say that, owing to the high prices prevailing, we have had to be content with a smaller ratio of profit than was obtainable last year, but owing to the larger cash turnover involved, we have been able to make a substantial profit even somewhat in excess of that of last year. The profit on trading amounts, in fact, to £106,231 odd this year, as against £102,875 for the previous year.

The profit of trading is £106,231. Deducting the salaries of the managers and the amount set aside for depreciation, including the redemption of debentures, we have a balance of £86,233. Being in the position this year of being able to make a somewhat more liberal allowance to reserve, we have transferred thereto the sum of £15,462. This question of reserve has been the subject of great consideration by the board. On the one hand there is a very natural feeling that in times like the present one cannot be too conservative in the way of finance. On the other hand, there are to be considered the claims of the ordinary shareholders, who, for three years, have not participated in a dividend. The ordinary shares are held very largely by the manager and other members of the Vasena family, and they have, not unnaturally, felt that the business and profits having been maintained at a satisfactory level during the past three years, and the very large floating debt which the company had incurred (which at February, 1914, stood at no less than £243,158), having been paid off, they might fairly claim to receive a modest dividend on the capital which they held. The payment of the ordinary dividend carries with it the payment of an extra $\frac{1}{2}$ per cent. to the preference shareholders, so that the payment for the year under review will be $6\frac{1}{2}$ per cent. to the preference shareholders and 4 per cent. to the ordinary shareholders, a result which should tend to enhance the credit of the company.

Baron Emile d'Eranger seconded the resolution, and it was carried unanimously. The retiring directors and auditors were re-elected, and the meeting terminated with a vote of thanks to the chairman.

NOTICE.

CUBAN PORTS COMPANY.

The Trust Co. of Cuba, domiciliated in Havana, as Trustee, notifies the owners of or holders of the Mortgage Bonds, Series "A" and "B," issued by the Cuban Ports Co. per deeds of March 11 and July 1, 1911, before the Notary of this City, Lawyer Pelace Garcia y Santie.

1st. That Article 1 of the Law of July, 24th ultimo, confers on the President of the Republic, in so far as he should deem it proper and convenient, the authority to decide and settle all questions pending in reference to the Cuban Ports Co. and its mortgage creditors upon the conditions expressed in said Article, and among others especially the transfer to the Republic of Cuba of all or a part of the assets of the company upon the terms to be agreed, and the acceptance as exclusive guarantee for the payment of any amount that may be allowed in favour of the parties of 50 per cent. of the amount of the Port dues.

2nd. That the President of the Republic, in Decree No. 1024 of July, 28th ultimo, published in the Gazette of the 1st inst., has ordered that within the term of two months counting from the promulgation of that Decree all those who should be or consider themselves comprised in said Article 1 of the Law of July, 24th ultimo, present their documentary claims to the Secretary of the Presidency.

3rd. That in order to pass valid resolutions concerning the points mentioned in so far as they may affect the Bondholders or in order to adopt any of the resolutions to which Article 32 of the Deed of Bond Issue, dated July 1, 1911, quoted before, refers, the Trustee calls hereby all the holders or owners of the Mortgage Bonds mentioned, Series "A" and "B," to hold a General Extraordinary Meeting on the 9th October next at 3 p.m. at the Principal Hall of the building which the Trustee has in Púlmargall or Obispo Street, No. 53, in this City of Havana.

4th. That at said General Meeting the rules established by Articles 31 to 36 of the Deed of July 1, 1911, shall be observed in so far as they may be applicable to the meeting.

Havana, August 23, 1917.

The Trust Co. of Cuba.

Forms for Deposit of Bonds and Proxies are obtainable at the offices of Messrs. Kleinwort, Sons and Co., 20, Fenchurch Street, E.C. 3, or of Messrs. Sperling and Co., Basilidon House, Moorgate Street, E.C. 2. The Proxies, in order to be available for the meeting, should together with Certificate of Deposit reach the above-mentioned Offices not later than by the first post on the 6th of October.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.				Wks.	GROSS TRAFFIC TO DATE.	
	Week ending	Amount	In. or dec. on last year.	Amount		In. or dec. on last year.	
		Rs.	Rs.		Rs.	Rs.	
Assam Bengal ..	July 7	1,00,000	—	28,409	1	17,61,213	— 9,894
Barsi ..	June 16	16,500	—	800	1	2,00,400	— 11,900
Bengal & N.-W. ..	July 7	4,70,480	+	1,21,413	1	63,56,202	— 68,021
Bengal Nagpur ..	" 14	10,16,000	+	49,000	1	1,59,97,932	+ 10,26,566
Bombay, Baroda ..	Aug. 25	11,86,000	+	99,000	1	3,01,89,000	+ 14,88,000
Burma ..	July 17	26,288	—	52	1	32,47,112	+ 29,082
Delhi Umballa ..	Aug. 25	74,208	+	9,973	1	15,67,600	+ 2,03,177
East Indian ..	Sept. 1	23,43,000	+	1,99,000	1	4,86,69,000	+ 4,00,000
Gt. Indian Penin. ..	Aug. 25	18,06,600	+	99,200	1	4,35,98,803	+ 27,95,801
Lucknow-Bareilly ..	July 7	41,595	+	2,918	1	7,04,629	+ 34,868
Madras and S. ..							
Mahratta ..	" 14	10,50,000	+	71,080	1	1,60,47,446	+ 3,91,064
Nizam's Gd. (Broad) ..	" 14	1,27,556	+	13,960	1	19,85,427	— 3,239
" (Metre) ..	" 14	65,824	—	2,520	1	11,58,335	+ 6,621
Robilkund and ..							
Kumaon ..	July 7	44,343	+	3,453	1	7,12,978	+ 37,860
South Indian ..	" 14	7,02,943	+	56,016	1	1,02,93,811	+ 6,94,279

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

		£	£		£	£
Bristol ..	Aug. 31	11,923	+ 699	†	355,470	+ 24,686
Dublin United ..	" 31	6,789	— 41	†	231,744	+ 23,030
Hastings and Dist. ..	Sept. 2	1,791	+ 145	†	42,764	+ 6,337
Isle of Thanet ..	Aug. 11	713	— 310	*	13,314	— 1,351
Lancashire United ..	" 29	2,579	+ 565	†	79,399	+ 17,309
Provincial ..	" 25	3,211	— 199	*	107,758	+ 25
Yorks. (Wst. Rng.) ..	Sept. 2	2,424	+ 526	†	73,398	+ 12,208

* From Oct. 1.

† From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

		£	£	Ms.	£	£
Alabama Power ..	July 5	103,551	+ 30,631	†	103,551	+ 30,631
Anglo-Argentine ..	Sept. 2	50,116	+ 2,183	*	1,788,768	+ 16,779
Auckland Electric ..	July 27	21,799	+ 292	*	21,799	+ 292
Brazilian Traction ..	June	M4,022,000	+ M92,000	5	M24,402,000	+ M138,000
Brisbane Elec. Inv. ..	July	32,720	+ 160	7	226,315	+ 975
British Columbia ..	June 5	772,729	+ 99,899	11	1,042,130	+ 244,747
B.A. Lacroze ..	June	38,623	+ 376	*	38,623	+ 376
Buxmah Electric ..	May 17b	Rs. 24,950	+ Rs. 1,321	—	—	+ Rs. 27,698
Calcutta ..	Sept. 1	Rs. 69,550	+ Rs. 4,543	—	Rs. 222,955	+ Rs. 23,990
Carthage and ..						
Herrerias ..	Aug. 6	4,164	+ 2,083	*	34,099	+ 13,278
Córdoba Light ..						
P. & T. ..	July	14,343	+ 85	4	56,754	— 1,165
Hongkong ..	" 21	113,355	— 3,092	*	388,489	— 114,467
La Plata ..	" 6	3,875	— 35	7	29,019	+ 816
Lima ..	June	16,843	+ 1,977	6	100,160	+ 5,662
Madras Electric ..	Aug. 31c	Rs. 38,031	+ Rs. 3,965	*	Rs. 553,976	+ Rs. 50,530
Mexico ..	Nov. 5	215,256	— 108,669	*	3,193,106	— 197,287
Rangoon ..	Aug. 5	4,788	+ 535	*	38,288	+ 2,000
Singapore Electric ..	June 23	12,455	+ 287	*	326,593	+ 16,598
Toronto ..	" 5	475,408	+ 27,552	6	271,393	+ 5,105
United of Monte V. ..	Aug.	28,860	+ 2,816	9	300,253	+ 7,921
Vera Cruz ..	May 5	35,000	— 2	4	250,800	—
Winnipeg ..	June 5	49,664	— 37,907	5	643,897	— 194,611

b 28 days. * From Jan. 1. † Net. a From July 1. c Two weeks.

UNITED STATES OF AMERICA.

		£	£	£	£	
Chesapeake & Ohio ..	Aug. 21	1,021,000	+ 55,000	†	33,416,000	+ 2,110,000
Chicago G.W. ..	" 21	354,000	— 26,000	†	—	—
Colorado & South'n ..	" 21	349,000	+ 46,000	†	11,011,000	+ 1,425,000
Denver & Rio Gran. ..	" 21	549,000	+ 12,000	†	17,203,000	+ 2,215,000
Louisville & Nashv. ..	" 21	1,509,000	+ 230,000	†	46,951,000	+ 6,958,000
Minn. S.P. (So.) ..	July 31	943,000	+ 11,000	†	19,104,000	— 345,000
Missouri Kansas ..	Aug. 21	868,000	+ 144,000	†	25,584,000	+ 4,603,000
Southern ..	" 21	2,320,000	+ 374,000	†	68,934,000	+ 8,915,000

† Includes Wisconsin Central. † From Jan. 1. † From June.

FOREIGN RAILWAYS.

		£	£	£	£	
Alcoy and Gandia ..	Aug. 25	7,150	+ 150	†	Ps. 80,520	— Ps. 82,380
Antofagasta (Chili) ..	Sept. 2	47,715	+ 10,400	†	1,395,750	+ 220,310
Arauco ..	July 31	11,000	+ 2,900	†	66,000	+ 14,700
Argentine N.E. ..	Sept. 1	8,000	+ 200	†	76,700	+ 14,898
Bilbao R. and Cants ..	July	3,644	+ 1,639	7	24,653	+ 5,408
Bolivar ..	"	11,000	+ 4,923	†	11,000	+ 4,928
Brazil ..	June	M3,926,000	+ M886,822	†	M2365,000	+ M274,027
Brazil Gt. Southern ..	"	M14,420,000	+ M4,100	†	M212,990	+ M33,700
B. Ayres & Pacific ..	Sept. 1	70,000	+ 10,000	†	661,000	+ 107,008
Do. Central ..	July	24,837	+ 3,475	†	24,837	+ 3,475
Do. Gt. South'n ..	Sept. 2	93,000	+ 4,000	†	802,705	+ 67,549
Do. Western ..	" 2	38,000	+ 12,000	†	348,000	+ 98,000
Central Argentine ..	" 1	90,000	+ 18,000	†	716,100	+ 310,800
C. Ur'g'ay of Mte V. ..	" 1	15,846	+ 5,042	†	139,174	+ 40,824
Do. East'n Ex. ..	" 1	3,026	+ 187	†	37,619	+ 5,112
Do. North'n Ex. ..	" 1	2,571	+ 601	†	25,818	+ 9,405
Do. West'n Ex. ..	" 1	1,792	+ 517	†	13,343	+ 408
Córdoba Central ..	" 1	33,150	+ 1,610	†	320,310	+ 4,865
Costa Rica ..	May 26	4,584	+ 933	†	245,167	+ 11,933
Cuban Central ..	Sept. 1	11,292	+ 1,531	†	114,740	+ 30,206
Dorada Extension ..	July	13,082	+ 4,456	†	91,594	+ 25,605
Egyptian Delta ..	" 20	5,249	+ 228	†	60,541	+ 7,307
Entre Rios ..	Sept. 1	13,600	+ 1,300	†	119,900	+ 11,000
French Santa Fé ..	Dec.	81,752	+ 1,139	12	1,080,727	+ 156,858
Gt. South. of Spain ..	Aug. 25	Ps. 52,038	— Ps. 33,836	†	Ps. 302,622	+ Ps. 598,944
Gt. West. of Brazil ..	Sept. 1	11,300	+ 3,700	†	425,350	+ 115,750
Havana Central ..	" 25	6,963	+ 918	†	53,912	+ 6,526
Inter. of C. Amer. ..	July 6	14,589	+ 6,325	†	199,480	+ 24,452
La Guaira and Car. ..	Aug.	6,750	+ 750	†	63,000	+ 2,000
Leopoldina ..	Sept. 1	39,257	+ 6,838	†	953,527	+ 168,780
Manila (N. & Sth.) ..	Aug. 5	10,389	+ 1,997	†	10,389	+ 1,997
Midland Uruguay ..	Aug.	12,766	+ 4,172	†	24,894	+ 6,653
Mogiana ..	June	M1,656,000	+ M473,279	†	M7,042,000	+ M274,641
N.W. of Uruguay ..	"	26,000	+ 960	†	295,778	+ 26,908
Nitrate ..	Aug. 31b	34,627	+ 3,108	†	508,924	+ 68,424
Paraguay Central ..	Sept. 1	3,490	+ 940	†	27,310	+ 1,290
Paulista ..	June	M2,188,000	+ M494,268	5	M9,909,000	+ M410,641
Peruvian Corp'n ..	Aug. 5	S 979,430	+ S 83,530	†	S 1,954,430	+ S 223,100
Salvador ..	" 25	13,800	+ 6,700	†	S 113,960	+ S 53,445
S. Paulo (Brazilian) ..	" 26	51,054	+ 14,337	†	867,513	+ 8,594
Sorocabana ..	June	M1,514,000	+ M291,539	6	M9,333,000	+ M15,1078
Taitai ..	"	22,635	+ 1,492	12	234,090	+ 8,181
United of Havana ..	Sept. 1	34,784	+ 5,102	†	322,558	+ 50,073
West'n of Havana ..	" 1	8,119	+ 73	†	63,731	+ 8,824
Zafraand Hueyva ..	July	11,866	+ 860	6	77,456	+ 950

* Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

COLONIAL RAILWAYS.

		£	—	£	£	£	
Beira ..	June *c	53,943	—	5,150	†	596,616	+ 15,923
Canadian Northern ..	Aug. 31	\$1,134,400	+	\$5,300	†	\$7,250,100	+ \$269,000
Canadian Pacific ..	" 31	\$4,018,070	—	\$74,000	†	\$96,738,000	+ \$2,299,000
Gr. Trk. Main Line ..	" 31	340,385	+	14,443	†	6,668,456	+ 831,710
Gr. Trk. Western ..	" 31	54,293	—	1,427	†	1,312,595	+ 25,307
Detroit G. H. & M. ..	" 31	17,951	—	1,516	†	456,791	+ 2,829
Gr Trk Pac Prairie So ..	" 31	25,490	+	5,073	†	200,581	+ 58,126
Mashonaland ..	May *	65,700	+	2,798	8	442,673	+ 17,515
Mid. of Westn. Aus. ..	" *	6,418	—	513	9	84,036	+ 870
New Cape Central ..	July 14	1,578	+	107	†	54,371	+ 7,429
Rhodesia ..	June *c	86,513	—	105	9	751,345	+ 45,942

* Months. † July 1. † Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.			No. of Mths.	NETT EARNINGS TO DATE.	
	Month.	Amount.	In. or Dec. on last year.		Amount.	In. or Dec. on last year.
		Dols.	Dols.		Dols.	Dols.
Atchison T. & S. Fé ..	July	4,790,000	+ 720,000	1	4,790,000	+ 720,000
Atlantic Coast Line ..	"	426,000	— 33,000	7	6,699,000	+ 181,000
Baltimore & Ohio ..	June	2,869,000	— 335,000	6	14,447,000	+ 300,000
Canadian Northern ..	July	904,900	+ 292,500	1	904,900	+ 292,500
Canadian Pacific ..	"	4,017,000	+ 257,600	7	23,619,000	+ 1,339,000
Chesapeake & Ohio ..	June	1,139,000	— 357,000	6	6,799,000	— 411,000
Chicago & N.W. ..	"	2,341,000	+ 3,000	6	11,052,000	+ 1,339,000
Chicago Bart. & Q. ..	May	3,489,000	+ 620,000	5	17,144,000	+ 1,436,000
Chicago G.W. ..	June	462,000	— 1,000	6	1,492,000	+ 423,000
Chicago Mil. & S.P. ..	"	2,320,000	+ 426,000	6	10,848,000	+ 1,380,000
Chicago, Rock I. & P. ..	"	1,641,000	+ 452,000	6	10,156,000	+ 750,000
Colorado & Southern ..	"	542,000	+ 150,000	6	2,830,000	+ 531,000
Cuba ..	"	369,000	+ 52,000	12	1,922,000	+ 1,595,000
Delaware & Hud. ..	"	734,000	+ 74,000	11	2,651,000	+ 1,202,000
Denver & Rio Gran. ..	"	636,000	+ 117,000	6	3,877,000	+ 288,000
Erie ..	"	1,670,000	+ 117,000	6	8,449,000	+ 3,803,000
Gr. Tr. Main Line ..	July	4,249,800	+ 12,640	7	21,267,800	+ 1,580,050
Grand Trunk Westn ..	"	1,195,000	+ 437,450	7	2,222,950	+ 252,050
Detroit G. H. & Mil. ..	"	657,300	+ 18,450	7	2,458,100	+ 1,78,050
Gt. Northern ..	June	2,899,000	+ 496,000	6	9,288,000	+ 217,000
Illinois Central ..	"	1,720,000	+ 230,000	6	9,653,000	+ 2,404,000
Kansas City Southn. ..	July	366,000	+ 1,000	7	2,544,000	+ 457,000
Lehigh Valley ..	June	1,362,000	+ 212,000	6	4,689,000	+ 1,231,000
Louisville & Nashv. ..	"	1,209,000	+ 280,000	11	9,260,000	+ 229,000
Minn. S.P. (So.) ..	"	1,183,000	+ 146,000	6	4,265,000	+ 1,378,000
Miss. K. & Texas ..	"	808,000	+ 510,000	11	2,957,000	+ 8,670,000
Missouri Pacific ..	"	1,869,000	+ 1,259,000	6	9,988,000	+ 4,970,000
New York Cent. & H. ..	"	5,492,000	+ 8,000	6	20,889,000	+ 8,649,000
N. Y. N. Haven & H. ..	"	1,820,000	— 311,000	6	10,319,000	+ 120,000
New York Ont. & W. ..	July	357,000	— 49,000	7	919,000	— 100,000
Norfolk & Western ..	"	1,802,000	+ 314,000	7	12,016,000	+ 1,674,000
Northern Pacific ..	June	3,013,000	+ 960,000	6	14,412,000	+ 1,252,000
Pennsylvania East ..	"					
and West Lines ..	"	10,046,000	— 96,000	6	39,603,000	— 10,661,000
St. Louis & San F. ..	May	1,391,000	+ 121,000	11	15,124,000	+ 2,795,000
Seaboard Air Line ..	June	514,000	+ 47,000	6	3,990,000	+ 94,000
Southern ..	"	1,882,000	+ 600,000	12	24,331,000	+ 2,953,000
Southern Pacific ..	July	5,616,000	+ 767,000	7	34,491,000	+ 9,198,000
Union Pacific ..	"	3,716,000	+ 262,000	7	22,566,000	+ 435,000
Wabash ..	"	1,061,000	+ 45,000	7	6,819,600	+ 89,000

The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

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CONTENTS.

Passing Events:—Revenue—French Events—Russian Events—"Very Disastrous" Mr. Law—Parliamentary Reform in Berlin—The Coal Industry—Crosswell's Cardiff Brewery—Coming Brewery Profits—Calico Printers' Association—Bolckow, Vaughan—Stock Exchange Committee—East Rand Proprietary Mines (pp. 271-4).

Leading Articles:—To Avert Famine—Our Foreign Trade in August—The Seventh German Loan—Port of London Authority—Riga "Free"—as Poland is—By-the Way War Notes (pp. 275-9 and pp. 285-8).

American Business Notes:—Elihu Root on Russia (p. 279).

Money and Credit Notes:—Steady Money—Bank Return—Impending Issue of Exchequer Bonds—Rapid Repayment of Bankers' Loans on War Loan Subscriptions—United States Ban on Gold Exports—Demoralised Roubles—Financing Indian Companies—Silver (pp. 280-2).

Insurance News:—Australian Mutual Provident Society—German Post-War Insurance Scheme—Commercial Union and National Amalgamation—Eagle and British Dominions Acquiring Star Shares (p. 288).

Tea, Oil, and Rubber:—Rubber Statistics—Ceylon Exchange Difficulties—Anglo-Dutch Plantations of Java (p. 289).

Mining News:—Shamva—West African Gold Output—Transvaal Gold Production—Native Labour Returns—Broken Hill Proprietary Block Ten—Broken Hill Proprietary Block 14—Buena Tierra (pp. 289-90).

What Balance Sheets Tell:—John Spencer and Sons—Leigh Mills Co.—Wolseley Sheep Shearing Machine Co.—Andrew Whyte and Son—Paine and Co.—Ibbotson Bros. and Co. (pp. 290-1).

Company Meetings:—Anglo-Dutch Plantations of Java—Charron, Ltd. (p. 291).

The Week's Stock Markets (p. 282-3).

London Produce Markets (pp. 283-4).

Public Income and Expenditure (p. 284).

Answers to Correspondents (p. 288).

The Week in Mines (p. 289).

Dividends Announced (p. 290).

Traffic Returns (p. 292).

Oilfields Items (p. 292).

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The Investors' Review.

Vol. XL.—No. 1,028.
New Series.

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One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

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Passing Events.

When will the Treasury overturn of a week reach its maximum? Perhaps when £250,000,000 of the floating debt comes along some week for renewal. Last week barely £65,000,000 of that debt fell to be renewed, and yet the total expenditure of the week was £125,508,000. Was the balance all war current expenditure? Not quite. The "depreciation fund" demanded £16,894,000, and the actual outgoing on supply was only £42,712,000, or £6,102,000 per day. In addition, "miscellaneous" took £1,379,000, making the aggregate of new money disbursed £44,091,000, or £6,290,000 per day, against which the cash income was £10,948,000. To make up the remaining £110,000,000 the Treasury had to discount £65,502,000 of Treasury bills and borrow "temporarily" £22,859,000. This still left it about £22,000,000 short of its necessities, but as £25,900,000 of "other" debt—United States advances, doubtless—came to hand, as also £2,276,000 from the sales of Exchequer bonds and £60,000 proceeds of War Savings Certificates was received, the Government was able to adjust its "journal" for the week with £2,577,000 over, which was added to the Exchequer balances, raising them to £24,539,000. Although £65,502,000 was raised by Treasury bills, the nett addition to the floating debt in that shape was but £24,508,000, which made the total now afloat £870,749,000. By the further sales of Exchequer bonds also, the debt in that form brought into existence since the second week of April last is raised to £76,809,000. Up to the end of last week the revenue actually encashed has been £223,379,000, and of last week's income of £10,948,000, £2,083,000 came from property and income-tax and £3,413,000 from excess profits duty, &c., or £5,495,000 in all, and upwards of half the week's receipts. The "depreciation" item represents the cost of maintaining the price of the War Loan upon the market, an average of about £2,815,000 a month since the loan was issued in February.

Why the French Socialists have such an invincible dislike to M. Ribot we do not know and cannot guess. He is one of the most respected and respect-worthy statesmen of France, and his Premiership, now ended, has covered quite the most trying and arduous period in

the country's history. And M. Ribot has not proved unequal to the formidable duty laid upon him. But it all counts for nothing with the Socialists, who broke away from M. Painlevé when he refused to withdraw M. Ribot's name from his proposed Cabinet, in which he had been assigned the portfolio of Foreign Affairs. At first this attitude looked like a defeat for the new Prime Minister designate, but M. Painlevé is evidently a man of resolute courage, as well as of high administrative talent, and he preferred to risk the absence of the Socialists from his Cabinet to parting with the venerable statesman, his predecessor, whose knowledge of affairs is unrivalled, and whose experience should be invaluable. Therefore he lost the active help of that other able man, M. Albert Thomas, whose name and work as "Munitioner" is so well known and so much admired here. He and some of his Socialist colleagues will unquestionably be missed just now in the guiding of the Republic's affairs, but the Socialist party they represent or lead has, it seems, promised to be friendly to the new Government—to maintain a friendly, but armed, neutrality, in short—and we trust loyalty to the cause of human redemption will keep them from being cantankerous. Socialism will have more and more to say for itself in the coming days, and some of its apparently most objectionable and bourgeois-frightening postulates may ere long become "planks" in the platform of feasible reforms. It does not follow that they must always be humoured, referred to, and consulted by the Administration. All will depend on their behaviour. M. Painlevé has got together a team which looks serviceable, by no means the least distinguishing characteristic of which is the new "War Committee," formed on the British model, composed of ex-Premiers and Secretaries of State, well-known men of the highest character and great experience in affairs. As this Ministry has just the chance, through its head, to last and become historic, we make room for the full list here. "But it may vanish in a week." Well, even then it will be worth remembering; for, whatever happens to these men as now grouped in an Administration, most of them must continue to help in steering the Republic through shoals, quicksands, and whirlpools of the coming years of turmoil called "peace."

Prime Minister and Minister of War, M. Painlevé; Justice, M. Peret; Foreign Affairs, M. Ribot; Interior, M. Steeg; Marine, M. Chaumet; Armaments, M. Loucheur; Finance, M.

Klotz; Colonies, M. Rene Besnard; Public Works, M. Claveille; Public Instruction, M. Daniel Vincent; Labour, M. Renard; Commerce, M. Clémentel; Agriculture, M. David; Supplies, M. Maurice Loug; Foreign Missions, M. Franklin Bouillon.

Secretaries of State and Members of the War Committee.—MM. Barthou, Léon Bourgeois, Doumer, and Jean Dupuy.

Under-Secretaries of State.—Medical Service, M. Godart; Aviation, M. J. L. Dumesnil; Administration, General Mourier; Administrative and Military Justice and Pensions, M. Masse; Inventions, M. Breton (the above five Under-Secretaryships are attached to the Ministry of War); Interior, M. Victor Peytral; Finance, M. Bourelly; Commerce, M. Paul Korel; Mercantile Marine and Maritime Transport (attached to the Ministry of Commerce), M. de Monzie; Blockade (attached to the Ministry of Foreign Affairs), M. Metin; Fine Arts, M. Dalimier.

What is said elsewhere about events in Russia was written some days ago when it looked not improbable that General Korniloff might be successful in making himself despot of Russia. Happily that danger has seemingly already been averted. The news from Petrograd is doubtful in part and confused still, but only the German concocted part of it is bad, and there seems good foundation for the belief that Kerensky and civil control of the country's affairs have come out on top. At the critical moment of the clash of leaders Kerensky boldly proclaimed himself generalissimo, and that distinguished soldier General Alexieff adhered to him. Throughout the country, moreover, there never seems to have been the least manifestation of sympathy displayed for Korniloff's impulsive action. And, the confusion notwithstanding, the troops facing the Prussians on the Riga front seem to be holding on, and are even pushing the enemy back. It will be a bitter pill for the Hohenzollern and his *Junkers* to swallow if the Russian people and the winter together consume their armies and expel them from the country, from all their earlier "conquests." They can have neither men nor material enough left now to snatch and keep a victory. For the Prussians it is "too late, too late." Yet all is not order and smoothness in Russia. Extremists—who have grasped the power—continue to demand the dissolution of the Duma in order, perhaps, that there should be no available check upon their arbitrariness. That demand probably expresses the hatred and jealousy by the long-held-down towards the bourgeois and the privileged, and should the Duma be indeed sent about its business its going may well herald fresh confusions. Also it may not. For behind the Duma stand the Zemstvos and the municipalities, bodies whose excellent work for the country ever since the war began and long before, give us confidence that order will be maintained in spite of faction. And by and by the machinery will surely be established whereby a new and more genuinely representative supreme Duma may be called into existence to work for the regeneration of all the empire and its many peoples. We are not going to sit down and bemoan the submergence of Russia—not yet awhile, come of Korniloffs and Kerenskys what may. The country and its peoples are greater than any individual.

At the lunch given in honour of Mr. Medill McCormick, the Congressman from Chicago who was so attentive to Mr. Balfour when that gentleman was on mission to America, Mr. Bonar Law, when, in his speech, he declared that but for the help the States have given the Allies their position would have been "very disastrous" to-day, was surely in the fervour of his hospitality going a little too far. Our position would have been grave, we know, and we said so months ago in thankfully acknowledging America's aid; but that it would have been "disastrous" save to the privileged and the diseasedly wealthy we do not believe. The Chancellor of the Exchequer will have to pluck up courage and levy upon the immense wealth hardly yet touched, and he will then find resources in abundance. He may even have to "ration" the people of moderate as well as of large unfettered incomes, all among us who can spare more than we now do, for it is in helping the weak and dispossessed among the Allies—countries like Belgium, Serbia, and Russia—that the United States will do us more service than by what they lend direct to the three Great Powers in the struggle. And surely

much more might be done than has been in regulating the expenditure. Probably at least 25 per cent. of that represents waste even now. Nothing effective has been done, little intelligently attempted to clean up and out our nepotistic civil service departments. We hear of scandalous neglect, confusion, and incompetence every day that passes, and alongside good and faithful work there are masses of sloth, of incompetence or worse, appalling to behold. Witness that horses scandal exposed by *Truth*. It is infamous—and it would have been impossible but for the sloth and corruption of those appointed by chance, routine, or dishonest motives to superintend the remount department. From motives of patriotism much is now endured in silence, but the reckoning day approaches—and then probably neither Mr. Law nor his associates will be there to face the storm. What is the use of repeating always that "we are in this war to the finish," when in many directions waste and worse go on unhindered whose effect must be to paralyse our efforts?

Occasionally aspects of German life filter through the darkness surrounding that doomed land to lighten the shadows a little and amuse us. There is, for example, this comedy of "Parliamentary reform" now being staged in Berlin. The Reichstag has been once again going through a performance illustrative of its "public spirit," giving proof of its desire to have some share in the direction of affairs, a voice in the selection of Ministers; and the newspapers have been loaded with articles denunciatory of the high-handedness of the Kaiser and his Government. His new ministers were appointed after Bethmann-Hollweg's dismissal without the slightest regard to what the Reichstag was alleged to desire or professed itself determined to obtain. And since the affairs of the Kaiser are to-day not appreciably more happy than those of Jefferson Davis were in the last year of the Civil War in the United States, it has been deemed advisable to affect an ardour in the cause of popular government. So the pious Michaelis—he used to preach, it seems, before he became the Kaiser's chief lackey—has hit upon the idea or been told to assume the rôle of forming what he calls a "free committee" of Deputies, which is to be a link between the Reichstag as a body and the ministers. He has even got together the names of this committee, and between them they have begun to elaborate a new face—how the despot can fool the mob. Already there is talk of giving Alsace-Lorraine a "free Government" of its own, "full independence," plus the "closest connection with the empire"—liberty, *i.e.*, for the fish to wriggle in the frying-pan. To put these two phrases together is quite enough to show the farcical character of the entire display; but William Hohenzollern has always found his slaves ready to grovel before him, no matter what he asked them to do and suffer, why should he not now?

As far as indications go, the coal industry, in some districts, at any rate, does not appear to be suffering to any great extent from Government control. The Astley and Tyldesley Colliery repeats its interim distribution of 15 per cent., Manvers Main maintains 20 per cent. upon a considerably increased capital, and the Powell Duffryn Company restores its interim dividend to 10 per cent. Fernhill Colliery, whose accounts cover the year to June last, earned profits only £1,100 short of those of the previous years, and it is able to distribute 20 per cent., free of tax, as before. The profit of the latter company is struck after providing for excess profits duty, and amounts to £43,360, a sum equivalent to over 36 per cent. on the ordinary capital. In the previous year there was, after paying the dividend, a substantial surplus, and the company now has a carry forward of £45,000 to fall back upon, as well as a reserve fund of £20,000. Cash is £34,270 lower at £17,640, but £95,000 has been invested in War Loan. Sundry debtors have increased £5,800 to £35,230, and although current liabilities have gone up £16,000 to £187,800, liquid assets, including debenture invest-

ment account, are well in excess. Apart from these items, there is a stock of coal and coke valued at £372,900, all indicative of good times.

With the brewing industry in such a prosperous condition, the shareholders of Crosswell's Cardiff Brewery, Limited, must have naturally expected a good report, but they could have scarcely expected such an improvement as shown by the accounts for the financial year ended June last. Profits, after providing for bad debts and depreciation, have gone up £9,860 to £21,380, and 12 per cent., against 2 per cent. last year, is paid on the preference shares, leaving the dividend in arrears since June, 1909. Slightly more was brought forward than in the previous year, and the carry forward is left £380 up at £9,970. A considerable improvement has taken place in the company's liquid position. There is £19,600 invested in Treasury bills, cash amounts to £13,250 (an increase of £2,171), and liquid assets altogether are £20,200 up at £43,300. On the other hand, current liabilities, including dividend disbursements, are only £8,650 more at £37,720. The company, in common with many other brewing concerns, is comparatively favourably situated as regards excess profits tax, and as it is likely to continue to do well, the outlook appears to be quite an encouraging one.

In the course of our article on the brewing industry recently, we gave a list of some of the more representative companies whose reports have been published since the beginning of the present year. Another batch of exhibits makes its appearance towards the close of the year, and as it may be of interest to our readers we show in the following statement the latest results of a number of undertakings whose reports are due for publication during the next few months:—

Company.	Approximate Available Profits.	Reserve, &c., Allocations.	Ordinary Dividends	Carry Forward	1 % of Ordinary Capital Requires.
(Financial Years Ending Sept. 30, 1916.)	£	£	%	£	£
Allsopp, S., and Sons, Ltd.	55,000 (a)	{ 10,000 12,000 (k)	2½ (b)	23,500	11,990 (b)
Ansell's Brewery, Ltd.	77,000	30,000	12½	81,500	4,000
Benskin's Watford Brewery, Ltd.	41,500	5,000	5 (j)	21,000	3,100 (l)
Bentley's Yorkshire Breweries, Ltd.	39,000	10,000	5	15,000	2,350
Bristol United Breweries, Ltd.	47,000	3,600	10	37,250†	2,300
Edinburgh United	4,570	—	5 (c)	1,580	14,850 (d)
Ind. Coope, and Co., Ltd.	59,000 (e)	50,000	1½ (f)	24,500	4,155 (f)
Newcastle Breweries, Ltd.	80,000	29,000	20	40,700†	2,000
*North-Eastern Breweries, Ltd.	66,000	15,000	12	38,000	2,750
Phipps, P., and Co., Ltd.	87,000	—	13	47,000	4,530
†Salt, Thos., and Co., Ltd.	17,000	—	4 (h)	18,950	9,080 (i)
Stretton's Derby Brewery, Ltd.	27,000	—	9	21,800	1,000

(a) Before providing debenture interest. (b) 4½ % debenture stock. (c) Preference dividend. (d) Four and a-half years' arrears preference dividend. (e) Before providing income debenture interest. (f) Income debenture stock. (g) Dividend on income stock. (h) 4 % on deferred, ordinary, and preference stocks. (i) On account of arrears on 5 % cumulative preference shares. (j) Redemption of certificates. (k) First preference shares. * Financial year ending October 31. † Financial year ending August 31. ‡ Subject to excess profits duty.

We set out below prices and yields:—

Security.	Denomination.	Approximate Market Price.	Yield % on Last Payment.
Allsopp, S., and Sons, Ltd., Ord.	Stock.	15-17	nil
Do. Participating Pref.	do.	31-33	nil
Do. Certificates of Rights	do.	47	nil
Do. 4½ % Debenture	Stock.	50-53	4 16 0 (a)
Benskin's Watford Brwy, Ltd., 5 % Cum. Pf.	do.	24-30	7 11 6
Do. 5 % "B" Cum. Pref.	do.	13-12	nil
Bentley's Yorkshire Breweries, Ltd., Ord.	do.	34-4	10 0 0
Bristol United Breweries, Ltd., Ord.	do.	11½-12½	8 8 0
Edinburgh United Breweries Ltd.	do.	4/3	nil
Do. 5 % Cum. Pref.	do.	12/3	8 6 8
Ind. Coope and Co., Ltd., 4 % Deb. Stock	Stock	46-48	8 18 0
Do. 4 % Income Deb. Stock	do.	33-35	4 8 0
Newcastle Breweries, Ltd., Ord.	do.	72-84	12 18 0
Phipps, P., and Co., Ltd., Ord.	£5	68	10 0 0
Salt, Thos., and Co., Ltd., 4 % Non Cum. Pref. Stock	Stock	7	nil
Do. 4 % Income Stock	do.	12-14	28 0 0
Stretton's Derby Brewery, Ltd., Ord.	£10	72-7½	14 13 6

(a) Not allowing for 2 per cent. paid in certificates of rights.

It may be well to mention that the price of Salt income stock is almost nominal, very little of it coming on the market. Interest at 4 per cent. was paid last

year for the first time, but this is not mentioned in the usual reference books, and may have misled inquirers.

The wonderful improvement in the fortunes of the Calico Printers' Association, Ltd., shown a year ago has been fully maintained in the twelve months to June 30 last. Indeed, the bulging prosperity is so great that the bookkeepers try their best to hide it by varying the form in which they present the accounts. As a matter of fact, the gross profits for the past year appear to have been about £1,280,000 after providing for excess profits duty, an increase of nearly £80,000 over the corresponding period, but it is only two years since £200,000 had to be taken from reserve in order to pay the preference dividend. This time, after placing £250,000 more at £560,000 to reserves for depreciation and contingencies, and again providing £128,000 for debenture interest, the nett profit shown is £578,000, or £87,000 less than last time, but the ordinary dividend is raised from 2½ per cent. to 5 per cent. and £300,000 is again placed to reserves, while the carry forward is increased by £26,000 to £64,430. Obviously, therefore, the company has been gorgeously prosperous, and the various reserves now amount to £1,300,000, an increase of no less than £720,000 as compared with last year. That looks an almost ultra-conservative policy, and we should like to think that the customers of the association are getting some benefit and that it is not all sheer profiteering. But we cannot be sure, and an expert opinion on the subject would be interesting. The balance-sheet indicates a greatly improved position. Bank overdraft has been reduced on balance from £245,000 to £12,000, but sundry creditors are £830,000 higher at £1,570,000. On the other hand, stocks have increased £770,000 to £3,305,000, debtors are £307,000 higher at £1,675,000, and cash balances are up £184,000 at £247,000, while £43,000 has been written off rollers, &c., at £726,000. What a magnificent business it might have been if it had not been nearly suffocated with a watered capital of £8,227,000 at the start! It is pulling itself straight, but war profits will not last for ever.

It is two years since Bolckow, Vaughan and Co., Ltd., presented a report, and the accounts now issued merely bring the results down to June 30, 1916, so that they are still 12 months behindhand. Even allowing for the difficulty of settling the amount due in respect of excess profits duty and munitions levy, we think this course is both unnecessary and inconvenient, as the policy adopted by many other large firms might with advantage have been followed in setting aside a sufficient reserve to cover any likely contingencies,

LLOYDS BANK LIMITED.

HEAD OFFICE: 71, LOMBARD STREET, E.C. 3.

CAPITAL SUBSCRIBED	- £31,304,200
CAPITAL PAID UP	- 5,008,672
RESERVE FUND	- 3,600,000
DEPOSITS, &c. (June, 1917)	141,053,601
ADVANCES, &c. do.	67,573,903

FRENCH AUXILIARY:

LLOYDS BANK (FRANCE) LIMITED.

especially as the period has been an exceedingly prosperous one. Nett profits, after providing for depreciation and for estimated liabilities to the Government amounted to £510,000, an increase of £287,000 as compared with the year 1914-15, which showed a decline of £23,000 following a drop of £279,000 in 1913-14. With £10,000 less brought in, the disposable balance is £277,000 higher at £645,900. Debenture interest requires £7,000 more at £34,500, and the dividend on the ordinary shares is raised from 6 per cent. to 11 per cent., absorbing £137,000 more. Reserve then gets £159,500, against nil, raising it to £250,000, but a year ago £17,600 was written off expenditure on extensions, plant, &c., and the carry forward is reduced by only £9,500 to £126,180. Expenditure on capital account amounted to just under £40,000, or £66,000 less than in the previous year, and with £120,000 written off for depreciation, &c., the value of buildings, plant, &c., in the books is £80,000 down at £3,762,000. During the year under review debentures for £112,000 were redeemed, reducing the amount outstanding to £809,000, but creditors are £415,000 up at £775,000. On the other hand, stocks have increased £150,000 to just over a million, debtors are up £236,000 at £534,000, and the cash in hand has risen from £17,000 to £175,000. The financial position, it will be seen, has greatly improved, and we shall await the results of the past 12 months with exceptional interest, but we hope the directors will not keep the shareholders waiting too long for them.

There has been for a long time past a good deal of grumbling on the part of stockbrokers about the present scale of commissions, and although no open agitation was necessary, the Committee have decided to modify the rates now charged in the case of small transactions. It is only with regard to these that there is any grievance. On the one hand, there has been a great increase in dealings in small-priced shares owing to the popularity of the "penny bazaar" in the rubber market; on the other hand, the routine work in putting through transactions has almost doubled owing to the complicated Treasury regulations and the fact that every deal has to be settled on a cash basis, even if there is occasionally considerable delay in the cash materialising on one side or another. An order on which the commission may be only half-a-crown often gives more trouble than one involving many times the profit. Of course, there is a danger that raising the rates will drive some small investors to bucket-shops where usually exorbitant commissions are concealed in the price charged to the buyer. The following is a copy of the new scale, and we do not think it can be regarded as unreasonable:—

Price	o	1	0	or under	At discretion.	s. d.	
Over	0	1	0	to	0	2	0 .. 0 0½ per share.
"	0	2	0	to	0	3	6 .. 0 0½ "
"	0	3	6	to	0	5	0 .. 0 1 "
"	0	5	0	to	0	15	0 .. 0 1½ "
"	0	15	0	to	£1	10	0 .. 0 3 "
"	£1	10	0	to	£2	0	0 .. 0 4½ "
"	£2	0	0	to	£3	0	0 .. 0 6 "
"	£3	0	0	to	£4	0	0 .. 0 7½ "
"	£4	0	0	to	£5	0	0 .. 0 9 "
"	£5	0	0	to	£7	10	0 .. 1 0 "
"	£7	10	0	to	£10	0	0 .. 1 3 "
"	£10	0	0	to	£15	0	0 .. 1 6 "
"	£15	0	0	to	£20	0	0 .. 2 0 "
"	£20	0	0	to	£25	0	0 .. 3 6 "
"	£25	0	0				½ per cent. on money.

Shares of a value of £2 and upwards are not affected, but a rate is fixed for shares between 1s. and 5s., instead of being left to discretion, and there is an increase in the charge on shares between 15s. and 30s. Moreover, a minimum charge of 5s. is fixed, except in the case of transactions involving less than £20, when the minimum may be 2s. 6d. as at present. In the case of a change of investments a broker may at his discretion charge only one commission if the change is made in the same account or the account immediately following, but in future he must charge the full rate on one transaction and half rate on the other. The new regulations

are subject to confirmation on October 10, but no doubt they will be duly passed.

The Stock Exchange Committee, which on August 21 stopped the publication of bargains in the shares of the Chaffers Gold Mining Co. (1916), Ltd., has now prohibited all further dealings in the shares. This step was taken on Tuesday as the result of a communication which had been received from the Treasury. Of course, this edict of the Committee only applies to dealings on the Stock Exchange, and thus outside institutions, through whom the gamble was mainly organised, are left free to deal in them. This is an extraordinary position, for the public runs a much greater danger through dealing with outside firms than with members of the Stock Exchange. The Treasury ought to prohibit all dealings in the shares, both in and outside the House. The whole incident does not reflect much credit on the Treasury Committee on New Issues, for it sanctioned the offer of the shares a year ago, and now that the horse has bolted from the stable has decided to bolt the door.

The position of the East Rand Proprietary Mines has now become serious. The return for last month shows that the profit amounted to only £100, against £6,432 in the preceding month. Including debenture interest, the obligations of the company require a profit of £20,000 to be made on an average every month. For the first half of the year this amount was earned, but there is little likelihood of it being earned in the next few months. The directors have issued a commendably frank statement to the effect that the causes of this heavy decline in profits are the marked shortage of labour and the persistent rise in working costs. The grade of ore milled has been lower, as with the present shortage of labour it has been impossible to mine sufficient tonnage from the ore reserves to maintain the grade necessary to earn the profit required to meet the obligations of the company, nor can an increased profit be expected until a marked improvement takes place in the labour position. As to this, however, the directors add that there is little indication to justify the assumption that any material improvement in the labour position will take place in the near future. Fortunately the company is in a strong liquid position. The March quarterly report shows a surplus of liquid assets of £711,470, which is sufficient to pay off the debentures at their present market price and leave a substantial surplus. The prospect of a default is therefore remote, but the outlook for the shareholders is a dismal one. Unless conditions improve shortly, it would certainly be better to close down pending a return to normal conditions, than to continue operations under circumstances which can only result in a loss. The labour figures for the Rand for last month show an improvement, which is expected to continue for the next few months, but owing to the enlistment of natives for war work, a substantial improvement cannot be looked for during the continuance of the war.

The London Joint Stock Bank, Ltd., notifies that in order to prepare the dividend due October 1 next on the Surrey county stock, the balances of the several accounts will be struck on the night of Saturday, September 15. On and after September 16 the stock will be transferable ex dividend.

The Commercial Bank of Australia, Limited, has opened a branch at Chinkapook (Vic.), with receiving offices at Chillingollah and Cocamba, and the Pakenham East receiving office of Berwick has been converted into a sub-branch with a receiving office at Nar Nar Goon.

Income-Tax for Investors.—Messrs. Fredc. C. Mathieson and Sons have issued a revised edition of "How to Claim Repayment of Income-Tax" under the above title. At the modest price of 1s. nett, it will prove a valuable help to the harassed taxpayer, to whom the intricacies of successive Finance Acts are a veritable Chinese puzzle, and even those who are fairly expert in the subject will find the little book very useful for reference. It contains extracts from the various War Finance Acts, and is adequately indexed, so that any point that arises can be readily hunted up. There is a good deal of general advice to taxpayers about how to claim relief and repayment, stated clearly and succinctly, and, as in the case of the previous issue, it will prove a boon to the thousands who are entitled to abatement of the tax deducted at the source.

To Avert Famine.

War and famine always go hand in hand—to the destruction of the human race if time be given. This is the peril ahead of us now. What the position in the two war-mad empires may be to-day we can only guess, but we hope for the sake of the German peoples themselves that the want in both may be acute enough to awaken in them the courage of despair and give them the strength to overthrow their oppressors. If they fail to take advantage of their opportunity, then it is probable that the coming winter will see the populations held down by the Habsburg and Hohenzollern tyrannies swept in millions out of existence by famine. That cannot fail to be their fate if weakness or lack of cohesion among the Allies does not come to their aid, and there is little danger of that. Even faction-rent Russia dare not let any of her grain go to the enemy if its going can be prevented. The price of cereals has just been doubled by authority within Russia, and, with the rouble down to about 5d., we fear abundance will not soon allow the price to fall again. At present it signifies scarcity. In Italy scarcity has now become acute, and the Government has been compelled to place the people on bread rations. Stocks of grain and provisions have been dwindling, and are now alarmingly low. France is better placed, and there is no visible danger of a scarcity suggestive of famine here in the U.K. either. But in Belgium the sufferings of the people under the German tyranny are undescribably acute, and destructive of vitality to an extent the well-fed and free elsewhere cannot picture. As for Serbia, it is to be feared that want rules, and many parts of the kingdom have become depopulated, and in Montenegro famine has long held sway almost unchallenged. The condition of the populations within the Ottoman Empire and in Bulgaria must also be harrowing enough to the sensitive, but we make distinctions in our sympathies, and cannot spare much for the murdering Turk or sly, cruel Bulgar. Glad should we be could help be afforded to those of their victims who may survive, but it is useless to send food to be stolen by the enemy, even if we could spare it and were able to transmit it. We are primarily concerned only with ourselves and our Allies.

In all the lands of the Entente Powers there will be scarcity and dearth next winter. Lord Rhondda has, with admirable knight-errantry, attacked, and, for the time, beaten back the monster of starvation from our own people, but it is by no means certain that he, in turn, will not be beaten in the long run. His policy is wise in the main, however, and as long as he restricts his price-regulating measures to commodities the supplies of which he is able entirely to control, he is the master of destiny—unless there *should not be enough in existence to go round*. Harvests are short or poor everywhere this year—that also is to a great extent a consequence of war—and it may be that even with the most vigilant economy there will not be enough to go round. In that case, no food controller can hope to regulate prices as he pleases—unless he goes a step further and links his own organisation with similar ones in Allied countries. Then by purchasing the crops everywhere—as we did the Australian wheat crop last year and are now buying an estimated surplus of 10,000 tons of Australian butter—the people may be sure of having the means of being fed, although it may be at the cost of more taxation or additions to the public debt. But if there is not enough in existence, universal rationing alone can be trusted to avert death by starvation from a section of the people more or less important; and this is a danger which we in Britain have failed as yet to take cognisance of. We continue easy-going and hoping the best. Every increase in prices is provocative of increased discontent among the working classes, and strikes follow grumblings. Demands for higher and ever higher wages follow also, and as acceded to, conduce to still greater misery. Most of the scales of wages now in force could not be maintained for a month on end but for the full-flowing river of national credit now spreading “wealth” of a

kind throughout the land. But after the war there may be nothing to pay any wages at all with in many trades now in prosperity.

At present the war prosperity gives the people unusual spending power, so that high prices do not check consumption, and prices are automatically forced further up. No matter what powers a food controller is given, he cannot prevent advances in prices where he cannot lay hold of all the supplies. And because he cannot buy all the grain available, or within reach, in the world, we are afraid his “ninepenny” loaf will be in jeopardy before the winter is well upon us. Much can be done to help Lord Rhondda by citizens of intelligence, but even then the danger of want now confronting multitudes of the poor and improvident is by no means so remote as we should like it to be.

Would it not be possible, then, for the Allies to “club” or “pool” all supplies and to arrange for a proportionate distribution at cost price and according to necessities? The United States Government, following the example of Australia, has “commandeered” the wheat crop. Soon Mr. Hoover will be able to tell us what surplus he can have available to feed the Allies in Europe. Canada, Australia and New Zealand, India and, perhaps, Japan and China may all have grain to spare. Would it not be prudent, then, to form a common fund, and to set up a common agency for the acquisition of that grain? Then, when the total supplies on the one side and the total requirements on the other had been ascertained, as they easily could be, the division and transmission of the grains should be placed under one central authority. It would be wasteful for the Allies to compete with each other for the surplus supplies. Under supervision, in the presence of representatives of all the countries of the Entente, the food should be dispensed from one centre of control.

Not only would economy be secured by this plan, and therefore relative moderation in prices, but a reasonable certainty that all would be fed. United action by the Allies in combating famine could only bear hardly upon our enemies—and on neutrals. We are inclined to be sorry for the neutrals—though not too sorry remembering what the quality of that neutrality has too often been and what it has cost us loyally to respect it—but it cannot be helped. They may only be allowed to buy any surplus left over after our requirements and those of all our dependents and Allies have been fully provided for. Therefore they will buy dear, probably always; but, fortunately, so much money has been made by them out of their trade with the belligerents these last three years that the danger of starvation is sure to be less imminent for their common populations than it may seem.

Be that as it may, we must act together and act promptly if what might very well turn out to be a world calamity is to be averted. For even were the war to end before another harvest comes to be gathered—which hardly looks probable to-day—our danger would not be less. It might be greater for a period because the hunger of the two derelict empires would then compete with our own for available supplies. True we might—and in our opinion should—sternly refuse to allow any food to pass into either Germany or Austro-Hungary until they had paid down the last mark and krone of their coined metal towards reparation of the ruin their swarms of drilled barbarians have brought on Belgium and France, in Serbia, Montenegro, and Poland. All they can gather up will go but a little way in compensation, but that is not the point. The offenders must be made to suffer, and we feel confident that the Government of Washington will be fully harmonious with the formula, “pay the damages with all the cash you can collect now, with bonds for the balance as assessed hereafter, and restore also all the property and valuables stolen by you—this or starve.” And we feel sure likewise that a well-thought-out co-ordination of measures of self-protection now, if set on foot by the Powers of the Entente, affords the best chance of keeping want from us all next winter. The enemy must not be given the pleasure of seeing us hungry and divided—for hunger would produce cleavages in the union of the

Allies—nor yet a chance to brag that after all his persistence in crime had given him the victory, since our populations were as hungry and our trade and finances as disorganised as his own.

Our Foreign Trade in August.

In considering the Board of Trade returns for last month it is necessary to remember that as from July 1 the accounts include articles imported and exported in public as well as in private ownership, except exports for the use of his Majesty's forces on active service. Previously the figures for imports included all articles of food, but not other goods which were the property of the Government or the Allies, and exports did not include goods taken from British Government stores or bought by the Government and shipped on Government vessels. Making allowance for this change of method in compiling the returns, the effect of which it is difficult to estimate, the figures are sufficiently remarkable, as will be seen from the following summary:—

	August, 1917.	Compared with 1916.	Compared with 1915.
	£	£	£
Imports	100,567,416	+ 24,475,977	+ 31,166,497
Exports	49,803,715	+ 2,083,392	+ 17,364,860
Re-exports.....	4,533,742	— 3,204,744	— 2,790,007
	EIGHT MONTHS.		
Imports	690,832,969	+ 64,222,820	+ 117,175,165
Exports	350,784,894	+ 14,933,633	+ 100,001,640
Re-exports.....	55,368,549	— 14,385,959	— 12,687,010

It will be seen that imports exceeded one hundred millions, for the first time on record, an increase of £10,400,000 over July, and of fully twenty millions over the monthly average for last year, which also established a fresh record. Exports amounted to practically the same as in July, but are two millions higher than in any other month since the outbreak of the war, while the total for the eight months is just one hundred millions more than in the corresponding period of 1915. Higher prices, of course, play an important part in swelling the returns, but even so the Hun submarine campaign "unrestricted" is not levying such a heavy toll as might have been expected. The only disappointing branch is the re-export business, which has been reduced to less than half its usual dimensions, but no doubt the bulk of it will be recovered when normal conditions are restored.

With regard to last month's imports, grain and flour amounted to £18,964,000, or very nearly double the value received in August of the two previous years, but we are afraid this is more due to price than to quantity. Meat increased £1,460,000, or over 20 per cent., but there was a decrease of £268,000 in dutiable foodstuffs, of which no details are available. Tobacco imports dropped from £940,000 in August, 1916, to £75,000 last month, but stocks are still substantial, and there is no fear of a shortage. Of raw materials we received £7,435,000 more, although there was a decline of £1,710,000 in wood and timber, or about 30 per cent. Cotton increased £3,656,000, or 80 per cent., but the quantity was slightly less. Wool more than doubled at £4,650,000, but the quantity received was only 50 per cent. larger. Flax, hemp, and jute show an increase of £2,967,000, or nearly 140 per cent., while the quantity was only 40 per cent. larger. Oil seeds, nuts, &c., advanced £1,140,000, or about 20 per cent., but there was a decline of £181,000 in paper-making materials. Among articles classed as wholly or mainly manufactured the principal increase is £7,514,000 in miscellaneous articles not otherwise specified, and we are probably safe in assuming that this represents mainly Government purchases which it is not considered desirable to identify more particularly. Copper shows an increase of nearly two millions, and the amount jumped from 10,500 to 25,000 tons. Quicksilver advanced from 17,400 lbs. to 1,176,000 lbs., and the value from less than £4,000 to £258,000. Cotton yarns fell £516,000, silk £564,000, other textile materials £338,000, leather £1,113,000, and paper £597,000, but there was an increase of £214,000 in chemicals, &c., and of £273,000 in carriages, cycles, &c.

Exports of food and drink fell off £1,413,000, the chief declines being in beer, fish, biscuits, and confectionery, but there was a moderate increase in spirits. Tobacco dropped £180,000, or 40 per cent. Coal fell 420,000 tons and £582,000 in value, but wool increased £184,000, and oilseeds, nuts, &c., £383,000. Iron and steel manufactures declined £1,890,000, other metals £364,000, machinery £290,000, apparel £400,000, chemicals £252,000, and paper £306,000, but there was an increase of £3,860,000 in cotton exports, of £605,000 in woollens, of £305,000 in leather goods, and of £3,031,000 in miscellaneous articles, which again may be regarded as mainly due to Government and Allied transactions. While there is not a great deal of comfort to be derived from these figures, it is at least satisfactory that the loss of trade is not much greater, and under all the circumstances we think there is every reason for congratulation that in many directions we are able to hold our own as well as we do.

It is particularly interesting to keep an eye on the bonded warehouse account at present to see how our stocks stand, and the following table shows the movements of the principal articles last month, together with the figures at the end of August, 1916, for comparison:—

	July 31, 1917.	August 31, 1917.	August 31, 1916.
Cocoa .....cwt.	1,210,000	1,185,000	950,000
Coffee	1,393,000	1,355,000	1,315,000
Sugar, unrefined....	2,159,000	2,779,000	2,189,000
Do, refined	443,000	894,000	543,000
Tea .....lbs.	71,610,000	52,682,000	97,018,000
Tobacco	201,549,000	187,749,000	203,315,000
Spirits, home made..gals.	133,301,000	131,153,000	143,201,000
Do, foreign	16,603,000	15,691,000	16,386,000
Wines	5,916,000	5,901,000	6,737,000

We are glad to see that the sugar position has substantially improved, and it is decidedly better than a year ago, when sugar queues and sugar tickets were unheard of. Are we getting any sort of value for all the costly machinery of control that has been established, and the "made in Germany" regulations which we shall presently have to submit to? We must wait and see. Certainly, so far as tea is concerned, "control" has proved the most lamentable of fiascos, and stocks are now not much more than half what they were a year ago, although there are ample supplies awaiting shipment from India and Ceylon. While the trade was left to itself the advance in price was only a trifle more than sufficient to cover the increase in freights and insurance, but it has since risen 6d. to 1s. per lb., and we are threatened with a famine! Stocks of cocoa are nearly three times as large as in 1915, and those of coffee are 50 per cent. more than two years ago, but they are being gradually reduced. Very little tobacco came in last month, but there is quite enough on hand to keep us going for a long time, and there is no danger of a real scarcity. Wines and spirits are ample for all possible requirements, and the only article about which there need be any anxiety is tea, the position in regard to which ought to be put right without a day's unnecessary delay.

The Seventh German Loan.

Often people have told us that our miscalculations regarding the capacity of the Central Empires have been great, and our judgment, therefore, altogether wrong, or, at best, "much too sanguine," as to the duration of the war and German staying power. And we accept the censure, or criticism, having no desire to attempt defence while the war lasts. One factor undoubtedly we left out of account—the insanity of the Germanic peoples. A private individual has often proved capable of maintaining resistance or of conducting an aggressive offensive long beyond the point where his means or regard for his own interests would have induced him to call a halt. How much greater the enduring capacity of a nation, and had we been keen enough, or instructed enough, to gauge beforehand the extent to which the Pan-Germanic illusions and lusts of conquest had penetrated the crude minds of the Teutonic tribes, had we understood their ignorance, their

mental imperfections, product of immemorial serfhood, we should have placed less faith in an early turn by them towards peace. To-day, whatever secret hope we may cherish that a wise and merciful Providence may intervene to bring the strife to an end before long, we are convinced that the insanity has not yet forsaken the foe, and that the Allies have no choice at all but to fight on, counting on no help from German pacifists or Socialists, least of all from German intellectuals and politicians.

Nevertheless, the Germans are ruined as an empire, as a race, and the two empires they dominate are in consequence of their follies and crimes, bankrupt beyond hope of redemption. All the more reason why the bluff of their masters should grow more impudently defiant and boastful. So, as we recorded briefly last week, the Prussians have now launched one more Imperial loan, their seventh, secured mainly on devastation and the bones of the dead. They offer no higher interest though, nor any better terms than they did on any of the previous loans, and naturally think have no call to do so, their public being such cravens. Every loan, besides, is just a mere "hat trick" of finance, and the guiding spirits are, perhaps, as unconscious of the consequences of their derision of honesty as the armed Hun is of his bestiality. We have again and again described the Prussian system of make-believe loan-raising, but shall not do so again now, because a much more authoritative exponent has come forward in Mr. Gerard, the late American Ambassador in Berlin. And as he confirms *THE INVESTORS' REVIEW* in every particular, we have the more pleasure in appropriating the following from the XL. Chapter of his forthcoming book. It appeared in last Monday's *Daily Telegraph*:—

"About the only tax imposed in Germany since the outbreak of the war has been the tax upon cost or war profits. It has been the policy of Germany to pay for the war by great loans raised by popular subscription, after authorisation by the Reichstag. I calculate that the amounts thus raised, together with the floating indebtedness, amount to date to about eighty billions of marks [£4,000,000,000]. For a long time the Germans expected that the expenses of the war would be paid from the indemnities to be recovered by Germany from the nations at war with it. Helfferich shadowed this forth in his speech in the Reichstag, on August 20, 1915, when he said:

If we wish to have the power to settle the terms of peace according to our interests and our requirements, then we must not forget the question of cost. We must have in view that the whole future activity of our people, so far as this is at all possible, shall be free from burdens. The leaden weight of billions has been earned by the instigators of this war, and they, in the future, rather than we, must drag it about after them.

"Of course, by 'instigators of the war' Helfferich meant the opponents of Germany, but I think that unconsciously he was a true prophet, and that the 'leaden weight of the billions' which this war has cost Germany will be dragged about after the war by Germany, the real instigator of this world calamity. In December, 1915, Helfferich voiced the comfortable plea that, because the Germans were spending in Germany their money raised by the war loans, the weight of these loans was not a real weight upon the German people. He said: 'We are paying almost exclusively to ourselves the money, while the enemy are paying abroad their loans—a guarantee that in the future we shall maintain the advantage.' This belief of the Germans and Helfferich is one of the notable fallacies of the war. The German war loans have been subscribed mainly by the great companies of Germany, by the savings banks, the life and fire insurance and accident insurance companies, and so on.

"Furthermore, these loans have been pyramided; that is to say, a man who subscribed and paid for 100,000 marks of Loan No. 1 could, when Loan No. 2 was called for, take the bonds he had bought of Loan No. 1 to his bank, and, on his agreement to spend the proceeds in subscribing to Loan No. 2, borrow from the bank 80,000 marks on the security of his first loan bonds, and so on. There is an annual increment, not easily ascertainable with exactness, but approximately

ascertainable, to the wealth of every country in the world. Just as, when a man is working a farm, there is in normal years an increment or accretion of wealth or income to him above the cost of production of the products of the soil which he sells, there is such an annual increment to the wealth of each country taken as a whole. Some experts have told me they calculated that, at the outside, in prosperous peace times, the annual increment of German wealth is ten billion marks.

"Now, when we have the annual interest to be paid by Germany exceeding the annual increment of the country, the social and even moral bankruptcy of the country must ensue. If repudiation of the loan or any part of it is then forced, the loss naturally falls upon those who have taken the loan. The working man or small capitalist who puts all his savings in the war loan is without support for his old age, and so with the man who took insurance in the insurance companies or put his savings in a bank if that bank becomes bankrupt through repudiation of the war loan. You then have the country in a position where the able-bodied are all working to pay what they can toward the interest of the Government loan, after earning enough to keep themselves and their families alive, and the old and the young, without support and deprived of their savings, become poor-house burdens on the community. Already the mere interest of the war loan of Germany amounts to four billions of marks a year, and to this must be added, of course, the interest of the previous indebtedness of the country and of each political sub-division thereof, including cities, all of which have added to their before-the-war debt by incurring great debts to help the destitute in this war. Of course, to all this must be added the expenses of the administration of the Government and the maintenance of the army and navy. It is the contemplation of this state of affairs, when he is convinced that indemnities are not to be claimed from other countries, that will do most to persuade the average intelligent business man that peace must be had at any cost."

The above long extract deserves careful reading. Mr. Gerard lucidly describes how the State borrowing has been "pyramided" by credit piled upon credit until the superstructure might bulk many times larger than the real wealth of the country it is imposed upon. Whatever the annual accumulations of Germany may have been—and no evidence whatever has ever been produced to support an increment of "10 billion of marks" [five thousand million pounds sterling per annum]—it has all been consumed or mortgaged many times over since the Kaiser and his berserkers began their hunt after world dominion. Each new loan adds another huge obligation for interest which the people will have to make good, and long ago the load should have brought them to their senses. Probably the cunning rascals at the head of the imperial miracle machine dreaded this, and therefore no vexatious amount of new taxation has been thus far imposed. That abstention means payment of interest out of borrowed money, a device which might be excusable during the crisis of a short war. What, however, is inexcusable is the prolonged shirking of all provision for the peace requirements which must assert themselves one day, and which clamour for satisfaction now. By making no provision for paying the debt interest when peace has arrived, the Prussian functionaries have made the open bankruptcy of their precious empire an event as certain as death. No indemnities, no robbers' lootings will be available then, any more than now. The mad William himself, for all his attitudinising and pious heroics, must therefore understand by now that his policy of fighting on and on rather than accept the defeat long months ago inflicted on his Picrochole, annex-the-globe plan of campaign, has rendered the exaction of indemnities impossible, even were "his" armies the undoubted victor. The only success the aggressor could now have would be to make us all bankrupt, and how would that cost of triumph benefit German trade or otherwise assist the Germans to pay their taxes? The moderate-minded

German sees whither events tend, and he knows that "peace must be had at any cost," says Mr. Gerard. Yes, he knows; but has he the courage to express his "must"? We don't believe he has.

Germany is utterly ruined, and the printing press alone will furnish "subscriptions" to the new loan. For the unpaid furnishers of the fighting organisations can only subscribe their unpaid debts, just as they have done before, and the munitioneer his savings in promises to pay. No money market outside Germany will this time voluntarily find a single mark. Already the Berlin wise men in juggle-finance have attempted coercion on the Swiss and have failed. They may try it on the Dutch, and will not succeed with them either. Belgium the Prussian horse-leech has so bled that not even a semblance of a contribution can be paraded by the ingenuity of the Berlin mystery men. They have closed every country in the world to their finance or Government paper, not only during but after the war. They have murdered the foreign trade which was their pride, and will never get it back again, except as the subordinate of nations at liberty. All this, and much more, the Prussian functionary and his tame Jew banker must comprehend, and, comprehending, be filled with despair; but such is the subordination of every interest to the military tyranny that they must all obey and go through the farce of issuing one more imperial loan on terms which ought to let the world understand that the credit of their high—and high-falutin'—Germanic Empire is as good and as stable as that of any one of its enemies—"instigators" they, according to the scrupulously unvarnished Helfferich, of this war. For a time the farce—dishonest cowards playing at righteousness and courage—was to some degree amusing; now it is only gruesome, a mean and craven exhibition of official knavery. Where is the security to-day for this or for any Hohenzollern or Habsburg loan? For over three years these nefarious political entities have been intent upon the destruction of everything which constitutes wealth, or security, everywhere—and they go on acting as if they had all the time been creating new wealth. At first they could boast to their dupes, these "divine right" imposters, that they were at least sure of making good their own losses by the plunder of the nations they attacked; but after the battles of the Marne even that boast was hollow, and every day the doomed empires prolong in their baffled rage and spite a conflict which prudence would have ended two years ago, renders more thorough the devastation which destroys all "security." Neither in men nor in money, however, have the Allies lost as the enemies have; but even if we had lost more, we have all the world to help us to rally and recover. What and who have the Germans? Wealth consumed and destroyed, the bones of their millions dead.

As we write, rumour brings us the news that German financiers are pressing for peace on terms less offensive than any the madmen who are destroying Germany have yet thought of. Their idea is that the Government should use its prestige derived from military successes in Russia "to offer terms." Are the financiers as mad as their masters? We have no doubt they desire peace. This further loan must look to them like the last levy of their tyrants, which when exacted will leave them penniless. For whatever their state as pan-German fanatics or dreamers about progress in wealth by war, they are not so all-round insane as to be unaware that they are lending on no security. So they want peace—and peace they will not get. They called the time as eagerly and brutally as any armed strutter of them all, and now they must pay. "Terms of peace." Germany is incapable of offering any. The Allies cannot trust her rulers in anything. Their crimes must be atoned for. And nothing they could offer, no surrender they could bring themselves to make, could now avert Germany's ruin.

The coupons of the Port of Buenos Aires 5 per cent. debentures due October 1 may be left for examination at the London and River Plate Bank, Ltd., 7, Princes Street, E.C., Saturdays excepted.

Port of London Authority.

There is a good deal of interesting information in the annual statement of the Port of London Authority, even if mere strings of figures convey only a vague impression of the immense activities which the Authority controls. In 1916 the total value of the imports and exports (excluding coastwise goods) of the United Kingdom was £1,552,350,000, an increase of 16.2 per cent. over 1915, and of this amount the Port of London handled £547,825,000, or just over one-third, the increase over the previous year being 10.3 per cent. Liverpool came next with £476,186,000, an increase of 21 per cent., while Hull had £86,766,000 to its credit, Manchester £69,254,000, and Glasgow £75,880,000, the last showing an increase of 33.3 per cent. But we are only concerned with London for the moment, and here there was a heavy falling off in the nett tonnage of vessels which arrived and departed with cargoes or in ballast. In 1915 the total was 30,890,000 tons, and last year it was 24,976,000 tons, both figures being exclusive of the tonnage employed by the Government in connection with the war. In the financial year to March 31 last the nett register and deck cargo tonnage of shipping which entered and left the port and paid tonnage dues was as follows:—

	1917.	1916.	Decrease.
			%
Foreign inwards	8,208,337	9,970,865	17.7
" outwards	4,879,660	5,544,461	12.0
Coastwise, inwards	4,072,662	5,024,099	18.9
" outwards	1,219,553	1,742,742	30.0
Total	18,380,212	22,282,167	17.5

The decrease was therefore about 3,902,000 tons. During the 12 months, 2,649,000 tons of imported goods were landed for warehousing or immediate delivery, a decrease of 170,270 tons, or 6 per cent., but the total was higher than in any previous year except 1916. Stocks in warehouses controlled by the Authority were 629,300 tons at the end of March, as compared with 563,500 tons in 1916, an increase of 65,800 tons. Exports for the twelve months amounted to 867,710 tons, a decrease of only 4,580 tons, which may be regarded as particularly satisfactory. The congestion which prevailed during the greater part of 1915 has disappeared, partly owing to the restriction of imports, but mainly owing to the additions made by the Authority to the storage and transit facilities at the docks. Valuable assistance was also afforded by a number of motor lorries lent by the War Department for the delivery of goods from the docks, and on several occasions the services of contingents from the Transport Workers' Battalion were obtained. Members of the staff who have joined the Colours number 2,988, an increase of 743 compared with the previous year, and 72 lost their lives in the service of the country during the 12 months, while over a dozen others have received distinctions, including the V.C. and D.S.O.

In order to meet the additional expenditure entailed by the increased war bonus to the labour staff and other employees, and the extra cost of lighterage and other services, the Authority increased to 15 per cent., as from July 24, 1916, the addition of 7½ per cent. made in March, 1915, to dock dues and other charges, and this is reflected in improved earnings. The total revenue for the year was £4,567,000, and the expenditure £2,787,000, leaving a nett income of £1,780,000. Of this £1,159,000 is absorbed in interest, sinking funds, income-tax, &c., leaving a balance of £621,000, to which is added £232,000 brought forward. It has been decided to set aside £387,000 as provision for maintenance, dredging, &c., postponed in consequence of the war, £26,000 is contributed to the pension fund, and £100,000 is placed to reserve fund, leaving £340,000 to be carried forward, subject to excess duty, if any. The reserve fund now stands at £631,000, and the fund for repairs and renewals amounts to £837,000. During the year £500,000 in 5½ per cent. stock was issued, and the unexercised borrowing powers now amount to £5,556,000, while temporary loans have been reduced by one-half to £260,000. Capital expenditure in the

twelve months amounted to £464,000, raising the total to £28,415,000. There are sundry creditors for £730,000, against which debtors stand at £619,000, accrued charges at £602,000, and stores, &c., at £168,000. Investments on account of reserve and sinking funds amount to £575,500, and cash in hand stands at £65,500, so that the financial position appears to be quite comfortable, but it is evident that a great deal of expenditure will have to be incurred when the opportunity arises.

American Business Notes.

A great welcome was arranged by New York for Mr. Elihu Root on his return from his mission to Russia. All manner of prominent citizens took a share in the functions, as well they might, for Mr. Root is one of the ablest and straightest political leaders in America. Several speeches were made by him during the functions, straight-hitting addresses that went home, and his denunciation of traitors was whole-hearted enough and scathing enough to make us wish we had a few orators of his weight and eminence over here. But the speech which interests us most was the one delivered before the Union League Club, in which Mr. Root gave his views about Russia, and inasmuch as all eyes and minds are to-day turned towards Russia because of the tragedy now working itself to a solution there, we think it may be useful and opportune to make room for some portions of that speech here. Readers will find the extracts worth perusal. Take his testimony to the spirit animating the leaders of the people he found in Russia, and his description of the mass of ignorance they had to guide:—

I wish to say to you that I never have seen a more gallant fight with purer motives and nobler purpose than the few men who are controlling the Government of Russia to-day have been making against overwhelming odds for the freedom of their people and the safety of democracy in Russia, and in the world. Everything was against them, the soldiers and the people, the peasants, who make up 85 per cent. of Russia, had lost ardour. They had not been in the habit of thinking upon political questions; they had been in the habit of obeying, and the word which they had obeyed was gone. The soldiers had lost the ardour to follow; they had lost their national head; they had lost their national flag. The laws which received their sanction from the Tsar, when the Tsar was gone, no longer seemed to have moral obligation. The police had disappeared. The people of Russia are practically without government, for the temporary provisional Government had no power to execute a decree. Without police, without law, their own orderly habits, their own mutual consideration for the rights of others alone remained to preserve their respect for property and life and human rights. Throughout Russia, with no other safeguard, order reigned as perfect as reigns in the United States to-day, because the people of Russia have ingrained, inherent characteristics, qualities of character, which are necessary for the maintenance of free self-government.

Let people here bear these facts and conditions in mind when trying to estimate the meaning of events in Russia to-day, and, recognising the formidable nature of the difficulties to be contended with and overcome, abstain from censorious judgements or hasty displays of ill-informed partisanship. Mr. Root went on to describe how Germany strove to misguide the people for her own ends, and the passage is so laden with significance for us as well as for our Allies that we give its most vivid passages here:—

Germany spent money by the millions in buying adherents to the German cause; they purchased newspapers and established newspapers; they distributed literature; their troops under order swarmed out of the trenches with open arms to fraternise with the Russian troops.

They said to them, "Why do you fight us? This was the Tsar's war, it was not your war. Why do you want to kill us who are your friends? Why do you want to get killed? Why not go home and share in the division of the land? If you don't hurry you will get left, it will all be in other hands." "Why go on with the Tsar's war, which was not your war?" And they have produced an effect on the army of Russia that has made them generally along all the thousand-mile line unwilling to fight. They were tired of the war, as all the peoples of Europe are tired of the war. And when we reached Russia it seemed as if the game was over. Sagacious observers there said, "According to all the rules of the game, Russia is out of the war."

A few men, thoughtful men, realised that the erection of a system of free self-government according to the life, the customs, the spirit of Russian life, could never be developed under

the suzerainty of Germany. They realised that subjection to Germany meant the death of Russian liberty, and they set out to reinspire in the Russian people a knowledge, a realisation, a spirit of defence for their newly won freedom, and under the splendid leadership of Kerensky, under the wise and sagacious control of Nekrosov and Tcherenko and Sarantilly and a score of others, they gradually brought discipline back. Out of confusion and bewilderment they have brought a knowledge and a realisation of duty, and Russia has found herself and has begun again to fight for the preservation of her own freedom.

Germany has appealed in Russia, as she has appealed in America and all over the world, to all the baser motives of mankind. She has appealed to cupidity, she has bought men in and out of office, right and left, by scores. She has expended millions of money in Russia, as she has here, to buy treason for her own benefit. She has appealed to passion and prejudice, to local interest that quarrels with the public good, to personal selfishness and ambitions. Wherever in Russia, wherever in this world, a baser motive was to be found, Germany has developed a failing for it as swift and irresistible as any chemical combinations that we know of. Every base, every despicable, every damnable influence that tends to break down law and order and frustrate noble purposes and great designs for good, she has employed.

The speaker then went on, in a passage of great eloquence, to indicate where and why Germany had failed. With all their earthy cunning they could never understand, still less measure the strength of the forces which moved Italy to take up arms against her former Allies, which roused Britain from her lethargy of wealth to range herself by the side of France and Belgium in defence of liberty—she and all her colonies, reconciled South Africa, and her Indian and black African dependencies loyally as one man. There was "no money" in that sort of quixotism, and cash profit is obviously the only effective basis of German morality, the only tune he follows. Coming back to Russia, Mr. Root went on to describe how that "great justice and liberty-loving people" disappointed all Germany's expectations, even as the United States and every other free and freedom-respecting country had come to do; and then he gave voice to the following appeal, never more opportune than it is to-day:—

Time was but a few months ago when a regiment of Germans could have marched over the border and gone where they would; but they misjudged the moral force of the Russian people, and they waited too long. They waited until the power of regeneration, so strong in the Russian character, had had time to begin its work, and they are moving too late.

I don't know what the fortunes of the battlefield may be, but I do know that the Russian people have again found themselves and again begun one of those extraordinary recoveries which the indomitable spirit of Russia makes possible beyond the experience of any other race.

Now we have sent a mission of congratulation and friendship and co-operation to Russia, and we are committed to help Russia. There are many things in which she can be helped—in money, for her financial condition is bad; in munitions, for her soldiers must have munitions with which to fight; in transportation, in locomotives and cars, for her rolling stock is almost worn out in these three years of war; in a dozen material ways, as well as in the courage and hope that come from comradeship and faith and confidence that we all need.

I hope that all of you will stand by our Government in rendering the fullest measure of help to Russia, which is fighting our battles with her own; poor Russia, that has lost 7,000,000 men, desperately weary of the war, still gathering herself for another campaign, while we are entering fresh and unharmed. I hope you will all stand by the Government of our country in rendering the full measure of help to Russia, and I hope that you will aid the people of the United States to support the Government in rendering that help by a universal sentiment of desire for comradeship and support on the part of the people of the United States. Material, substantial, practical aid is needed that Russia shall go on with the war. That we must give if we are true to our assurances, and if we are true to our principles.

We back this appeal with all the force we can command, for in the hour of supremest trial those now striving to save Russia must neither be cavilled at nor left meanly in the lurch. They want help and sympathy in full measure always, and assuredly the Government and people of the United States are doing their part with a nobility of motive and an unselfishness of deed worthy of our zealous imitation. The Russians are well worth saving. The very errors of their self-chosen leaders prove that.

The register of the 5½ per cent. preference shares of the Leopoldina Railway Co., Ltd., will be closed from the 15th to the 29th inst., inclusive, for the purpose of preparing the dividend warrants for the half-year to June 30.

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from $5\frac{1}{2}$ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Apart from fluctuations in rates of exchange there is little to attract attention in the history of this week's money market. Discount rates do not fluctuate much, and the short loan rates hardly vary. Bills of short currency, however, are perhaps quoted $\frac{1}{16}$ higher, or at $4\frac{1}{2}$ per cent. firm, but the volume of ordinary business occupying the market is moderate enough. Most disturbance has been produced by events in Russia, and we deal with the violent movement in the price of the rouble below, and French and Italian rates have moved against these countries, but only to an insignificant extent, just enough to remind us of the intensity of the pressure the war continues to exercise on the available resources of the Allies.

By the Bank return we see that a decline of £5,590,000 has taken place in the "Other" securities this week, and that has involved decreases of £1,872,000 in "Public" and of £3,651,000 in "Other Deposits." The Reserve is £83,000 larger at £32,151,000, thanks to the return of £136,000 in notes from the active circulation. Gold was reduced £56,000, but the proportion has benefited by the reduction in liabilities, and is $\frac{3}{4}$ up at $19\frac{3}{8}$ per cent.

It is not improbable that a new series of Exchequer bonds will be placed on sale very shortly, possibly at the beginning of next month. The present issue would then be withdrawn. That some development of the kind is necessary is proved by the disappointing response made to the present issue. Last week the sales were the smallest since the bonds were first put on sale. The reason for their failure is simply their financial unattractiveness. Treasury bills at their present rates yield practically 5 per cent.; they are more liquid than Exchequers, and are not liable to depreciation like the latter. On the other hand, from the ordinary investor's point of view, the War Loan, which also yields 5 per cent., can be bought at a discount of $5\frac{1}{2}$ points. Thus Exchequers are relatively the dearest security of the three.

Inquiries among bankers reveal the fact that repayments of loans made to customers for the purpose of subscribing to the War Loans are being made with surprising rapidity. Some of the leading institutions

have had more than 50 per cent. returned, and they fully expect that by the end of the year the balance will have been paid off. Some banks have done better than others, but this is because they restricted their loans to the amounts which their customers could undertake to redeem in one year, while others set no such limit to the period over which loans could be repaid. The point is important, for it must determine to some extent the date of the next big loan. If the bulk of the loans are repaid by the end of the year, then it would be possible to undertake the next funding operation in the spring.

An effective check has been placed on exports of gold from the Allied countries by the action of the United States Government in prohibiting all exports of coin and bullion except under specific licence issued by the Federal Reserve Board. These licences will only be issued in favour of exports to countries where there is a trade balance against the United States necessitating such exports. Bankers here are asked to require evidence in all cases that the necessary licence from the Federal Reserve Board has been obtained before affording facilities for any transaction relating to or connected with such shipments. Enormous amounts of gold have been shipped from America to Spain, Japan, and other countries within recent months, and as our trade balance with America is heavily against us these gold exports have been made at the expense of our own gold stock, for we have indirectly had to fill the gaps so created in order to keep money easy in New York. Thus our own restrictions on gold exports have been to some extent vitiated by the freedom to export gold which has been practised in the United States. Naturally bankers here welcome this prohibition. Japan has also prohibited the export of gold, which has been going freely to India.

At one period this week the market for roubles was completely demoralised, owing to reports which indicated the possibility of civil war in Russia. The value of the rouble fell to a shade below $5\frac{1}{2}$ d. (as against the pre-war parity of 2s. 1d.), business having been reported at 440 roubles per £10. Needless to say there was very little business done at this figure, or at anything approaching it, and it is absurd to think that the credit of Russia, a country with enormous resources, was represented by this extreme quotation. When it was learned that Korniloff's movement had failed there was a big recovery, and business was done on the basis of 295 roubles for £10. It is probably true that certain people have been remitting funds from Russia privately, but there is no reason to believe that this exodus has reached any but quite small proportions, and if, as is expected to be the case, the events of the past week should greatly strengthen the hands of the Provisional Government, a marked improvement in the value of roubles may be looked for.

The question of financing Indian companies has now become a serious question. The bulk of them sell their produce in sterling, and one of the heaviest burdens laid upon the Eastern banks has been the negotiation of sterling bills to provide funds for estate upkeep. The principal Eastern banks have now issued a circular to their customers in Ceylon drawing attention to the restricted means by which funds placed in London can be brought back again. This financing of exports has now become more difficult owing to the reduction in the amount of Council bills available weekly from 120 lakhs to 90 lakhs. The banks declare that during the continuance of present conditions it will be impossible to negotiate estate finance bills on the scale on which they have hitherto been drawn. They therefore urge the plantation companies to consider the question of restricting outputs and estate expenditure as a matter of great urgency. No doubt the problem is a difficult one for the companies concerned, but the shortage of tonnage may eventually compel them to restrict outputs, as has actually been done already in Malaya. In any case, there seems no alternative in the present position of the exchange market.

SILVER.

The price of Silver holds on its upward way without pause, and is again $1\frac{1}{2}$ d. higher on the week at 50d. per oz. It is $10\frac{3}{4}$ d. per oz. up since the end of July, and

there has been no pause, still less recoil, in the advance. The force most in evidence in causing the advance is the China exchange, which continues remarkably firm. Silver is accordingly bought in the United States for shipment to China, and the metal has also been bought there to some extent by the Russian Government for shipment direct to Vladivostok. These drafts, coming on a market pressed upon from other quarters—and all of the Entente Allies now consume as much silver as they can lay hands on—inevitably send and keep the price up, but it does not follow that any metal comes to market. Most days it does not. The news that the United States Government has prohibited, except under licence, the export of all coin, bullion, and currency, silver as well as gold, brings into the market a fresh element of uncertainty.

Messrs. Samuel Montagu and Co. state, in their circular, that the stock in Bombay on the 4th inst. was unchanged at 2,100 bars. The stock in Shanghai on September 8, 1917, consisted of about 22,200,000 ozs. in sycee, and 15,000,000 dollars as compared with about 21,700,000 ozs. in sycee and 15,400,000 dollars on September 1.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, September 12, 1917.

ISSUE DEPARTMENT.

	£		£
Notes Issued	70,278,155	Government Debt	11,015,100
		Other Securities	7,434,900
		Gold Coin and Bullion	51,828,155
		Silver Bullion	—
	£70,278,155		£70,278,155

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	57,767,320
Reserve	3,561,506	Other Securities	92,149,595
Public Deposits (including		Notes	29,744,075
Exchequer, Savings		Gold and Silver Coin	2,406,649
Banks, Commissioners			
of National Debt, and			
Dividend Accounts)	42,589,662		
Other Deposits	121,345,893		
Seven Day and other Bills	17,578		
	£182,667,639		£182,667,639

Dated September 13, 1917. E. M. HARVEY, Deputy Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. Sept. 13.		Sept. 5, 1917.	Sept. 12, 1917.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,566,962	Rest	3,573,111	3,561,506	—	11,605
59,146,591	Pub. Deposits	41,461,822	42,519,662	—	1,872,160
96,383,386	Other do.	124,997,022	121,345,893	—	3,651,129
22,423	7 Day Bills	16,740	17,578	838	—
	Assets.			Decrease.	Increase.
42,187,596	Gov. Securities	57,794,320	57,767,320	27,000	—
94,160,298	Other do.	97,739,184	92,149,595	5,589,589	—
37,024,518	Total Reserve	32,068,191	32,150,724	—	82,533
				5,517,427	5,617,427
				Increase.	Decrease.
36,264,120	Note Circulation	40,670,370	40,534,080	—	136,290
55,311,803	Coin and Bullion	54,288,561	54,234,804	—	53,757
23.9 p.c.	Proportion	18.9 p.c.	19.6 p.c.	7 p.c.	—
6	Bank Rate	5	5	—	—

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,415,416,000	363,290,000	—
June	1,486,612,000	1,147,630,000	338,982,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August	1,628,368,000	1,364,784,000	263,584,000	—
Sept. 5	352,657,000	298,577,000	54,080,000	—
" 12	343,640,000	273,357,000	70,283,000	—
Total ..	13,286,325,000	10,713,464,000	3,605,923,000	—

CURRENCY NOTES.

Return of Currency Notes for the week ended September 13, 1917.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes	3,520,618	2,555,514	127,945,431
10s. notes	1,239,490	1,144,391	32,614,741
Note certificates	470,000	—	15,530,000
Previous total	691,365,276	519,805,307	—
	690,595,384	523,503,212	176,595,384

Ratio of gold held against notes, this week, 17.75 p.c.; last week, 17.86 p.c.

PUBLIC INCOME AND EXPENDITURE. (For 7 days ended Sept. 8.)

REVENUE.	EXPENDITURE.
£	£
Customs	1,852,000
Excise	249,000
Estate, &c., Duties	624,000
Stamps	293,000
Land Tax and House Duty	—
Property and Income Tax	2,082,000
Excess Profits Tax	3,413,000
Land Values	10,000
Post Office	400,000
Crown Lands	—
Sundry Loans	—
Miscellaneous	2,007,145
Bullion advances repaid	—
For Treasury Bills for Supply	65,502,000
5% Exchequer Bonds, 1919	—
5% Exchequer Bonds, 1922	2,276,000
5% Exchequer Bonds, 1920	—
War Expenditure Certificates	—
War Savings Certificates	60,000
4% War Loan, 1920-1921	—
5% War Loan, 1920-1921	—
Other Debts created under	—
War Loan Act, 1915, and	—
Finance Act, 1916	25,900,316
Telegraph Money Act, 1913	—
Under Post Office Rly. Act,	—
1913	—
Under Military Works Acts,	—
1897-1903	—
Under Public Buildings	—
Under Housing Act	—
Repayment of Advance for	—
Interest on Exchequer	—
Bonds, 1904	—
China Indemnity	—
East African Protectorate	—
Loan repayment	—
Suez Canal Drawn Shares	—
Ways and Means Advances	22,859,000
Decrease in Exchequer	—
balances	—
	£128,085,461
	£128,085,461

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Aug. 10, 1917.	Aug. 3, 1917.	July 27, 1917.
	£	£	£
Gold coin and certificates	82,769,800	79,957,000	92,152,800
Gold Settlement Fund	81,970,400	87,630,600	91,147,800
Gold with foreign agencies	10,500,000	10,500,000	10,500,000
Total gold held by banks	175,240,200	178,087,600	183,800,600
Gold with Federal Res. Agent	97,093,400	93,569,000	86,838,600
Gold Redemption Fund	1,854,600	1,878,000	1,813,400
Total gold reserves	274,188,400	273,524,600	272,452,600
Legal tender notes, silver, &c.	10,741,800	10,741,800	10,357,800
Total reserves	284,930,200	284,276,400	282,810,400
Bills discounted—Members'	8,255,200	8,484,400	8,227,000
Bills bought in open market	6,520,800	5,092,800	7,163,600
Total bills on hand	254,800	249,800	293,800
U.S. Gov. long-term sec.	56,803,800	61,026,200	66,711,200
U.S. Gov. short term sec.	8,255,200	8,484,400	8,227,000
Municipal warrants	254,800	249,800	293,800
Loans on gold coin and bullion	—	—	—
Total earning assets	71,834,600	74,853,200	82,395,600
Due fm other Fed Res bnk—n.	655,000	949,200	2,221,200
Uncollected items	41,152,200	39,411,600	40,951,200
Total deducts. fm gross dep.	40,821,200	40,360,000	38,730,000
5% Red. Fund ag Fed. Res. bnkts	100,000	100,000	100,000
All other resources	85,000	98,400	211,400
Total resources	397,652,600	399,688,800	404,247,400
Capital paid in	11,594,000	11,570,200	11,565,000
Government deposits	24,089,400	11,353,000	28,606,400
Due to members—Res. account	220,322,800	238,577,400	227,091,200
Due to non-mbrs—clearing ac.	2,054,800	2,453,800	1,709,400
Members' bank deposits—nett	—	—	—
Collection items	24,498,600	26,410,600	27,563,000
Total gross deposits	274,965,600	278,794,800	284,970,000
F.R. notes in actual circulat'n	109,848,800	108,157,000	106,803,000
F.R. bk nts in circn—nett liab.	836,400	565,600	491,800
All other liab. in for Gov ordis	407,800	505,200	417,600
Total liabilities	397,652,600	399,688,800	404,247,400
Gold res. ag nett deposit liab.	74.8%	74.6%	74.6%
Gold & lawful money reserve	79.3%	79.1%	78.8%
Gold res ag F.R. nts in act circ	90.1%	88.2%	83.0%

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Sept. 8, 1917	Sept. 1, 1917	Aug. 25, 1917	Sept. 9, 1916
	£	£	£	£
Loans	770,130,000	769,882,000	763,270,000	661,392,000
Reserve held in own Vaults	15,132,000	23,124,000	25,528,000	82,052,000
Reserve held in Fed. Res. Bk.	69,976,000	73,118,000	71,200,000	32,898,000
Cash in own Vaults	21,874,000	17,988,000	17,434,000	—
Reserve held in Other Depos.	15,966,000	15,434,000	13,788,000	10,820,000
Nett Demand Deposits	702,794,000	712,360,000	705,304,000	647,828,000
Nett Time Deposits	39,804,000	40,944,000	40,554,000	30,940,000
Circulation	6,266,000	6,174,000	6,132,000	6,279,000
Excess Lawful Reserve	10,010,000	12,508,000	15,230,000	14,212,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Sept. 8, 1917.	Sept. 1, 1917.	Aug. 25, 1917.	Sept. 9, 1916.
	£	£	£	£
Loans	170,344,000	169,910,000	169,770,000	145,140,000
Specie	12,006,000	11,790,000	11,984,000	12,078,000
Deposits	172,784,000	162,712,000	169,816,000	153,496,000
Legal Tenders	3,128,000	3,066,000	2,878,000	1,882,000

BANK OF FRANCE (25 francs to the £).

	Sept. 13, 1917.	Sept. 6, 1917.	Aug. 30, 1917.	Sept. 14, 1916.
Gold in hand ..	131,144,280	131,070,880	130,988,760	192,864,000
Silver in hand ..	10,380,640	10,403,400	10,400,760	13,531,120
Bills discounted ..	21,878,920	22,402,000	23,937,400	15,252,200
Advances ..	44,258,720	44,765,800	44,086,280	46,878,280
Note circulation ..	833,486,800	834,289,720	822,756,520	664,106,360
Public deposits ..	594,760	1,807,720	609,760	8,277,520
Private deposits ..	105,175,120	106,550,000	111,311,000	85,854,320
Foreign Bills ..	75,640	65,880	60,560	69,480

Proportion between bullion and circulation 26.75 per cent., against 26.72 per cent. last week. Advances to the State £452,000,000; increase, £4,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £20,779,600, decrease £40,120, and at the branches £25,839,200, decrease £50,320.

NETHERLANDS BANK (12 Florins to the £).

	Sept. 8, 1917	Sept. 1, 1917	Aug. 25, 1917	Sept. 9, 1916
Gold and Silver ..	55,952,166	55,951,333	55,357,083	49,253,250
Bills and Advances ..	14,704,834	14,812,166	10,678,250	15,801,666
Note circulation ..	65,863,334	66,089,916	64,031,416	56,437,000
Deposits ..	8,279,600	8,227,500	5,697,583	12,065,166

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Sept. 7, 1917.	Aug. 31, 1917.	Aug. 23, 1917.	Sept. 7, 1916.
Total Coin & Bullion ..	125,202,950	124,953,800	124,728,000	124,673,200
Treasury Notes ..	35,353,100	31,567,750	29,376,900	18,693,630
Bills discounted ..	549,998,200	568,230,500	553,342,950	357,111,000
Advances ..	471,450	504,900	390,150	526,900
Note circulation ..	471,662,100	466,855,100	448,898,850	358,771,800
Deposits ..	275,723,750	204,529,150	293,742,700	143,894,800

Clearing House return during August, £386,111,030.

BANK OF SPAIN (25 pesetas to the £).

	Sept. 1, 1917.	Aug. 25, 1917	Aug. 18, 1917	Sept. 4, 1916
Gold ..	73,353,936	72,474,018	70,974,786	46,017,421
Silver ..	29,656,407	29,671,672	29,545,898	30,324,437
Foreign Bills ..	3,703,315	3,712,980	3,724,935	3,809,170
Discounts and Short Bills ..	29,476,360	29,221,879	29,322,083	23,697,472
Treasury Account, &c. ..	—	25,233,169	25,143,059	29,425,952
Notes in Circulation ..	104,253,640	103,699,344	103,655,832	82,325,490
Current Accounts, Deposits ..	—	37,310,127	35,853,038	31,058,042
Dividends, Interests, &c. ..	2,018,071	—	2,098,577	1,763,987
Government Securities ..	6,538,681	6,263,823	6,077,284	2,194,485

BANK OF SWEDEN.

	Aug. 25, 1917.	Aug. 18, 1917.	Aug. 11, 1917.	Aug. 26, 1916.
Gold ..	11,366,000	11,365,000	11,365,000	9,210,000
Balance abroad and Foreign Bills ..	7,590,000	7,367,000	7,385,000	9,462,300
Swedish and Foreign Govt. Securities ..	3,416,000	3,727,000	3,436,000	3,801,000
Discounts and Loans ..	9,734,000	9,849,000	9,907,000	2,955,000
Notes in circulation ..	24,138,000	24,427,000	24,433,000	18,094,000
Deposits at notice ..	8,216,000	8,253,000	8,280,000	5,984,000

IMPERIAL BANK OF RUSSIA (10 roubles to the £).

	Sept. 5, 1917.	Aug. 28, 1917.	Aug. 21, 1917.	Sept. 5, 1916.
Notes in reserve ..	11,930,000	13,820,000	13,450,000	7,840,000
Gold ..	129,400,000	129,790,000	129,740,000	155,160,000
Gold in reserve abroad ..	339,810,000	250,800,000	230,800,000	205,720,000
Loans and Discounts ..	—	—	—	—
Bonds ..	1,325,970,000	1,355,260,000	1,360,520,000	391,310,000
Circulation note issue ..	1,493,079,000	1,467,620,000	1,443,450,000	702,150,000
Deposits, including Treasury deposits ..	337,810,003	329,430,000	339,660,000	20,270,000

BANK OF ITALY (25 lire to the £).

	July 31, 1917	July 20, 1917	July 10, 1917	July 31, 1916
Total cash ..	38,820,720	38,344,800	38,149,400	44,602,440
Inland Bills ..	23,590,760	22,638,040	21,822,160	19,505,320
Foreign Bills ..	833,720	832,720	832,720	832,760
Advances ..	12,246,120	12,672,160	14,052,560	7,934,040
Government securities ..	8,795,000	8,777,040	8,820,120	8,778,620
Circulation ..	183,801,800	181,312,760	181,795,320	136,752,040
Deposits at notice ..	23,083,840	23,260,680	25,645,240	13,081,800
Current accounts ..	13,268,920	12,624,520	13,307,200	15,360,610

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Sept. 12, 1917.		Sept. 14, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	11.30	11.33	11.28	11.32
	Three months' bills ..	11.45	11.50	11.43	11.48
Paris ..	Cable transfers ..	27.50	27.55	27.67	27.72
	Three months' bills ..	27.90	27.95	27.05	27.15
Switzerland ..	Cable transfers ..	21.20	21.30	21.70	21.90
	Three months' bills ..	22.55	22.65	22.05	22.25
Petrograd ..	Cable transfers ..	35.0	37.0	3.20	3.30
Genoa, &c. ..	Cable transfers ..	36.95	37.05	37.20	37.30
Spain ..	Cable transfers ..	21.12	21.22	21.12	21.22
	Three months' bills ..	53.1	54.1	53.1	54.1
Lisbon and Oporto ..	Cable transfers ..	31.8	31.8	31.8	31.8
Copenhagen ..	Cable transfers ..	15.50	15.60	15.34	15.44
Christiania ..	Cable transfers ..	15.45	15.55	15.37	15.47
Stockholm ..	Cable transfers ..	14.12	14.22	14.05	14.15

SWISS NATIONAL BANK (25 francs to the £).

	Aug. 31, 1917.	Aug. 23, 1917.	Aug. 15, 1917.	Aug. 31, 1916.
Gold and silver ..	15,859,524	15,966,320	15,898,708	13,190,966
Bills ..	7,540,692	7,307,968	9,412,560	8,051,792
Note circulation ..	21,511,752	20,320,000	20,609,408	17,226,596
Current and deposit accounts ..	4,687,680	5,491,448	7,090,508	6,083,038

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22 1/2	27.48 1/2	27.52 1/2
Amsterdam, cheques ..	Florins to £1 ..	12.107	11.33	11.30
Italy, sight ..	Lire to £1 ..	25.22 1/2	36.45	36.85
Madrid, sight ..	Pesetas to £1 ..	25.22 1/2	21.60	21.15
Lisbon, sight ..	Pence to milreis ..	53 1/2 d.	31 1/2 d.	31 1/2 d.
Switzerland, sight ..	Francs to £1 ..	25.22 1/2	22.50	22.20
Christiania, sight ..	Kroner to £1 ..	18.159	15.52 1/2	15.37 1/2
Stockholm, sight ..	Kroner to £1 ..	18.159	14.12 1/2	14.09
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.59 1/2	15.39 1/2
Petrograd, sight ..	Roubles to £10 ..	94.57	285	285
Alexandria, sight ..	Piastres to £1 ..	97 1/2	97 1/2	97 1/2
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 3/4
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 3/4
Hong Kong, T.T. ..	Sterling to dollar ..	—	3/16	3/12
Shanghai, T.T. ..	Sterling to tael ..	—	4/10	4/10 1/2
Singapore, T.T. ..	Sterling to dollar ..	—	2/4 1/2	2/4 1/2
Yokohama, T.T. ..	Sterling to yen ..	24.58 d.	2/18	2/18
New York, cable ..	Dollars to £1 ..	4.86 1/2	4.76 1/2	4.76 1/2
Buenos Aires, T.T. ..	Pence to dollar ..	47.58 d.	49 1/2 d.	49 1/2 d.
Valparaiso, 90 days ..	Pence to peso ..	—	14 1/2 d.	15 1/2 d.
Montevideo, T.T. ..	Pence to dollar ..	51 d.	53 1/2 d.	53 1/2 d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16 d.	12 1/2 d.	12 1/2 d.

OPEN MARKET DISCOUNT.

	Last week.	This week
Per cent.	Per cent.	Per cent.
Thirty and sixty day remitted ..	4 1/2	4 1/2
Three months ..	4 1/2	4 1/2
Four months ..	4 1/2	4 1/2
Six months ..	4 1/2	4 1/2
Three months fine inland bills ..	5 1/2	5 1/2
Four months ..	5 1/2	5 1/2
Six months ..	5 1/2	5 1/2

BANK AND DEPOSIT RATES.

	Last week	This week
Per cent.	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
Bankers' short loan rates ..	—	—
Bankers' rate on deposits ..	4	4
Bill brokers' deposit rate (call) ..	4	4
7 and 14 days' notice ..	4 1/2	4 1/2
Current rates for 7 day loans ..	4 1/2	4 1/2
for call loans ..	3 1/4	3 1/4

The Week's Stock Markets.

With business at the doldrum level of about 3,000 markings per day, no particularly encouraging news from the Western front, Russia in chaos, and pro-German Swedish diplomacy (or is it duplicity?) held up to the ridicule of the whole world, the Stock Exchange would be more than human if it had not felt considerably disgruntled this past week. Everything will doubtless come all right in due course, but for the time being it requires quite exceptional strength of mind to be bullish about the outlook. At the moment of writing the Russian position seems much more hopeful, and it probably never was so black as some of the reports represented, but there is no denying that it has been an extremely anxious time, and the danger of civil war, almost imminent a few days ago, has not yet entirely passed. But Russia is a puzzle to which the Sphinx is a fool, and we may leave it at that. Elsewhere there have been spots of strength and comparative activity, but the big markets have all been more or less depressed. Russians, of course, have suffered severely, and at one time the rouble (nominally worth about 2s. 1d.) was valued at less than 6d., but there has since been a recovery, and the position generally looks healthier. Argentines were affected by the decision of the Ministry of Public Works to disallow the proposed increase in railway rates, but it may simplify matters if the country is compelled by the Swedish disclosures to throw in its lot with the Allies. That would help to solve several difficult problems, including the shipment of foodstuffs, of which Argentina has enough and to spare, but we must wait on events and let them take their course. A few Industrials, Mining, and most Rubber shares have been fairly active, but, as the phrase goes, there is not much "to write home about."

It has been rather a depressing week on the Stock Exchange, owing to the fresh troubles in Russia and the Hun-Swedish-Argentine complications timeously disclosed in Washington by Mr. Lansing. But with little stirring news from the various seats of war—all goes well and splendidly, even if it does not

make much appeal to the kinema gallery—there has been little inducement to buy anything but very speculative shares, and markets generally have been dull and languid. That is partly due to the holiday season, which has its usual effect in restricting business, although the recess may be mainly spent on the potato patch round the corner, and prices have had a

heavily on the threat of civil war, and the fall in the value of the rouble at one time to 5½d., but there was a slight rally before the finish. Argentines were firm, but Brazilians, Peruvian Corporation, Cuban Ports, Mexicans, and French Victory were weak. Japanese and Chinese were steady, without attracting much attention.

Home Railways continued their downward course, and only rallied a trifle when the general sentiment became less pessimistic. They are entirely out of favour at present, and with Labour troubles looming ahead, it is not surprising that they receive little support, but holders at much higher levels might do worse than look out for opportunities to average. With all their faults of management, they have a great property, which the State will not confiscate when the time comes to nationalise the systems, with a view of making them better subserve the public interest. Nothing need be said about the remnant of the American market, except that prices have been inclined to ease off, and International Mercantile Marine fell rather heavily. Canadian Pacific were fairly steady, but Grand Trunks and Mexicans were weak. Argentines had another array of poor traffics to digest, and the refusal to allow the companies to raise their rates was a bitter disappointment.

Bank shares moved irregularly, and at best were rather sadly neglect. Breweries also dropped into the background, and one or two early gains were lost before the close, but Guinness, which is in a class apart, advanced on a little buying. In the Gas section Mexican Light gave way, but Iron and Steel shares were good, the Explosive division being particularly in evidence on the reports about a combine to pool results and avoid competition. Hudson's Bays slithered downwards, and other Land shares were weak when they were mentioned at all. Nitrates were firm, Alianzas being particularly strong, but Shipping shares, as a rule, were dull and droopy. Textiles were quiet, and among Tramways, Mexico lost two points. Miscellaneous Industrials were fairly active, but the movements were erratic, and without much significance, except where there was evidence of profit-taking.

Oil shares were in better request, especially for the more speculative descriptions, and North Caucasian, Roumanian Consolidated, Spies, Ural Caspians, Trinidad Leaseholds, and Venezuelan Concessions advanced a fraction, while Shells, Royal Dutch, and Burmahs received some support. Rubber shares were active and strong, owing to the advance in the raw material and the scarcity of floating stock. Java shares were particularly in request, and any low-priced stuff was eagerly snapped up, but there was also a good demand for the better-class issues.

LONDON PRODUCE MARKETS.

SUGAR.—Market remained without change this week.

COFFEE.—Spot market fully steady, and a moderate assortment offered by auction this week was chiefly disposed of. East India, fair to good bold sizes of Mysore, sold, 85s.-93s.; middling Nelliampathy, 85s.-86s. 6d.; Costa Rica middling, 90s.-91s.; bold, 93s.-93s. 6d. Futures steady, but business remained extremely quiet.

COCOA.—Business was of a retail character, on former terms. No public sales took place this week.

TEA.—An active demand predominated in auction at maximum values, with "free teas" again higher. Supplies consisted of 12,000 packages Indian and 5,500 packages Ceylon.

SPICE.—A moderate supply at public sale ruled quiet. Picked Penang cloves sold, 2s. Private market steady, quiet. Black Singapore fair, on spot, sold, 1s. Muntok, to arrive, buyers, 1s. 1½d. Fair Zanzibar cloves, spot, sold, 1s. 3d. to 1s. 4d. Tapioca firm, quiet. Fair flake, spot, sold, 5½d.

RICE quiet, at previous rates. Beans and peas unchanged.

HEMP.—New Zealand firm, with a moderate demand. In auction, good undressed Bombay sold, £55 to £61; and dressed, £66 to £67. Chinese steady, quiet.

SHELLAC.—Market rather quiet, but steady. Fair T.N., spot, 236s.; October sold, 229s., 230s., and 229s.; December, 232s.

GAMBIER firm, quiet. Block, afloat, sold, 56s., ex quay, Liverpool.

RUBBER opened dearer but eased later, and prices were attended by some irregularity. Plantation, spot, crepe, sold, 2s. 10d., 2s. 10d., 2s. 10d.; October-December, 2s. 10d., 2s. 11d., 2s. 10d., 2s. 11d. Ribbed smoked sheet, spot, sold, 2s. 8d., 2s. 8½d., 2s. 7½d., 2s. 8½d. Fine hard Para, spot, quoted, 3s. 2½d.; soft fine ditto, 2s. 9d.; ball, 1s. 9d.

COPRA.—Market remained dull, at late rates. Ceylon, September-October, London, buyers, £46; F.M.S. Singapore, £45 10s.; and F.M. Straits, £45 5s.

TALLOW sales encountered fair competition, and prices realised marked an average advance of 6d. per cwt.

CORN (Mark Lane).—Only a moderate business was transacted since last Monday, price changes being slight, and the tone steady. Offers continue to be made sparingly. Wheat: Native grain, 73s. 6d. per qr., 504 lbs. Of imported descriptions, No. 4 Manitoba quoted at 18s. 3d., and No. 6 77s. 3d., both ex ship. Canadian feed, 77s., ex quay, 400 lbs. Flour: Iron Duke, 75s., ex store. Barley: English, 62s. 9d. Maize quite nominal in absence of supplies temporarily. Oats: American white clipped No. 2, 60s. 3d. ex ship, 61s. 3d. landed. Canadian Western No. 2 in similar positions, 62s. 6d. and 63s. 6d. respectively. Chilean tawny, 63s. 6d., landed.

COTTON (from our Manchester correspondent).—An irregular feeling has prevailed in the market during the past week, and although the inquiry in some quarters has been a little better, the general experience of sellers has not been at all encouraging.

	Last Week	This Week		Last Week	This Week
Consols.....	55½	55½	N.S.W. 4½ 5 yr. bds.....	96½	96½
War Loan 3½.....	87½	87½	" 4½, 1922-7.....	91½	91½
" 4½.....	97½	97½	" 5½, 1921-3.....	96½	96½
" 5½, 1920-47.....	94½	94½	" 5½, 1920-2.....	98½	98½
" 4½, 1919-47.....	103	103	New Zealand 4½, 1929.....	86	86
India 3½.....	55½	55½	Queensland 4½.....	80	80
" 3½.....	65½	65½	" 4½, 1920-5.....	92½	92½
Australian 5½, 1920-22.....	90½	90½	Union of S. Africa 4½.....	92	92
Canada 4½, 1940-60.....	80½	80½	1920-5.....	92½	92½
" 4½, 1920-5.....	93½	93½	Victoria 4½, 1920-5.....	81	81
N.S.W. 4½, 1933.....	82½	82½	Westn. Aus. 4½.....	80½	80½
Argentine 4½, 1900.....	65	65	French War Loan, 5%.....	96	96
Belgian 5%.....	60	60	Japan 4½ (1st), 1905.....	94½	94½
Brazil, 1913.....	71	70	" 5%, 1907.....	94½	94½
" 5%, 1914.....	80	79½	Mexican 5%, 1899.....	63	68
Chinese 1896.....	94	94	Russia 4.....	52½	50½
" 1912.....	80	81	" 4½, 1909.....	61	58
Egypt Unified 4%.....	84	84	" 5%, 1906.....	67	66
Caledonian defd.....	84	84	London and N.-W.....	90½	90
Gt. Central prd.....	132	13	London and S.-W. dfd.....	21½	22
" dfd.....	68	68	Do red. pf. 1914.....	92	91½
Gt. Eastern.....	34½	34½	Metropolitan.....	23½	23½
Gt. Northern dfd.....	36	35½	Do. 5% pf.....	90	90
Gt. Western.....	84½	84	Met. District.....	16½	16½
Lancs. and Yorks.....	63½	63½	Midland dfd.....	55	54½
London Brighton defd.....	57	57	Nth. British dfd.....	13½	13½
London Chatham ord.....	84	84	Nth. Eastern.....	98½	97½
			Stn.-Eastern dfd.....	27	26½
Canadian Pacific.....	179½	180	Chesapeake.....	60	60
E. Indian Guar. 4½ % debs.....	86	86	Erie.....	26	25½
Grand Trunk ord.....	10	9½	Southern.....	29	28½
Do. 1st pf.....	64½	64			
Do. 3rd pf.....	24½	24½	Cent. Argentine ord.....	61½	59
Antofagasta dfd.....	126½	126½	Leopoldina.....	39½	39
Brazil Common.....	52	5	London ord.....	19½	19
B. A. & Pacific.....	41	40	San Paulo (Brazilian).....	186	186½
B. A. Gt. Southern.....	78	75	United of Havana.....	84½	83
B. A. Western.....	75½	74	London & S.W.....	12½	12½
Anglo-South American.....	7	7½	London City & Midland.....	78	78
Bank of Australasia.....	118	115½	London County & West.....	14½	14
Bank of N.S. Wales.....	34½	34½	London Joint Stock.....	24½	24
Barclay & Co. "A".....	11½	11½	Nat. Prov. of Eng. (£10½ pd).....	27	27
Do. "B".....	11½	11½	Do. (£12 pd).....	31	31
Capital & Counties.....	23	23	Parr's of S.A.....	29	29
Chartered of India.....	65½	65	Standard of S.A.....	11	11
Hongkong & Shanghai.....	78½	78	Union Discount.....	10½	10½
Lloyds.....	74	74	Union & Smiths.....	23½	23½
London & Provincial.....	15½	16			
London & Brazilian.....	23½	23½	Kynochs.....	37½	36½
Armstrong, Whitworth.....	39½	39½	Mond Nickel ord.....	38	38
Birmingham Small Arms.....	54½	54½	South Durham Steel.....	37½	36½
Cammell-Laird.....	68	68	Thornycroft.....	38½	37½
Cargo Fleet.....	21½	22½	Vickers.....	38½	38½
Dorman, Long.....	40	39½			
Associated Cement.....	32	32	Fine Cotton Spinners.....	31	31
Borax dfd.....	38½	38½	Forestral Land.....	49½	49½
Bovril.....	19½	19½	Furness, Withy.....	46½	46½
Brazil Traction.....	46½	46	Harrods Stores.....	2½	2½
British Amer. Tobacco.....	18½	18½	Hudson's Bay.....	7½	6½
British Aluminium.....	33½	34½	Imperial Tobacco "C" pf.....	34½	34½
British Oil & Cake.....	30½	30½	Lever Bros. "C" pf.....	20½	20½
Brunner, Mond.....	4½	4½	Lyons, J.....	4½	4½
Casner-Kellner.....	3½	3½	Marconi.....	38½	38
Coats.....	6½	6½	Maypole Dairy dfd.....	25½	24½
Courtaulds.....	7½	7	National Steam Car.....	19½	19½
Cunard.....	3½	3½	Pears, A. & F.....	18½	18½
Dennis Bros.....	37½	36½	P. & O. dfd.....	32½	320
Eastern Telegraph.....	148½	148½	Royal Mail.....	113½	113½
Eastmans.....	9½	9	Underground Inc. Bds.....	8½	8½
English Sewing Cotton.....	50½	50½			
Anglo-Egyptian "B".....	21½	21½	North Caucasian.....	1½	1½
Baku (ros.).....	2½	2½	Roumanian Cons.....	12½	12½
Burmah.....	6½	6½	Royal Dutch (100 gulden).....	43½	49
Lobitos.....	2½	2½	Shell.....	58	58½
Maikop Pipeline.....	3½	3½	Spies (10/-).....	10½	10½
Mexican Eagle pf.....	38	38	Ural Caspian.....	1½	1½
Anglo-Java Rub. (2/-).....	71½	71½	Merlimau 2/-.....	6½	6½
Anglo-Malaya 2/-.....	15½	15½	Pataling 2/-.....	46½	45½
Ayer Kuning 1/-.....	52½	53	Port Dickson 2/-.....	41	41
Bukit Mertajam 2/-.....	5½	5½	Rubber Trust 1/-.....	29	29½
Bukit Sembawang 2/-.....	34½	34½	Sapumalkand 1/-.....	28½	28½
Carey United 1/-.....	47½	47½	Selangor.....	37½	37½
Chersonese.....	3½	3½	Sialang 1/-.....	75½	75½
Gula Kalumpung 1/-.....	36½	36½	Singapore Para 2/-.....	4½	4½
Highlands 1/-.....	62½	62½	Singapore United 2/-.....	3½	3½
Java Para 1/-.....	34½	34½	Taijapung 2/-.....	4½	4½
Johore Rubber Lands 1/-.....	37½	37½	Tanjong 1/-.....	93	94
Langen Java 1/-.....	42½	42½	Tanjong Malim 1/-.....	38½	39½
Linggi 2/-.....	30½	29½	Tebrau 1/-.....	74½	74½
London Asiatic 2/-.....	9½	9½	United Serdang 2/-.....	12½	12½
Malacca 1/-.....	58	58	Vallambrosa 2/-.....	24½	24½
Malayalam 1/-.....	37½	37½			
Abbotiakoon (10/-).....	49½	49½	Gt. Boulder (2/-).....	12½	12½
Bechuanaland Exp.....	71½	61½	Kyshtim.....	1½	1½
Brakpan.....	5½	5½	Mashonaland Agency.....	5½	5½
Broken Hill Prop. (8/-).....	47½	51½	Meyer & Charlton.....	3½	3½
Cam & Motor.....	11½	11	Modder "B".....	8½	8½
Central Mining (£12).....	6½	6½	Do. Deep.....	6½	6½
Chartered.....	13½	13½	Mysore.....	3½	3½
City Deep.....	38½	38½	Rand Mines (5/-).....	3½	3½
Cons. Gold Fields.....	18	18	Rio Tinto (£5).....	62½	62½
Cons. Langlaagte.....	22½	22½	Russo-Asiatic.....	3½	3½
Crown Mines (10/-).....	22	22	Spring Mines.....	3½	3½
De Beers dfd. (£2 10s.).....	13½	13½	Tanganyika.....	1½	1½
East Rand.....	6½	6½	Tanayik.....	1½	1½
Geduld.....	39½	39½	Van Ryn Deep.....	3½	3½
Gov. Areas Mod.....	38½	38½			

* Treasury prices.

drooping tendency. Government stocks fell a fraction, and India loans also gave way, but Bank of England stock put on a point on a little buying. Colonial issues showed a fair amount of strength, and several Australian stocks gained a good fraction. Small buying orders make the dealers cock-a-hoop, as there is so little floating supply to meet the requirements of purchasers. In the Foreign market Russians fell

Fluctuations have occurred in raw cotton rates and bearish sentiment is still rather pronounced. It is now definitely announced that the Egyptian Government has decided to restrict the area under cotton for next season, the acreage being fixed at 1,200,000 feddans, against the estimated acreage this year of 1,677,000 feddans. The fine spinning industry of Lancashire is bound to be seriously affected by this decision. In cloth for India a few more attempts have been made at transactions, but bids in standard grey makes remain very poor, and only a moderate turnover has taken place in lighter fabrics. Trade advices from China are not altogether healthy, although stocks in that part of the world are very low. It is said the

CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING SEPTEMBER 14, 1917

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt., duty 14/1, 98% polarisation	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian Scoured Merino	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Cr'sabr'd	nom.	nom.
Granulated ..	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Crossbred	nom.	nom.
Foreign granulated, first marks	nom.	nom.	New Zealand (scoured) Merino	nom.	nom.
f.o.b., spot	nom.	nom.	Greasy Crossbred	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Cape snow white	nom.	nom.
French Cube	nom.	nom.	Indiarubber p. lb.		
prompt	nom.	nom.	Plantation, Spot		
Crystallised, West India ..	2 6 9	2 6 9	Crepe ..	0 2 10	0 2 10½
Best, 88% f.o.b.	nom.	nom.	Coal —per ton		
Tea —per lb., duty 1/1	£ d. s. d.	£ d. s. d.	Durham, best ..	nom.	nom.
Indian Pekoe ..	11-1 6	10-2 0½	Seconds ..	nom.	nom.
Broken ..	10-2 7½	10-2 6½	East Hartlepool ..	nom.	nom.
Orange ..	10-1 2½	10-2 1½	Seconds ..	nom.	nom.
Broken ..	10-2 5½	10-3 0	Steamers, best ..	30 0	30 0
Pekoe Souchong	11-1 3	10-1 6	Seconds ..	27 0	27 0
Ceylon Pekoe	11½-1 6	10-1 6	Lead —per ton.	£ s. d.	£ s. d.
Broken ..	10-2 2½	10-3 4	English Pig ..	nom.	nom.
Orange ..	10-1 6	10-1 3	Foreign soft ..	£ 30½-£ 29½	£ 30½-29½
Broken ..	10-2 9	10-3 2 7½	Quicksilver —per bottle first hand	nom.	nom.
Pekoe Souchong	11-1 0	11½-1 0	Tin —per ton		
Cocoa —per cwt., duty 6d., per lb.	s. s.	s. s.	English Ingots ..	£ 239-240	£ 241-242
Trinidad—per cwt.	84 0-90 0	85 0-90 0	Do, bars ..	£ 240-241	£ 242-243
Grenada ..	70 3-87 0	72 0-87 0	Standard cash ..	£ 241-242½	£ 245 10/
West Africa ..	57 0-65 0	55 0-67 0	Tin Plates, per box	nom.	nom.
Ceylon Plantation	70 0-85 0	70 0-85 0	Copper —per ton.		
Guayaquil Arriba ..	95 0-98 0	95 0-98 0	English, Tough, per ton ..	nom.	nom.
Coffee —per cwt., duty 42/- per cwt.			Best Selected ..	£ 135-£ 131	£ 135-131
East India ..	80 0-104 6	82 0-104 6	Sheets ..	£ 160	£ 160
Jamaica ..	66 0-120 0	67 0-120 0	Standard ..	£ 120-120½	£ 120-120½
Costa Rica ..	78 0-102 6	78 0 100 0	Jute —per ton.		
Provisions —			Native firsts for shipment	£ 18 10	£ 18 10
Butter, per cwt.			f.o.b.		
Australian finest	nom.	nom.	Oils —		
Irish Creameries	nom.	206/-211/-	Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Dutch ditto ..	nom.	nom.	Rape, refined ..	£ 71	£ 71
Russian finest ..	nom.	nom.	crude ..	£ 66	£ 66
Normandy baskets	nom.	nom.	Cott'n Seed, crude	£ 60	£ 60
Danish finest ..	nom.	nom.	Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
Brittany rolls ..	23/6-24/	23/6-24/	Petroleum Oil, per 8 lbs.	1/8½	1/8½
Bacon —per cwt.			Water White ..	1/9½	1/9½
Irish ..	160/-162/-	160/-162/-	Oil Seeds, Linseed	—	—
Continental ..	145/-162/-	145/-162/-	Calcutta—per ton		
Canadian ..	157/-	157/-	Spat ..	30 0 0	30 0 0
American ..	152/-	152/-161/-	Rape ..	30 0 0	30 0 0
Hams —per cwt.			Iron —per ton		
Irish ..	184/-	184/-	Cleveland Cash ..	nom.	nom.
Canadian ..	nom.	146/-	Tobacco —duty, unmanufactured		
American ..	110/-137/-	110/-137/-	7/4 to 8/6 per lb.		
Cheese —per cwt.			Maryland & Ohio, per lb. bend ..	nom.	nom.
Dutch ..	nom.	nom.	Virginia leaf ..	0 8-2 1	0 8-2 1
Canadian ..	nom.	nom.	Kentucky leaf ..	0 7-0 11	0 7-0 11
English Cheddar	132/-	132/-	Latakia ..	2 0-5 0	2 0-5 0
Wilts loaf ..	nom.	nom.	Havana ..	1 6-6 6	1 6-6 6
New Zealand ..	nom.	nom.	Manilla ..	nom.	nom.
Rice —per cwt.	s. d.	s. d.	Cigars, duty 10/6 per lb. ..	2/ upds.	2/ upds.
Japan ..	29 6	29 6	Timber —Wood.		
Rangoon 2 stars ..	26 3	26 3	Pitch Pine ..	300/-400/-	300/-400/-
Eggs —per 120.			Indian Teak ..	38½/-700/-	38½/-700/-
English ..	28 0-30 0	28 0 30 0	Turpentine —		
Irish ..	24 0-26 0	24 0-26 0	American Spot ..	2 18 6	3 1 0
Danish ..	23 6-25 6	23 6-25 6	Copra —per ton	46 0 0	46 0 0
Spelter —					
G.O.B. as to position ..	£ 54-£ 50	£ 54-£ 50			
Flour —per sack.					
Country Straight	59/-61/-	nom.			
Runs ex Mill ..					

auctions in Shanghai have been suspended for three weeks. Fancies and special cloths have been in steady demand for certain of the minor outlets East and West without individual sales being at all important. Home trade buyers have not been in the mood to place orders freely. American yarns for home use remain irregular in price when tested, but here and there a little more business has been done in stock lots. Export bundles have moved off slowly. All kinds of prices have been quoted by Bolton spinners, and users are too uncertain as to the future course of events for anything more than small lots to be bought.

The Bank of Abyssinia, Cairo, has informed the National Bank of Egypt, London, that her Majesty the Empress of Abyssinia, has been graciously pleased to become honorary president of the Bank of Abyssinia, and that His Royal Highness Rās Tafari, the Regent, has joined the board of directors.

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and September 8, 1917:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Sept. 8, 1917.	Total Receipts into the Exchequer from April 1, 1916, to Sept. 9, 1916.
Balances in Exchequer on April 1—	£	£	£
Bank of England	—	25,209,947	25,111,065
Bank of Ireland	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs	70,750,000	30,877,000	28,398,000
Excise	34,950,000	14,913,000	20,860,000
Estate, &c., Duties	29,000,000	13,652,000	13,570,000
Stamps	8,000,000	3,031,000	3,221,000
Land Tax	2,600,000	330,000	310,000
House Duty	—	—	—
Property and Income Tax and Super Tax	224,000,000	47,282,000	31,706,000
Excess Profits Duty (including Munitions Levy)	200,000,000	75,974,000	23,678,000
Land Value Duties	400,000	227,000	110,000
Post Office	33,700,000	14,000,000	14,000,000
Crown Lands	600,000	20,000	220,000
Receipts from Sundry Loans, &c.	7,500,000	688,899	518,057
Miscellaneous	27,100,000	22,294,196	2,595,807
Revenue	638,600,000	223,379,095	139,186,894
Total, including Balance		249,814,954	164,761,900
OTHER RECEIPTS.			
Repayment of Advances for Bullion	—	880,000	1,820,000
For Treasury Bills (for supply)	—	983,179,000	862,464,000
For 4½ per Cent. War Loan, 1925-1945	—	—	424
For 5 per Cent. Exchequer Bonds, 1919	—	—	33,287,000
For 5½ Exchequer Bonds, 1920	—	—	82,014,510
For 5 per Cent. Exchequer Bonds, 1921	—	—	57,912,000
For 5 per Cent. Exchequer Bonds, 1922	—	76,809,000	—
For War Expenditure Certificates	—	—	20,537,300
For War Savings Certificates	—	15,750,000	24,350,000
For other Debt created under the War Loan Acts, 1914-1917	—	286,060,260	10,000,000
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947	—	166,550,000	—
Temporary Advances—	—	—	—
Ways and Means (including Treasury Bills £345,000,000 in 1916-1917)	—	412,400,500	409,196,500
Total		2,211,533,714	1,669,533,624
NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.			
	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Sept. 8, 1917.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Sept. 9, 1916.
EXPENDITURE AND OTHER ISSUES.			
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	17,000,000	8,621,597	11,476,191
Interest, &c., on War Debt ..	194,500,000	67,105,870	50,801,190
Payments to Local Taxation Accounts, &c.	9,700,000	2,645,698	2,819,548
Other Consolidated Fund Services	1,695,000	717,038	702,468
Supply Services	2,068,826,000	1,091,413,121	715,591,156
Expenditure	2,291,721,000	1,170,503,330	784,390,553
OTHER ISSUES.			
For Advances for Bullion	—	940,000	2,140,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	—	84,909	60,914
Under Telegraph (Money) Act, 1913	—	55,000	150,000
Under Post Office (London) Railway Act, 1913	—	68,000	135,000
Under Housing Act, 1914	—	175,400	18,900
For Treasury Bills for Supply	—	576,344,000	658,352,000
For Exchequer Bonds under Section 62 of the Finance Act, 1916, and Section 34 of the Finance Act, 1917	—	253,620	—
For other Debt under the War Loan Acts, 1914 to 1917	—	14,650,039	—
For Depreciation Fund under the Finance Act, 1917	—	16,894,120	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908	—	—	38,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	—	23,160
Temporary Advances repaid—	—	—	—
Ways and Means (including Treasury Bills £156,260,000 in 1916-17)	—	407,026,500	191,656,500
Total		2,186,994,918	1,633,965,027
Balances in Exchequer—			
Bank of England	23,744,555	31,160,876	—
Bank of Ireland	794,241	1,417,721	—
Total		24,538,796	34,572,597
MEMO.—Treasury Bills outstanding on Sept. 8, 1917			£ 870,749,000
* Includes £ 217,000, the proceeds of which were not carried to the Exchequer within the period of the account.			

South Africa's New Iron Industry.—The General Purposes Committee have recommended to the Pretoria Town Council that, subject to the approval of the Administrator, a draft lease between the Council and Mr. C. F. Delfos, granting the latter the right to mine for and dispose of iron, iron-ore, iron quartz, and iron-bearing minerals and metals, situate on a portion of the town lands of Pretoria, for a period of twenty years, and, in the event of its being legally competent to do so, for further periods of 30 and 40 years respectively, be approved and adopted. The recommendation was agreed to by a large majority. It is noteworthy in this connection that an exhaustive report on the iron ores of the Pretoria town lands has lately been prepared by two well-known scientists, and that there is a prospect of the erection of an electric furnace for treating the ores at an early date.

Riga "Free"—as Poland is.

Did he stand alone, the utterances of William Hohenzollern would deserve, and probably receive, the attention given to the "insane," the "crank," the "swelled head." But, unhappily for them, he represents the German people, after a fashion, and to a degree no other living member of the despot breed now does anywhere. At his instigation and bidding Germany now acts as Prussia always has done, and thinks as the Prussian Junkers and their sinister figurehead bid them think. Therefore, an outburst of frothy rant like the following is worth serious attention, as the official and popularly endorsed embodiment of Prussianised German purposes and ideas, which are still all-powerful to sway the mob: William II. rushed to Riga the moment he heard of its capture, and evidently was beside himself with delight when he got there. And forthwith he had to deliver a harangue to "his troops." Charles the Rash, another swelled head who aimed at empire and lost all in the attempt, at least had the courage to risk his own carcase in the fight. Not so William Hohenzollern. He only comes on the scene when assured that all is safe, and then it is words of vaunting he utters, not of pity and regret for the miseries he causes. Here is Reuter's official synopsis of the harangue:—

Riga is free. When this news ran through all the districts of the German Fatherland a storm of jubilation and enthusiasm arose everywhere throughout the Fatherland, and in the foremost trenches in the enemy country. A town founded by the spirit of the old German Hansa, with a German history, which has always endeavoured to maintain its old German atmosphere, Riga has passed through heavy times. By the German army, which incorporates all the German tribes, this town has again been liberated from its long oppression. The operation by which, at the command of the Supreme Army Direction, Prince Leopold of Bavaria began and undertook with confidence in the efficiency of the troops, who in over three years of war have so brilliantly stood the test, has been carried through by all arms more quickly and more energetically than was expected. It was a surprise to the enemy. He was struck a crushing blow by the loss of the bridgehead. The liberation of Riga is the achievement of the Eighth Army and its well-trying commander. It has again proved our steel-hard will to victory. We shall defend ourselves, no matter how long. Such blows as the Battle of Riga increase the prospects of the end coming soon, and they add to the glory of our arms, giving fresh laurels to the flags of all the troops participating therein. Therefore I express to you my thanks for this brilliant feat of arms, the Fatherland's thanks, and the enthusiastic thanks also of your people at home, who in prayer stand behind you, accompanying your deeds, creating and labouring with their hands, tilling the fields to give us our daily bread. The good harvest will feed us. Also in this respect the Lord of Creation has granted our prayers, and by daily bread has protected this army and your people at home against distress. Therefore, happen what may, and no matter how long it may last—onward upon the enemy with joyful heart and iron will to victory over all the enemies of Germany.

"Riga is free," no doubt after the fashion in which Poland is alleged by the same false prophet to be—free to be gutted of all that can be carried away, free to pay taxes to Berlin, to be expatriated on failure to worship "The Kaiser," or to clear the land to make room for Germany. And the cunning lunatic proceeds to give his version of the town's rise in history—a version truly Prussian, and therefore essentially as false as the assumption that Prussia, and Prussia alone, is Germany. And "my" armies "under" Prince Leopold of Bavaria, who, we trust, may be poorer than the most pauper of the other Wittelsbachs if he survives the war, carried through the conquest "more quickly and more energetically than was expected." So naturally "the Lord of Creation," obedient, doubtless to the demands of "William I.R.," "has granted our prayers" and given army and people bread. The Deity has come into favour again, but note the anxiety underlying that boast. Victory or defeat may, it would seem, become a question of bread this coming winter for all the peoples whose lives and fortunes are wrapped up in the fate of the two Teutonic despotisms. Well may William bawl: "Onward upon the enemy with joyful heart and iron will." They must be kept in heart with the hunger lying ahead more deadly than bullets if they fail. And his minions intrigue without ceasing, in the feverishness of gathering despair, for the peace the

Allies must refuse. That braggart utterances of this kind should still be acceptable to the Germanic "tribes"—and the criminal lunatic is shrewd enough not to have made it had he thought it likely to be ill received—are proof that we have still a long way to go before we have freed mankind from danger by imposing upon these pride-inflated "conquerors" our peace. The "murder grim and great" must proceed—that is what the Kaiser's latest speech tells us to expect.

"Riga is free" shouts William Hohenzollern, and his ideas upon freedom are peculiar. In illustration we invite readers to take note of the statements made in the last number of the *Polish Review*, that most useful quarterly, by "Varsoviensis," an obviously well-informed writer. After describing how the Germans at once began to plunder the Poles the moment their armies had overrun the country—by restricting movement of the population without permits, paid for in coin, by undervaluing the rouble in exchange, &c.—the writer proceeds:—

Having in view the abnormal conditions created in Poland by the war, the Russian Government had postponed the collection of taxation. As soon as the Germans occupied the country they at once took to collecting the overdue taxes. It is estimated that they obtained in this way about 8,000,000 roubles. On June 22, 1915, a new customs tariff was introduced between Poland and Germany. This tariff has a marked anti-Polish character. The duty on one kilogram of flour is fixed at 16.3 pfennig. The duty on salt is the same. For meat 20.3—40.6 pfennig is demanded. All other victuals pay 8.3 pfennig. The most unjustifiable is the duty on flour, as the Poles are not allowed to mill their corn in Poland. Polish corn is being sent to Germany for milling, and hence comes back to Poland, paying the duty on the return journey. The German authorities have given as an excuse for this action the possibility of "corn being destroyed by Russian spies," as if the same could not happen to milled flour (letter of the Governor-General of Warsaw of December 16, 1915, No. 13, 16, 172).

At the same time, however, the duties on manufactured goods coming from Germany to Poland have been lowered. The reduction on different articles varies, so that some articles pay half and others one-fifteenth of the previous duties. The new railway tariffs are drawn also with the view of giving advantage to the Germans. The goods for this purpose are grouped into six categories. One of these, known as the General Tariff, comprises all goods in general. There is a separate tariff for cattle and four exceptional tariffs. The General Tariff is two to four times higher than under the Russian régime, but an exceptionally low tariff is provided for the export of foodstuff to Germany.

Coal and cattle are treated in precisely the same fashion, and in addition the Prussians have established monopolies entirely in their own interests. The flour monopoly "hits the population the hardest." Grain produced in Poland is sent to Germany to be ground into flour. When the flour comes back it is sold to the Germans, wheat flour at 2 roubles per poood and to Polish institutions at 3.8 roubles, rye meal at 1.5 to the Germans and 3.36 to the Poles, and oat meal at respectively 2.2 and 4.22. The only "freedom" visible here is that of the Germans to plunder the Poles without hindrances of any kind from any quarter. What can be done with a race so perverse and perverted as to regard conduct of this kind not only with approval, but expect it to be approved by others, even by the victims? Was there ever before a race dominant anywhere in history so utterly selfish in its outlook, so completely selfish, as to deem itself above all law and a conferrer of favours when it treated those unhappily in its power with a systematic, heartless inhumanity revolting to behold, that murdered hope?

Behold German "freedom" as exhibited to-day in Poland. It is no new development, only a less trammelled exhibition of a spirit and of conduct, always icily selfish, always intent on "civilising" by coercion, in order to wring profit out of the victim. Woe-laden is the period through which a world afflicted is now passing, but amid all the suffering one thing consoles—the Prussian Caliban, strong, heartless brute though he be, is yet so great a fool, so imperfectly developed morally in all that concerns the ruling and comprehending of his fellow-men that he does his very utmost to render his own ultimate discomfiture inevitable as death. The longer his ruthless grasp holds a people in subjection the more intense grows the resolve to throw off the yoke. And the cringing German serf, of perverted

mind, tramps on, unconscious of the feelings his stupid brutality excites, a veritable "Johnny head in the air" to the end. While boasting of victory and canting about freedom, the half-witted savage is busy welding the chains that will bind him in perpetual degradation and servitude when civilised mankind has cast him out.

The latest Foreign Minister to whom the Kaiser has set the task of beguiling outraged humanity into a false peace, that notorious super-cunning futility, Baron Kuhlmann, is said to have formulated several "peace terms" outlines to Washington for behoof of the Allies as ground bait for gudgeon, and with a view to cheating us into a German peace, and immediately the Press tries to excite us about the man and his wiles. This is perhaps natural, since at the moment the killing does not lend itself much to the picturesque description on any front, but it is not too wise. The fellow will only grow more impudent. What has this Kuhlmann ever done to deserve either credence or attention? They seem to have fooled him to the utmost of their humour in Ulster, and if he is the man who led the Swedish Government into the hole it now struggles to get out of, the success is greater proof of Swedish willingness to serve the Germans than either of Kuhlmann's astuteness or of his tact. And when we say "Swedish" we refer to the so-called Swedish upper classes—"mostly Scotch," as a Swede told us once in humorous deprecation—whose pro-Prussian leanings were so pronounced at the beginning of the war as to preclude the possibility of dupery on the part of Kuhlmann or any other Prussian fathead sent to prompt them. Between that upper class and the people of Sweden, the true Swedes, a great gulf was fixed from the first over the rights of this war, and it has widened ever since. We should not therefore be at all surprised if the Bernadottes have to lay down the Swedish crown and go into exile—back to Gascony whence they came—along with their sycophants and dependents, as a consequence of the revelations of diplomatic treachery made by Mr. Wilson's Government. But be that as may be, nothing could well be less wise on our part than to visit upon the Swedish people the sins of the royal and pro-Teuton Minister in Buenos Ayres or any other high functionary. Try the actual criminals if they fall into our hands, and hang them, if found guilty—they are only mortal and sinners like us all—but do not manifest rancour against the Swedish people. That seems to be the Washington view, as "diplomatic relations" with Sweden are not to be "ruptured" by President Wilson in consequence of Swedish official subservience to Berlin, and it represents the only wise and just course to pursue.

"Conquests" in the manner of the seizure of Riga do not really blind William Hohenzollern to his position. He knows what is before him; that is one reason why he has taken up with his Deity again with such effusive unctuousity. Therefore we should try and cultivate serenity of mind towards all his vapourings, as well as towards his numberless peace intrigues and proposals. The hour of the "League of Peace" and universal disarmament has not yet struck, but it approaches, and the help of the Pope should be welcomed, not sneered at, in hastening it, as far as it is an unworldly and an unselfish effort, as must be the efforts of us all. But meanwhile we should do well not to be impatient over rogue diplomacy or Russian retreats. The Prussian brute is in the grip of foes more powerful far than he, and, in the service of righteousness, more relentless than ever he can be, and his crimes have steeled their hearts to exact reparation to the uttermost, as well as guarantees which, as far as human foresight and humane laws can, may protect mankind for ever henceforth from a repetition of any similar eruption of demons in human shape let loose from Hell.

South African Egg Export Industry.—Lecturing at Germiston, South Africa, the Government poultry expert pointed out that whereas a few years ago South Africa was importing £70,000 worth of eggs per annum, it is now exporting £40,000 worth, and that in the near future the value of the export might be £100,000.

By-the-Way War Notes.

A portion of the French press, we note, showed a disposition at first, if not exactly to throw over, at any rate to neglect Mr. Kerensky and turn to General Korniloff as the saviour preferred. The sentiment expresses a natural impulse. All of us are weary of the war and sick of the bestialities with which its conduct is more and more stained by the foe, and all, therefore, incline to clutch at any chance which may seem to offer prospect of a quick decision. To some, Korniloff seemed to offer the longed-for chance, and that seeming possibility inclined many to his side. It is in accordance with traditions, and with human nature also, that we should crave for the "strong man," the despot who could compel and drive where he might not have patience or capacity to lead. But we must, in this instance at least, beware of giving way to such primitive ideas and instincts, and hold fast by the first essentials of freedom, the supremacy of the civil power in all things, at all times, in Russia as everywhere else. General Korniloff may be a man of high patriotic impulses, he may have reason to be dissatisfied with the way the civil irresponsibles interfere with his plans, and can easily have many other reasons for discontent more or less valid. None the less is he an enemy to his country and a rebel to its nascent liberties if he persists in his attempt to establish a military dictatorship on the pretext that by this short cut he can give the people their liberty.

Those prepared to excuse the lawlessness of the man armed will doubtless say: "Why should Korniloff be branded 'traitor' any more than Kerensky? Kerensky does not rule by constituted authority, but mainly because he has assumed command and controls a nameless rabble. He is therefore as much without the law as his opponent." That may be true; indeed, it is true that the one fount of lawful and responsible power in Russia, the Duma, is at present hustled aside and its place usurped by a non-representative body of demagogues, Socialists and Anarchists, calling itself the Council of Workmen and Soldiers' Delegates, and that Mr. Kerensky has to lean upon that swaying prop is also true. But it is true, further, that he controls this body on the whole for the country's good and not for his own ends. He lays no mines to explode under the fabric of the constitution when built in order to blow it up and proclaim himself master. It is of the most vital importance to a free Russia that the power of the man or men who administer the country's affairs should be as "provisional" as the usurping committees who may support them. We can discover no valid reason for the transfer of power in Russia to a soldier, and believe that the impulsive Cossack who has risen in revolt and demands to be made dictator has exaggerated the amount of disorder and indiscipline in the Army. Nor do we sympathise with his demand for liberty to kill at pleasure, without appeal, as a corrective of insubordination. Kerensky is right in withstanding this demand, and in so doing gives proof of an unselfish patriotism. He is risking, perhaps, his life, all his future career, in refusing to give way; but Russian soldiers, however sentiment ridden or war weary they may be, are neither cowards nor traitors, and do not deserve to be shot as Korniloff would shoot them always, when they shirk the fight. There is far too much of the mediæval ruthlessness still in the rules and regulations of all our armies, and whether or not, civil liberty is not going to be established in Russia by a military dictator with irresponsible power over the lives of his fellow-citizens. Better risk the occupation of Petrograd by the Prussians—they are not there yet—and resign themselves to endure many other evils than come to that. We must summon courage, even in the darkest hour, to hold fast by our principles.

But is the fighting going so badly then? It is not, it only seems to be going slow, as usual when pauses, or what look like pauses, occur, and no news about great battles comes along. The fighting is slow only in appearance. All the time we are killing the Germans fast and faster, which, sad though it may be to

have to say it, is the best way to win and end the war in the present demented mood of the German peoples. They have to be ruined and bled to impotence, and it is just this work that we are doing. What hope is there of ending the war by any other treatment when dealing with human beings so degraded as to deem it a merit in their soldiers to arrange bombing expeditions for the slaughter of the wounded—their own or the enemies', it appears to be all the same to them—in hospitals by way of in revenge for their defeats in fair fight? What can they imagine to be the effect upon their opponents of this repulsive conduct? We can answer as to what the effect is on us. We feel thankful that in thus behaving the Prussians are most powerfully helping us to sustain the war spirit and to cope with our insidious, and probably too often subsidised, pacifist propaganda here. The man who in this, or in any Allied, country to-day advocates a "treaty"—which means a sham, a patched-up truce—of peace with Germany is a traitor not only to his fellow-citizens, but to the liberties of all mankind. Happily the enemy gives us many warnings that he is not to be relied upon in anything. The Germans use diligent care themselves to help to rivet the impression made by these continually recurring exhibitions of savagery in war. The crimes stifle in us all disposition to end the agony by bargaining with assassins, liars, and cheats.

"Liars!" Well, yes, assuredly. Mr. Gerard tells a little story illustrative of the lengths to which the Germans will go in attempts to deceive. It is impishly silly, but reveals the minds of the depraved beings as well as tricks played on a larger scale by the mad Kaiser himself. Here is the story:—

I heard of so many instances of the annoyance of prisoners by the civil population that I was quite pleased one day to read a paragraph in the official newspaper, the *North German Gazette*, which ran somewhat as follows:—

The following inhabitants of (naming a small town near the borders of Denmark), having been guilty of improper conduct towards prisoners of war, have been sentenced to the following terms of imprisonment and to the following fines, and their names are printed here in order that they may be held up to the contempt of all future generations of Germans.

And then followed a list of names and terms of imprisonment and fines. I thought that this was splendid, that the German Government had at last been aroused to the necessity of protecting their prisoners of war from the annoyance of the civil population, and I wrote to our Consul at Kiel and asked him to investigate the case. From him I learned that some unfortunate prisoners passing through the town (in a part of Germany inhabited by Scandinavians) had made signs that they were suffering from hunger and thirst; that some of the kind-hearted people among the Scandinavian population had given them something to eat and drink, and for this they were condemned to fines, to prison, and to have their names held up to the contempt of Germans for all time. I do not know of any one thing that can give a better idea of the official hate for the nations with which Germany was at war than this.

Nor do we. But it is not hate that they inspire in us; it is a shrinking loathing, as if we were in contact with a venomous snake. And people of this cruel, false-dealing stamp talk of making "offers of peace" to the Allies! We can have nothing to say to the offers. There is nothing for us to do but to go on with the slaughter as serenely and methodically as we can. And, as we said at the beginning, the progress we make is good. We were misled by a non-official message last week into crediting Italy with the capture of San Gabriele. It has not fallen yet, but continues to fulfil the excellent purpose of facilitating the destruction of Austria's troops, and when it does surrender, the war, so far as that fraudulent imposture the Austro-Hungarian Empire is concerned, might almost end, but that there is so much killing still to be done and the Balkans and Rumania to be cleared and delivered from the enemy.

From Rumania the news continues cheering, and the successful fight put up by the Rumanian armies, as well as the strengthening resistance of the Russian troops acting in concert with them, revives hope that the Prussians have been made incapable of supplying enough stiffening to the Austrians in that part of the field to give them any hope of escape from the fate they invited. Indeed, the best ground we have for keeping fast to our

confidence in the ultimate deliverance of Russia lies not so much in the strength or courage of her armies as in the fact that the offensives undertaken by the enemy are now a great help to us in facilitating his destruction. Of what use can Riga or the land between it and Petrograd be to them this winter?

The Italians, the French, and ourselves have so drained the two empires of good and willing fighting material—of gun pulp—that their power to launch forth on new enterprises of conquest is now almost at an end, is assuredly not a tenth of what it was two years ago. But the tyrants will sacrifice the race—or act as if they would—rather than give in, and therefore much remains to be accomplished, and the fighting goes on—extends, indeed, because it must. The good effects of the change in Greece, and the approach of cooler weather, is enabling the Allies to act with more vigour in the Balkans, thus taking some of the pressure off Rumania. In Palestine and Mesopotamia—perhaps, also, in Armenia and Persia—there may soon be greater activity, and all we do is helping to bleed the unsanctified combination of Turk and Teuton to death. At longest the great deliverance cannot be delayed beyond another winter now. But, as Mr. Waldo, of the *Philadelphia Public Ledger*, told the *Times* this week, "the war will last until it ends," be it soon, be it syne.

As for the West, the slaughter of the enemy never ceases there, either night or day. Wet weather and mud may prevent the Belgians and ourselves from effecting dazzling strokes, and the presence of the native population, as in Lens, restrains the freedom of our bombardment; but our guns and our aircraft are unrestingly busy, and the attacks on us, to which the Germans are continually goaded, always cost them dear. In no case do these attacks succeed beyond effecting the temporary re-occupation of some lost post or bit of trench. Steadily the enemy loses men and ground. On the French portion of the front, too, particularly around Verdun, the Germans are continually being beaten back, consumed, out-generalled, and out-fought. So they spend their talents in concocting stories of imaginary victories over imaginary attackers, and, in action, delight in the perpetration of crimes which shock mankind. And they can always rely on their learned professors to find ample reason for pronouncing their deeds worthy of approval, the grandest manifestation of Teutonic *Kultur* the German soul has ever attained.

Ever ready without thought given to the interests of the Allies or our own, the *Daily Mail* is this week trying to alarm us about German U-boats. Those wonderful Germans whom it, not unnaturally, admires without stint, have to the paper's worshipful astonishment invented a new way of using their assassination machines. At first they roved the waves singly, then they went in pairs, and now, oh, marvel to be told! they operate in "flotillas." This "may have important consequences for the Allies," cries this ever-boohooing Harmsworth and tonnage economising news-sheet. Other mere common people might infer that the gathering of the sharks in shoals meant weakness, and the increasing cowardice of the beaten; not so the *Daily Mail*. Its joy is in finding or inventing a new scare, and the more it can depress the spirits of the ignorant mob it lays itself out to cultivate the hap—, the greater its gain.

Unfortunately for the reputation it tries to acquire this week the U-boat campaign statistics do not favour gloomy theorising. Last week's pirate feats in sinking our merchant ships of 1,600 tons gross and over was the smallest since universal sink-at-sight war was declared. 2,744 ships arrived at and 2,868 left our ports last week, a total of 5,612, and the week's sinkings of big ships numbered 11. In addition five smaller ships were sunk and four fishing craft. Nine ships were also unsuccessfully assailed. The sinkings totalled 20 all told, and the average weekly losses in April last was nearly 45. In July it was nearly 24. So, naturally, instead of bidding the public keep its heart strong while abating nought in its economies, the *Times*, that other Harmsworth sheet, demands "more data." "We do not know the ton-

nage of the vessels lost," therefore we cannot be sure of this and that. Undoubtedly the added information demanded might sometimes gratify the Germans. What use it would be to us and to our Allies until the war is over the *Times* does not venture to indicate. All the Harmsworth press, however, can be counted on to make things as black as possible always, to carp and sneer, to backbite and depreciate. That is a pity when there is so much work of greater worth to be done, and the gratification of piques and spites is always poor journalism. From last week's figures we should infer that, no matter what their new tactics may be or what the size of their new submersibles, the Germans are in process of being outwitted and beaten. The statistics they circulate illustrative of their "success" in depriving us of food are no more to be relied upon than their yarns about aircraft triumphs and the "defeats with great loss" in the battles they imagine and embroider for the delectation and deception of their dupes everywhere.

Insurance News.

Excellent results were achieved by the Australian Mutual Provident Society in 1916, the total new business of the year amounting to 21,145 policies for a nett amount of £6,570,020, with new premiums amounting to £235,344, of which £34,478 represented single payments. The industrial department issued 26,222 new policies, assuring £1,038,105, at premiums amounting to £64,175. Of the claims in the ordinary section, amounting to £1,612,240, including £410,925 for bonus additions, £471,489 was due to claims arising from the war. A cash surplus of funds over liabilities in the ordinary department (including special reserves) of £997,178 was disclosed in the actuarial valuation. Out of this the board allots £857,178 for distribution among the members, which provides reversionary bonuses amounting to about £1,500,000. A sum of £25,492 is written off securities.

Negotiations are now being carried on under the direction of the German Government with the object of guaranteeing to German marine assurance companies and to companies in countries that remain neutral, the monopoly of all insurances on German imports during the period of transition which will follow the war. Needless to say, the main idea is to carefully exclude the participation of British offices in all German shipping insurance business. To carry out this policy the more effectively, the principal marine insurance companies in Germany are increasing their capital and absorbing the smaller offices.

The terms of another insurance amalgamation scheme have been arranged during the past few days, a provisional agreement having been entered into providing for the acquisition of a controlling interest in the National Insurance Co. of Great Britain by the Commercial Union Assurance Co. This is another instance of a non-tariff office coming under the control of one of the large composite tariff offices. The proposed price is £6 2s. per share, payable as to £6 in 5 per cent. War Loan taken at the issue price of 95, and the remainder in cash; this is practically the price at which the shares have recently changed hands. The National Insurance Co., which was established in 1897, has been very successful, the dividend during recent years having risen to 17½ per cent.; the issued capital is £250,000, with £50,000 paid up in £5 shares (£1 paid), and the affairs of the company have been controlled from Glasgow. The purchase should turn out a valuable acquisition for the Commercial Union, the company having a good business, including fire, workmen's compensation, fidelity guarantee, plate-glass, and third party insurance.

It now transpires that the company which is proposing to acquire the shares of the Star Assurance Society is that go-ahead concern the Eagle and British Dominions General Insurance Co. This makes the third life office with which the last-named office has entered into such an agreement within the past year.

The Star was originally formed in 1843, and has a capital of £100,000, of which only £5,000 is paid up, the shares being of the denomination of £1 with 1s. paid. A good round half a million per annum in the way of premium income has been earned for a number of years past, while its expense ratio has also remained at a reasonable level. Funds amounting to over seven millions have been built up.

Shareholders of the Star will receive for each five shares (a) £10 of 5 per cent. War Loan, and (b) one fully-paid £3 share in the Eagle and British Dominions, any necessary adjustments for fractional shares to be made on the basis of £6 10s. a share, the present market price. The market value of Star shares until recently was 1½; shareholders will now receive the equivalent of £3 4s., taking War Loan at 95, and Eagle and British Dominions shares at £6 10s., in addition to which they will at once be in receipt of a considerably increased income as the result of the amalgamation. The existing life assurance business of the Star will be formed into a closed fund and administered at an expense ratio of 9 per cent., or 6 per cent. below the average ratio of the last five years. This limitation in itself will be equivalent to an immediate gain to the policyholders of some £25,000 per annum, and should have an important and favourable influence on future bonuses. The title of the new combination will be the Eagle, Star and British Dominions Insurance Co. Four Star directors will join the board of the amalgamated company, the remaining directors forming the Star board of the company to manage the closed life fund.

Answers to Correspondents.

*** A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.**

Deposits against future queries may be lodged with the Publisher.

A. D. (Glasgow).—There might not be much, but it trades on false pretences, and its expenses must be paid somehow. You therefore stand to be cheated. (2) We cannot afford to give names of "a few shares" for 1s.

Memory.—On the whole, we advise you to hold. The property is substantial, and efforts are now being made to pull the entire combination out of the mess.

P. N. T.—Probably. It is a respectable venture, and you cannot lose much. Yes also, if you can get them at the price, but do not buy many to begin with.

Lucky Number.—Buy more by all means, if they are to be had.

Janet.—Rather buy a few more and wait a while than throw away just yet.

T. B. W.—All are quite reputable concerns, and fair purchases of their class. (1) Shows a good increase for the past year, but is probably near its maximum output per acre. (2) Has room for expansion, but the shares are at a fair premium on present returns. These should, moreover, increase. (3) Premium more moderate; also has prospects of expansion.

H. H.—We cannot advise you to do so, but recover depends entirely on a peaceful solution of the present difficulties.

Dross.—It is a well-managed concern, but was heavily hit by the fall in the exchange. Interest and sinking fund has always been earned, but there was practically no margin recently. The position has improved, and the bonds are quite a reasonable purchase if bought not over current quotation.

L. D. C.—The company is earning the dividend now paid. Progress will be slow, we fear, but in time the concern should pull round.

K. J. R.—It is doing very well, and seems likely to continue prosperous. There may be no increase in dividend for the present, but the yield is quite attractive, and we see no objection to your proposal.

C. N.—We see no reason to anticipate any important recovery. Everything depends on the Government borrowings. The interest is, of course, as safe as possible.

The directors of the London Joint Stock Bank, Limited, regret to announce that Mr. William Fleming Blaine has resigned his seat on the board on account of ill-health. They have elected Mr. Lewis Huth Walters, of the firm of Messrs. Frederick Huth and Co., to be a director.

The New Zealand Loan and Mercantile Agency Co., Ltd., announce that warrants will be issued on and after 29th instant for the interest due October 1 on the first and second mortgage debenture stocks of the company, and that the transfer books will be closed from September 17 to 29, both days inclusive.

Tea, Oil and Rubber.

Considerable activity has again prevailed in the Rubber share market, and as buyers are still in the ascendant, while floating supplies are limited, prices generally have had a very firm tendency. This has been helped by the advance of standard crêpe to 2s. 10½d. Restricted imports are now having an effect on stocks, and last week only 445 tons were landed, while 877 tons were delivered, leaving the amount in warehouse at 12,700 tons, against 8,660 last year. For the month of August imports amounted to 97,456 cents, a decrease of 30,460 cents as compared with last year, while the value was £1,160,000, against £1,566,000. On the other hand, exports amounted to 84,280 cents, an increase of 3,660 cents, and the value was £1,132,000, against £985,700. In the month, therefore, we only retained about 13,200 cents for home consumption. For the eight months, however, the figures do not look quite so encouraging from the bull's point of view. We imported 1,357,290 cents, an increase of 285,280, and we exported 966,860 cents, an increase of 219,300, so that we are 66,000 cents to the good on the year to date. But, of course, if the policy of restricting shipments continues much longer, there might easily be an artificial shortage, although we do not think the Government will carry its present policy to such an extreme. However, even at the present price, most of the favourably situated estates must be making exceedingly handsome profits.

The National Bank of India, the Chartered Bank, the Hong Kong and Shanghai, and the Mercantile Bank of India have issued a circular, in which they say that it is now seven months since the dislocation of sterling exchange occurred, and during that period the exchange banks in Ceylon have had heavy claims made upon them to finance the colony's exports. The restricted means by which funds placed in London can be brought back again have rendered the negotiation of sterling bills more and more difficult. One of the heaviest burdens laid upon the banks has been the provision of funds required for estate upkeep. At the beginning of the year they enjoined the strictest economy in working estates, and stated that it would be impossible to go on taking bills for estate upkeep to the extent to which they were being drawn at that time. Since then the volume of these bills has remained considerable, and out of all proportion to the banks' ability to get the funds which they represent returned from London, and there is a limit beyond which it is impossible to proceed in undertaking finance of this nature. The position will be aggravated further by the reduction in the amount of Council bills available weekly in August from 120 lacs to 90 lacs. The exchange banks therefore consider the time has arrived when the whole question of production and estate expenditure should receive the most careful inquiry and attention at the hands of estate agents and proprietors. The banks express the opinion that not only the financial disabilities to which they have alluded, but also the serious restrictions of tonnage, will compel consideration of the question of curtailment of crop outputs, and that the matter is one of great urgency. We can only hope that this emphatic warning will be heeded.

In 1916 the gross revenue of the Anglo-Dutch Plantations of Java, Limited, amounted to £184,370, an increase of £92,000, to which tea contributed a gain of £13,500, quinine £9,500, coffee and rubber £44,000, and rice £31,000, while wood fell off £6,300. Nett profits were £129,600, an increase of £78,000, but £7,000 less was brought in, and the directors are content to raise the dividend from 5 per cent. to 8 per cent., and to increase the carry forward by £37,000 to £48,480, subject to excess profits duty. Receipts from coffee and rubber (lumped together) amounted to £53,230, or less than one-third of the total, but the area under rubber, amounting to over 10,000 acres, is not nearly in full bearing, and the company has great possibilities when its estates are more fully developed. Last year's rubber crop was only 200,000 lbs., which is a trifle compared with what ought to be produced in the course of a few years. At present the f.o.b.

cost is 1s. 7½d., while the average price realised was 2s. 6½d., but costs ought to be reduced very materially in the near future.

The Week in Mines.

The Mining markets, in common with other departments of the House, have been under the influence of the Russian situation this week, and in consequence business has been quieter. But there have been several strong features, among which may be mentioned Broken Hills, Falcons, Bwanas, Glynn's Lydenburgs, and Rio Tintos. Russians have been on the dull side, of course, but some support was given to them about the middle of the week.

SOUTH AND WEST AFRICANS.

In the South African market the tone was at first dull owing to the East Rand announcement, which caused the shares to change hands down to 5s., but a recovery ensued on the issue of the labour returns for the past month, which showed some improvement, the decrease in the supply being the smallest since the decline began some months ago. East Rands recovered to 7s., a decline of 6d. on the week. Consolidated Main Reefs rose 1s. to 17s. on the proposed acquisition of the Main Reef West, and Mozambiques are 1s. 6d. higher at 12s. 6d. Steady buying of Glynn's Lydenburgs has raised the price 9-32 to 1-¾, but New Modders have fallen ½ to 21, and Van Ryns 3-32 to 1 21-32. The Wit. Deep return for the past month shows a substantial diminution in profit, and the shares have fallen 1s. to 10s. The Rand Miners' Union has accepted the minimum wage offer made by the Chamber of Mines. The Union has also accepted a 48½-hour week, bank to bank, as from January 1 next, and an additional war bonus as from September 1. But it has declined the offer of the Chamber to establish an employment bureau. Rhodesians have been fairly active. Falcons have been actively bought, and have risen 2s. 6d. to 19s. 9d., and Bwana M'Kubwas 1s. 9d. to 4s. 9d. It is understood that the latter company has found that the Minerals Separation oil process is suitable for the concentration of the mine's low-grade ores, and that the necessary plant is being installed. The company owns an extensive copper property, estimated to contain about 4,000,000 tons down to the sixth level. Rezendes have relapsed ¾ to 2½. A meeting of this company will be called shortly to remove the administration to Rhodesia, Sir Abe Bailey becoming the new chairman. Rooibergs improved to 10s. 6d. on the acquisition of additional property carrying tin lodes. West Africans have been a steady market.

COPPER AND MISCELLANEOUS.

In the Copper market, Rio Tintos have risen to 63½ on Paris advices, but other descriptions are rather easier. Tin shares have been less active, with the prominent exception of Geevors, which have spurted 2s. 3d. to 18s. 6d. Nigerian Tin Corporations, in spite of a poor report, have improved to 20-32. Interest on Broken Hills has revived owing to the rise in silver, of which they are fairly large producers. The strike of miners is apparently not yet over, but the labour position is improving. British Broken Hills, which have been doing exceptionally well since it restarted work in December last, have risen 3s. 6d. to 38s. 6d., and Broken Hill Proprietary have risen 1s. 9d. to 48s. 9d., Norths 2s. to 57s., and South Silvers ¾ to 9½. Mexicans have moved rather irregularly.

Russians have been weak on the unsatisfactory news from Petrograd, but closed above the worst. Losses of ¾ are shown in Russo-Asiatics at 3½, Lenas at 1½, and Spasskys at 1½. Indian Gold shares have met with some support, but Burmas have relapsed 3-32 to 3 31-32.

MINING NEWS.

SHAMVA.—The report for 1916 states that the outstanding features in connection with the mining operations were the large amount of excess tonnage brought in in the course of stopping and the extension of the 4th level. It was not possible, owing to shortage of labour, to carry out much development work, in spite of which 437,289 tons of ore were added to the reserves. In addition, various bodies of payable ore, though of lower grade than the mine average, have been and are in the course of being opened up, disclosing a considerable extra tonnage in sight and in prospect. It has, under these circumstances, been decided to mill an average of 3.9 dwts. ore on the assumption—which seems quite reasonable—that by the adoption of this policy not only longer life, but increased aggregate profits, will be obtained. During the year the ore reserves were reduced from 1,750,732 tons, valued at 5.30 dwts. per ton, to 1,605,005 tons, valued at 5.15 dwts. Down to the end of May the ore reserves showed a further decrease to 1,565,800 tons, valued at 5 dwts. There were crushed 503,216 tons, which yielded £446,860, and a profit of £195,649, which exceeded that for 1915 by a few pounds, although costs rose a few pence per ton, owing to the higher charges for materials, and is now approaching 9s. 6d. per ton. On the basis of 22½ per cent., the statutory percentage fixed for Rhodesian gold companies, there was no liability for excess profits duty. Dividends amounting to 30 per cent. were paid during the year, but on account of the current year the dividends, paid quarterly, have been at the rate of 30 and 25 per cent. respectively for the first half of the year. The market price of the shares is covered by the profit

in the ore reserves at present, but these should be considerably added to when development work is put on a larger scale.

WEST AFRICAN GOLD OUTPUT.—Production this year continues very erratic. For July the total was £142,017, an increase of £13,443, which brings the total decrease down to £57,219. The gold output of all the principal fields is likely to be smaller this year than last. The following table shows the monthly production since January, 1913.

MONTH.	1917.	1916.	1915.	1914.	1913.
Jan. ..	£ 131,665	£ 140,579	£ 143,649	£ 123,862	£ 144,262
Feb. ..	104,892	137,739	144,034	123,169	137,038
Mar. ..	158,727	150,987	153,770	131,392	150,060
April ..	123,825	135,076	149,978	131,697	146,220
May ..	121,104	132,976	142,123	145,227	142,617
June ..	114,489	127,107	135,289	147,289	125,764
July ..	142,017	128,574	140,290	151,923	126,916
Aug. ..	—	125,143	139,364	150,386	132,090
Sept. ..	—	127,138	135,744	154,316	132,394
Oct. ..	—	132,577	141,771	159,410	137,153
Nov. ..	—	130,101	122,138	154,674	132,694
Dec. ..	—	146,409	158,323	147,699	127,472
Totals	896,719	1,615,306	1,706,473	1,727,044	1,634,700

TRANSVAAL GOLD PRODUCTION.—The production of gold in August amounted to £3,214,079, a decrease of £104,037 on the same month of last year. The following table shows the monthly production since January, 1912:—

Month.	1912.	1913.	1914.	1915.	1916.	1917.
January ..	£ 3,130,830	£ 3,353,116	£ 2,708,470	£ 3,037,058	£ 3,344,948	£ 3,324,418
February ..	2,989,832	3,118,325	2,660,186	2,872,406	3,201,063	3,063,976
March	3,528,688	3,358,050	2,917,346	3,202,514	3,384,121	3,343,383
April	3,133,383	3,334,358	2,904,924	3,160,651	3,205,643	3,155,121
May	3,311,794	3,373,998	3,059,340	3,243,347	3,303,377	3,310,618
June	3,202,517	3,173,582	3,049,558	3,208,224	3,235,797	3,227,101
July	3,255,198	2,783,917	3,111,398	3,272,258	3,232,891	3,219,094
August	3,248,395	3,092,754	3,024,037	3,307,975	3,318,116	3,214,079
September ..	3,176,640	2,999,686	2,982,630	3,299,423	3,277,408	—
October ..	3,265,150	3,051,701	3,116,754	3,388,128	3,365,642	—
November ..	3,216,965	2,860,988	3,040,677	3,317,534	3,326,253	—
December ..	3,297,962	2,857,938	2,952,755	3,317,949	3,289,705	—
Total ..	38,757,560	37,358,040	35,588,075	38,627,461	39,484,934	25,857,770

For the eight months to date the total shows a decrease of £368,156.

NATIVE LABOUR RETURNS.—These returns show a decrease amounting to 1,011, which compares with a decrease of 4,097 in July. There was a decrease of 836 at the gold mines:—

Month.	Natives on Gold mines.	Natives on Coal mines.	Natives on Diamond mines.	Total natives.
August, 1916	194,112	10,086	5,146	209,344
September	197,734	10,239	6,527	214,500
October	199,330	10,907	6,358	216,595
November	196,132	11,118	5,928	213,178
December	191,547	11,487	5,194	208,228
January, 1917	188,624	11,611	5,591	205,826
February	191,095	11,598	6,268	208,931
March	190,028	11,494	6,620	208,142
April	185,075	11,435	6,314	203,744
May	180,168	11,432	5,805	197,405
June	175,727	11,258	5,369	192,354
July	171,653	11,381	5,223	188,257
August	170,817	11,401	5,028	187,246

BROKEN HILL PROPRIETARY BLOCK TEN.—The accounts for the half-year ended March 31 show a gross profit of £18,700, and a nett balance of £21,137, against £13,834 for the preceding half-year. Dividends amounting to 2s. per share, against 1s., have been paid, and £64,577 is carried forward, against £55,341.

BROKEN HILL PROPRIETARY BLOCK 14.—For the half-year ended March 31 the working profit was £4,240, and the nett profit £2,329, against £6,279 for the preceding half-year. A dividend of 6d. per share has again been paid, and £47,988 is carried forward, against £52,159.

BUENA TIERRA.—This Mexican company reports for 1916 a nett loss of £5,296, against a profit of £5,308 for 1915. The balance brought in was £12,152, and after deducting the year's loss and £1,031 for income-tax, £5,826 is carried forward. Owing to the absence of any settled government in Chihuahua, operations at the mine were confined to a period of 12 days. Practically all work was stopped on January 18, 1916.

DIVIDENDS ANNOUNCED.

American Investment Trust Co.—Interim for the half-year ending Sept. 15 at the rate of 6 per cent. per annum on the deferred stock, payable Oct. 1, the same as a year ago.

Sir W. G. Armstrong, Whitworth, and Co.—Interim for half-year ended June 30 last at rate of 10 per cent. per annum, free of tax, on ordinary shares, the same as a year ago.

Chas. Baker and Co.—Interim for the half-year ended July 31, payable Oct. 10, on ordinary shares at rate of 7 per cent. per annum, less tax, against 6 per cent. a year ago.

Chino Copper.—Dividend \$2.50, payable Sept. 29.

Cressington Steamship Co.—Interim for six months ended June 30 at rate of 6 per cent. per annum, compared with 16 per cent. a year ago.

Chartered Bank of India, Australia, and China.—Interim for half-year ended June 30 at rate of 14 per cent. per annum, tax free, payable on the 19th inst., the same as a year ago.

Canadian Northern Prairie Lands.—Dividend of 4 per cent. for half-year ended June 30, being at the rate of 8 per cent. per annum.

Consolidated Waterworks Co. of Rosario.—Interim of 3 per cent., less tax, on ordinary shares for the half-year ended June 30, payable Oct. 1, the same as a year ago.

Cheviot Rubber.—Interim of 5 per cent. (actual), less tax, in respect of the year ending Dec. 31; a year ago the dividend was the same.

Cammell, Laird, and Co.—Interim of 2s. 6d. per share, less tax, the same as a year ago.

Cock's Pioneer Gold and Tin Mines.—Dividend 1s. per share.

Dominion Steel Corporation.—Dividend at the rate of 1 per cent. on ordinary shares.

Foreign, American, and General Investments Trust Co.—Interim for half-year ending Sept. 15 at rate of 4 per cent. per annum on the deferred stock, payable Oct. 1, the same as a year ago.

Java United Plantations.—Dividend 8 per cent., less tax, for the year 1916, against 5 per cent. for 1915.

Kern River Oilfields of California.—Dividend for 12 months to May 31 at the rate of 10 per cent. per annum, less tax, payable on Oct. 6, against 8 per cent. a year ago.

Labu (F.M.S.) Rubber Co.—Interim of 10 per cent. (actual), less tax, in respect of the year ending Dec. 31; a year ago the dividend was the same.

John Milligen and Co.—Dividend at rate of 12 per cent. per annum, free of tax, for the six months ended July 31 last.

Malakoff Rubber Co.—Interim of 15 per cent., payable on Sept. 28, against 10 per cent. a year ago.

Montevideo Waterworks Co.—Interim of 3 per cent., less tax, for the half-year to June 30, payable Oct. 1, the same as a year ago.

National Trust Co. (Toronto).—Quarterly dividend at the rate of 10 per cent. per annum.

Nevada Consolidated Copper.—Dividend \$1, payable Sept. 29.

New York Central Railroad Co.—Dividend of 1½ per cent., payable Nov. 1.

New Zealand and Australian Land Co.—Final dividend for year to March 31 on the ordinary stock of 5 per cent., with a bonus of 5 per cent., free of tax, the same as a year ago.

Powell Duffryn Steam Coal Co.—Interim for the six months ended June 30 of 10 per cent. (actual) on ordinary shares (free of tax), against 9 per cent.

Ray Consolidated Copper.—Dividend \$1, payable Sept. 29.

South African Real Estate Trust.—Dividend of 2½ per cent. (6d. per share) for the period ended June 30 last.

Straits Rubber.—Interim of 12½ per cent. (actual), less tax. A year ago the distribution was 7½ per cent. (actual).

Theatre Royal, Manchester.—Dividend on ordinary 4½ per cent., against 6 per cent. for several years; carried forward, £1,475.

Yokohama Specie Bank.—Dividend of 12 per cent. per annum for the six months ended June 30; yen 800,000 to reserve, and yen 2,220,000 forward. A year ago the dividend was at the same rate.

What Balance Sheets Tell.

JOHN SPENCER AND SONS, LTD.

The accounts of this firm of iron and steel manufacturers for the 12 months ended June last do not permit of any accurate comparison with those of the preceding year. This time the profit, £91,200, is arrived at after making provision for estimated excess duty, whereas a year ago this liability was included in "reserve for war taxes and contingencies" amounting to £53,500, an allocation made after striking the profit of £156,960. Income-tax takes £16,690, against £22,080, but £11,000 more at £36,000 is written off for depreciation, and the surplus on the year, after providing for debenture interest, preference dividend, and £4,020 for renewals and improvements, falls short of the amount required to pay the dividend on the ordinary shares, which is raised from 7½ per cent. to 10 per cent., by £16,900. This is drawn from the amount brought in from the previous year, and leaves the carry forward £16,930 down at £8,190. During the year £29,750 more has been spent on land, buildings, machinery, &c., with the result that this item, less depreciation, is slightly higher at £550,600. Sundry debtors have been reduced £19,800 to £135,800, and cash is £81,150 higher at £140,700, but current liabilities total £73,300 more at £297,800, and the liquid position is not quite so easy. The balance of the debentures fall due for repayment on January 1 next, but the directors state in the report that they have under consideration arrangements for meeting this.

LEIGH MILLS CO., LTD.

Although the profits of the Leigh Mills Co., Ltd., for the financial year ended July last, after making provision for excess duty, exhibit a decline of £3,230, the company is doing very well, and making a substantial return on its ordinary shares. The result of the year's working is a net profit of £21,280, sufficient to repeat the distribution at 13 per cent., to again carry £10,000 to reserve, and to augment the carry forward, which now amounts to £6,550, by £650. It is evident from the balance-sheet that a policy of expansion has been pursued. Land, buildings, plant, machinery, &c., are returned at £70,406, an increase of £17,500, and stock and stores are £29,300 higher at £175,970. This has compelled recourse to credit, and current liabilities, including dividend disbursements, are £30,000 more at £156,000. The reserve fund now amounts to £60,000, and, on the whole, things appear to be in excellent shape.

WOLSELEY SHEEP SHEARING MACHINE CO., LTD.

Owing to the liability of the company under the Munitions of War and Finance Acts not being immediately ascertainable, the directors find themselves unable to issue the accounts for the year ended December last. It is stated, however, that the company's works have been employed to their fullest capacity, and that, as the directors are satisfied that the profit for the year will, when finally adjusted, permit of a final distribution of $7\frac{1}{2}$ per cent., a dividend of that amount is recommended. This brings the total distribution for the year up to $12\frac{1}{2}$ per cent., compared with 10 per cent. a year ago. There is little doubt that when the report does appear, it will make a very satisfactory showing.

ANDREW WHYTE AND SON, LTD.

This Edinburgh firm of wholesale and export stationers have again experienced a very prosperous year. For the twelve months ended June last profit amounted to £11,300, compared with £8,795, and this after providing for depreciation, increased excess profits duty, and other contingencies. The directors, however, evidently deem it advisable to conserve the resources of the company, for no increase is made in the rate of distribution, the dividend being repeated at 15 per cent. A larger amount was brought in, and, after again allocating £2,000 to the reserve fund, which now amounts to £20,000, the carry-forward is left £4,060 up at £8,800. A considerable increase has taken place in the company's trading resources. Cash and bills are £4,545 more at £8,830, and investments at £6,840 exhibit an increase of £4,850. Creditors are only £3,170 higher, and liquid assets exceed current liabilities and sundry disbursements by £15,580. Altogether a satisfactory state of affairs.

PAINE AND CO., LTD.

This is a milling firm in St. Neots, and its business has been taken over by the Food Controller as from May 1. Results for the period from June 1, 1916, to May 12, when the accounts were closed, showed an increase of £5,500 in gross profits over the previous twelve months, but the nett trading profit comes out practically the same at £10,940. However, the directors raise the dividend from 10 per cent. to $12\frac{1}{2}$ per cent., and as a larger amount was brought in, they place £4,500 to reserve, after providing £8,000 more for excess profits duty. It looks a sound and prosperous little business.

IBBOTSON BROS. AND CO., LTD.

This century-old Sheffield steel firm pursues the even tenor of its way, apparently unaffected for good or evil by the war. Profits to June 30 were £2,000 higher at £22,800, and the balance brought in was £3,000 larger, so the dividend is maintained at 10 per cent., tax free, and £4,000 more, at £38,260, is carried forward. The company is in a strong financial position, with cash and investments amounting to £126,000, and debtors for £50,000 against creditors for £98,300. Goodwill has been written down to £1,000 which may be regarded as a purely nominal figure.

COMPANY MEETINGS.**ANGLO-DUTCH PLANTATIONS OF JAVA, LTD.**

The seventh ordinary general meeting of this company was held on Wednesday at the Cannon Street Hotel, under the presidency of the Hon. Charles Hedley Strutt, the chairman of the company.

Mr. Strutt said that last year he told them the company would turn the corner in 1916, and this result would have been achieved earlier but for unforeseen difficulties. They would have noticed in the accounts a great many changes. They had in the English company's balance-sheet last year a reserve account of £41,000—£35,000 for the cost of experimental plantings in sugar and tobacco and £6,000 for teak exploitation. These sums should, perhaps, more correctly have been written off the Dutch company's profit and loss account. They had this year accordingly transferred the amounts to that account, and consequently have written them back to the English company's revenue. But further, they found that they had provided a larger sum than was necessary for the whole cost of the experimental plantings, and instead of £35,000 being written off in the Dutch company's accounts, the sum required is happily reduced to £32,627 17s. The balance, £2,372 3s., does come into profit. The reserve in the present account is confined to cinchona, and contains a further sum of £4,500 reserved in the 1916 accounts. Some reserve will have to be made every year in which cinchona is uprooted, according to the acreage. They would remember that in the report last year they mentioned that the Java auditors thought it advisable to write off a large sum for the expenses incurred in the planting and upkeep of coffee which was uprooted for the sake of the rubber. One-fifth part of the whole sum was written off last year, it being the intention then to deal with the figures over a period of five years. This year they had boldly written off the remainder. It is no longer put to a reserve, as the whole sum has been written off—£7,445 8s. 4d. last year and £22,599 10s. for this account, making in all the large sum of £30,044 18s. 4d. Though the directors did not really consider that there was any absolute need for writing off this amount, they have willingly consented to do so as conservative policy, especially as it will bring about a desirable result in reducing the capital cost of the rubber. There will be a fur-

ther sum of about £7,474 to write off in the future, when the rest of the 1911 coffee interplantings are uprooted, but the whole loss on areas which have not succeeded, including that on the Soeroepan Tea Estate, is now finally provided for.

They had also charged almost the whole upkeep of the undeveloped properties (with the exception, of course, of those planted last year), amounting approximately to £12,475, to revenue. Under the Vallambrosa decision this sum would, at any rate, be free from income-tax in England, but in Java to have it free it must needs be charged to revenue. In the 1913 accounts they put aside in a teak reserve a sum of £6,000 for what might be considered as the capital value of the teak cut down. They considered it advisable now to add another £8,000 for the same purpose, and, to a lesser extent, to pay for certain outlay, such as measuring the forests, which it seems advisable not to keep in our books as a capital expense. They would notice that they had done nothing in their Anglo-Dutch balance-sheet by way of writing off the large sum of £64,838 9s. for commission and brokerage, but there were good reasons for that policy.

The large sum carried forward of £48,483 1s. 2d. is subject to excess profits duty of Java and England. There will not be much difficulty in agreeing the amount to be paid to the Java Government, but he could not say the same as regards the English excess profits duty. It will be an extremely difficult question to settle how much of the original purchase money was paid for each culture in existence at the time as well as for the land since occupied by cultures planted during our occupation. He did not know whether the Commissioners would agree on a fixed all-round rate of interest on capital before the excess tax is levied to be applied to the whole of their products. If they have power to do this, it would simplify matters; if not he feared it would be a very long and tedious business to come to an agreement. They had carried over a large sum to cover both taxes if fairly arrived at, and thus there should be a substantial sum to be carried forward to the 1917 profit and loss account.

The meeting closed with the usual votes of thanks.

CHARRON, LTD.

The third ordinary general meeting was held on Tuesday at Winchester House, Old Broad Street, under the presidency of Mr. Davidson Dalziel, M.P., the chairman of the company.

The Secretary (Mr. R. Gordon) having read the notice convening the meeting and the auditors' report,

The Chairman, in dealing with the report and accounts, said the profit on trading, after charging all expenses in Paris, amounted to £51,054, showing a substantial *pro rata* increase when compared with the previous balance-sheet, which covered a period of 23 months. Exactly what the future had in store for the automobile industry as a whole it would be unwise to prophesy, but it seemed obvious that the world would be short of motor vehicles of every description. He could also venture this opinion, that all countries must be faced with the necessity of protecting their local industries during the period of reconstruction, and this could only be done by tariff, or perhaps even by temporary prohibition. He firmly believed that a high tariff would be imposed, and, that being the case, they must examine how it was going to affect them as a company. They were an English company, but their factory was abroad, and they had a large trade to protect in England and the Colonies. The shareholders and the board had discussed this question upon more than one occasion, and came to the conclusion that if they wished to preserve the important trade connections they at present enjoyed, it was necessary to establish a factory and build Charron private and commercial cars in this country, but they very soon found that a proposition which involved the establishment of a new factory during the war was not a practical proposition. A factory fitted with the necessary plant was not only a costly undertaking, but so many Government restrictions existed in relation to the issue of new capital, the acquiring of machinery, and the building of works, that it was deemed inadvisable to follow up the suggestion in that particular form, and even for some considerable time after the war new machinery would be difficult to obtain, and building operations slow and costly. For those reasons it was considered advisable to get in touch with some well-established going concern, and when Mr. W. S. Laycock, the head of the well-known firm of W. S. Laycock, Ltd., died the opportunity for acquiring a controlling interest in the concern arose, and subsequently negotiations were entered into which he was happy to tell the shareholders had culminated in a satisfactory arrangement. He was quite satisfied that after the war the railway engineering work upon which the company had hitherto been engaged could be largely and profitably developed, while the works would also provide them with adequate facilities for the expansion of their motor-car construction. It might, therefore, be said that they were provided against all contingencies for the protection of their British trade, and they looked with confidence to an increased turnover in this sphere of their activities. In conclusion, he would like to add that, during the past year, their engineers had been carefully studying a new and improved make of car especially suited to the British market, which they had reason to think would be a substantial improvement upon their existing model. The directors hoped to be in a position to place this upon the market very shortly after the close of hostilities, and it might even be possible for them to do this sooner for French War Office purposes.

The Right Hon. Lord Tenterden seconded the resolution, which was carried unanimously.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
		Rs.	Rs.		Rs.	Rs.
Assam Bengal ..	July 7	1,00,000	— 28,409	†	17,61,213	— 9,894
Barsi ..	Aug. 4	154,500	— 73,600	†	3,54,900	— 84,500
Bengal & N.-W. ..	July 21	3,60,600	+ 53,702	†	71,20,003	+ 56,693
Bengal Nagpur ..	" 28	8,98,000	+ 83,000	†	1,80,11,732	+ 13,05,605
Bombay, Baroda ..	Sept. 8	12,53,000	+ 1,09,000	†	3,26,03,000	+ 16,63,000
Burma ..	July 21	3,44,419	+ 30,161	†	65,80,665	+ 1,52,304
Delhi Umballa ..	Sept. 8	90,700	+ 11,610	†	17,31,200	+ 2,15,788
East Indian ..	" 8	23,93,000	+ 1,33,000	†	5,10,62,000	+ 5,33,000
Gt. Indian Penin. ..	" 8	17,99,100	+ 1,83,700	†	4,72,18,803	+ 34,45,449
Lucknow-Bareilly ..	July 21	41,625	+ 7,107	†	7,67,956	+ 26,631
Madras and S. ..						
Maharatta ..	Aug. 4	10,00,000	+ 1,45,526	†	1,94,06,969	+ 10,24,337
Nizam's Gd. (Broad) ..	July 14	1,27,556	+ 13,960	†	19,85,427	+ 3,239
" (Metre) ..	" 14	65,824	— 2,520	†	11,50,335	+ 6,621
Rohilkund and ..						
Kumaon ..	" 21	36,597	+ 2,280	†	7,83,033	+ 37,477
South Indian ..	" 28	6,46,942	+ 37,934	†	1,15,93,726	+ 7,96,842

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

Bristol ..	Sept. 7	£ 12,941	+ 2,046	†	£ 388,411	+ 26,732
Dublin United ..	" 7	7,393	+ 654	†	239,137	+ 23,665
Hastings and Dist. ..	" 9	1,956	+ 222	†	44,720	+ 6,559
Isle of Thanet ..	Aug. 11	713	— 310	†	13,314	— 1,351
Lancashire United ..	Sept. 5	3,152	+ 947	†	82,090	+ 18,318
Provincial ..	Aug. 25	3,211	— 199	†	107,758	+ 25
Yorks. (Wst. Rdng.) ..	Sept. 9	2,436	+ 525	†	75,835	+ 12,733

* From Oct. 1. † From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

Alabama Power ..	July	£ 193,551	+ 30,631	†	£ 193,551	+ 30,631
Anglo-Argentine ..	Sept. 9	53,759	+ 941	†	1,842,527	+ 17,720
Auckland Electric ..	Aug. 24	21,812	+ 1,345	†	42,722	+ 748
Brazilian Traction ..	July	M7,795,000	+ M366,000	†	M52,441,000	+ M383,000
Brisbane Elec. Inv. ..	"	32,720	— 160	†	225,315	+ 915
British Columbia ..	June	£ 772,729	+ 99,899	†	£ 1,042,130	+ 244,742
B.A. Lacroze ..	Aug.	39,111	+ 2,680	†	77,174	+ 2,304
Burmah Electric ..	May 17b	Rs. 24,906	+ Rs. 1,321	†	+ Rs. 27,698	
Calcutta ..	Sept. 8	Rs. 71,115	+ Rs. 1,318	†	Rs. 2,300,671	+ Rs. 22,672
Carthagenia and ..						
Herrerias ..	Aug. b	4,164	+ 2,083	†	34,099	+ 13,278
Cordoba Light ..						
P. & T. ..	July	14,343	+ 85	†	56,154	— 1,165
Hongkong ..	" 21	113,355	+ 3,092	†	388,489	+ 14,470
La Plata ..	Aug. b	4,075	+ 283	†	33,095	+ 532
Lima ..	June	16,843	+ 1,977	†	100,160	+ 5,662
Madras Electric ..	Aug. 31c	Rs. 38,031	+ Rs. 3,965	†	Rs. 553,976	+ Rs. 50,530
Mexico ..	Nov. 5	£ 215,266	+ 108,569	†	£ 3,193,106	+ 197,227
Rangoon ..	Aug. 5	4,788	+ 535	†	38,288	+ 2,000
Singapore Electric ..	June 23	£ 12,455	+ 287	†	£ 326,593	+ 16,590
Toronto ..	"	£ 475,408	+ 27,552	†	£ 271,393	+ 5,105
United of Monte V. ..	Aug.	28,860	+ 2,816	†	300,253	+ 4,787
Vera Cruz ..	May	35,000	—	†	250,800	—
Winnipeg ..	June	£ 49,664	— 37,907	†	£ 435,897	— 194,611

b 28 days. * From Jan. 1. † Net. a From July 1. c Two weeks.

UNITED STATES OF AMERICA.

Chesapeake & Ohio ..	Aug. 31	\$ 1,751,000	+ 168,000	†	\$ 35,164,000	+ 2,273,000
Chicago G.W. ..	" 21	354,000	+ 26,000	†	11,011,000	+ 1,425,000
Colorado & South'n ..	" 21	349,000	+ 46,000	†	18,015,000	+ 2,189,000
Denver & Rio Gran. ..	" 21	812,000	+ 10,000	†	46,951,000	+ 6,958,000
Louisv'e & Nashv'e ..	" 21	1,509,000	+ 230,000	†	19,092,000	+ 458,000
Minn. S.P. (Soo) ..	" 7	670,000	+ 37,000	†	26,888,000	+ 4,787,000
Missouri Kansas ..	" 31	1,251,000	+ 131,000	†	78,192,000	+ 9,415,000
Southern ..	" 31	3,258,000	+ 485,000	†		

† Includes Wisconsin Central. † From Jan. 1. † From June.

FOREIGN RAILWAYS.

Alooy and Gandia ..	Aug. 25	Ps. £ 7,150	+ 150	†	Ps. £ 380,520	— Ps. £ 82,380
Antofagasta (Chili) ..	Sept. 9	48,310	+ 10,365	†	1,444,060	+ 230,675
Arauco ..	July 31	11,000	+ 2,900	†	66,000	+ 14,700
Argentine N.E. ..	Sept. 8	9,200	+ 3,100	†	85,900	+ 17,998
Bilbao R. and Canta ..	July	3,644	+ 1,639	†	24,653	+ 5,408
Bolivar ..	Aug. *	11,000	+ 2,755	†	22,000	+ 7,083
Brazil ..	June *	M3,926,000	+ M886,822	†	M 236,1000	+ M274,027
Brazil Gt. Southern ..	"	M18,420,000	+ M4,100	†	M12,12,990	+ M33,700
B. Ayres & Pacific ..	Sept. 8	69,000	+ 20,000	†	730,000	+ 127,000
Do. Central ..	July	24,837	+ 3,475	†	24,837	+ 3,475
Do. Gt. South'n ..	Sept. 9	84,000	+ 11,000	†	886,705	+ 78,549
Do. Western ..	" 9	35,000	+ 17,000	†	383,000	+ 115,000
Central Argentine ..	" 8	91,000	+ 28,200	†	807,100	+ 339,000
C. Ur'g'ay of Mte V. ..	" 8	14,942	+ 3,467	†	154,116	+ 44,291
Do. East'n Ex. ..	" 8	3,031	+ 733	†	40,650	+ 4,379
Do. North'n Ex. ..	" 8	2,678	+ 666	†	28,496	+ 10,131
Do. West'n Ex. ..	" 8	1,986	+ 349	†	15,329	+ 59
Cordoba Central ..	" 8	34,500	+ 220	†	354,850	+ 4,645
Costa Rica ..	June 30	2,825	+ 2,746	†	261,459	+ 22,350
Cuban Central ..	Sept. 8	11,080	+ 1,763	†	125,820	+ 31,969
Dorada Extension ..	July	13,082	+ 4,456	†	91,594	+ 25,005
Egyptian Delta ..	" 31	6,992	+ 2,070	†	67,534	+ 9,378
Entre Rios ..	Sept. 8	14,400	+ 1,800	†	134,300	+ 12,800
French Sante Fé ..	Dec.	81,752	+ 1,139	†	1,080,727	+ 156,858
Gt. South. of Spain ..	Aug. 25	Pa. 52,038	+ Pa. 33,836	†	Ps3002,622	+ Ps598,944
Gt. West. of Brazil ..	Sept. 8	10,000	+ 1,800	†	435,850	+ 117,550
Havana Central ..	" 25	6,963	+ 918	†	53,912	+ 6,526
Inter. of C. Amer. ..	July *	14,589	+ 6,325	†	199,480	+ 24,452
La Guaira and Car. ..	"	6,750	+ 750	†	63,000	+ 2,000
Leopoldina ..	Sept. 8	37,820	+ 4,861	†	991,347	+ 173,641
Manila (Nr. & Sth.) ..	Apr. 6	10,389	+ 1,997	†	10,389	+ 1,997
Midland Uruguay ..	Aug.	12,766	+ 4,172	†	24,891	+ 6,653
Mogiana ..	June	M1,656,000	+ M473,279	†	M 7,042,000	+ M274,641
N.W. of Uruguay ..	"	£ 26,000	+ 960	†	£ 295,778	+ 26,908
Nitrate ..	Aug. 31b	34,627	+ 3,108	†	508,924	+ 68,424
Paraguay Central ..	Sept. 8	3,880	+ 3,330	†	31,190	+ 4,600
Paulista ..	June *	M2,188,000	+ M494,268	†	M 9,909,000	+ M410,641
Peruvian Corp'n ..	Aug. *	S 979,430	+ S 83,530	†	S 1,954,430	+ S 223,100
Salvador ..	Sept. 1	57,150	+ 1,100	†	£ 131,110	+ 53,545
S. Paulo (Brazilian) ..	" 2	55,382	+ 18,507	†	922,805	+ 9,913
Sorocabana ..	June *	M1,514,000	+ M291,539	†	M9,333,000	+ M115,107
Taitai ..	"	22,635	+ 1,492	†	234,090	+ 5,181
United of Havana ..	Sept. 8	34,314	+ 3,034	†	356,872	+ 53,107
West'n of Havana ..	" 8	7,292	+ 975	†	71,023	+ 9,799
Zafraand Huelva ..	July *	11,866	+ 860	†	77,456	+ 950

* Months. † From Jan. 1. † From July 1. c Nett. b 15 days. a 10 days.

COLONIAL RAILWAYS.

Belra ..	June *	£ 53,943	— 5,150	†	£ 596,616	+ 15,923
Canadian Northern ..	Sept. 7	\$ 715,800	+ 86,900	†	\$ 7,995,900	+ 826,100
Canadian Pacific ..	" 7	\$ 2,666,000	+ 813,000	†	\$ 99,424,000	+ 8,216,000
Gr. Trk. Main Line ..	" 7	217,742	+ 6,934	†	7,186,198	+ 898,644
Gr. Trk. Western ..	" 7	38,836	+ 1,234	†	1,351,431	+ 26,541
Detroit G. H. & M. ..	" 7	14,240	+ 446	†	471,031	+ 3,275
Gr Trk Pac Prairie Sc ..	May *	21,645	+ 7,050	†	222,226	+ 65,176
Mashonaland ..	"	65,700	+ 2,794	†	442,673	+ 17,545
Mid. of Westn. Aus. ..	"	6,428	+ 513	†	84,036	+ 870
New Cape Central ..	July 14	1,578	+ 107	†	52,371	+ 7,429
Rhodesia ..	June *c	86,513	— 105	†	751,345	+ 45,942

* Months. † July 1. † Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year	No of Mths	Amount.	In. or Dec. on last year
		Dols.	Dols.		Dols.	Dols.
Atcholson T. & S. Fé ..	July	4,790,000	+ 720,000	1	4,790,000	+ 720,000
Atlantic Coast Line ..	"	426,000	+ 33,000	7	6,899,000	+ 181,000
Baltimore & Ohio ..	June	2,869,000	+ 335,000	6	14,447,000	+ 300,000
Canadian Northern ..	July	904,900	+ 292,500	1	904,900	+ 292,500
Canadian Pacific ..	"	4,017,000	+ 257,600	7	23,619,000	+ 1,138,000
Chesapeake & Ohio ..	"	978,000	+ 378,000	6	7,777,000	+ 789,000
Chicago & N.W. ..	"	2,502,000	+ 54,000	6	13,772,000	+ 1,544,000
Chicago Burl. & Q. ..	June	3,570,000	+ 1,130,000	6	18,295,000	+ 1,436,000
Chicago G.W. ..	July	298,000	+ 26,000	7	1,784,000	+ 447,000
Chicago Mil. & S.P. ..	"	2,638,000	+ 561,000	7	13,487,000	+ 1,942,000
Chicago, Rock I. & P. ..	June	1,641,000	+ 452,000	6	10,156,000	+ 750,000
Colorado & Southern ..	July	509,000	+ 127,000	7	3,250,000	+ 659,000
Cuba ..	June	369,000	+ 52,000	12	1,922,000	+ 1,595,000
Delaware & Hud. ..	July	674,000	+ 18,000	7	3,324,000	+ 1,995,000
Denver & Rio Gran. ..	"	510,000	+ 246,000	7	4,387,000	+ 434,000
Erie ..	"	1,237,000	+ 499,000	7	6,086,000	+ 4,302,000
Gr. Tr. Main Line ..	"	4,249,600	+ 1,126,600	7	£ 1,267,800	+ £ 153,050
Grand Trunk Westn ..	"	£ 11,950	+ £ 37,450	7	£ 222,950	+ £ 25,050
Detroit G.H. & Mil. ..	"	£ 67,300	+ £ 18,450	7	£ 458,100	+ £ 78,050
Gt. Northern ..	"	2,649,000	+ 439,000	7	11,939,000	+ 652,000
Illinois Central ..	"	1,351,000	+ 328,000	7	11,003,000	+ 2,272,000
Kansas City Southn. ..	"	366,000	+ 1,000	7	2,544,000	+ 457,000
Lehigh Valley ..	"	1,271,000	+ 49,000	7	5,959,000	+ 1,184,000
Louisville & Nashvl. ..	"	1,772,000	+ 289,000	7	9,892,000	+ 60,000
Minn. S.P. (Soo) ..	"	1,042,000	+ 469,000	7	5,307,000	+ 2,049,000
Miss. K. & Texas ..	"	697,000	+ 79,000	7	3,658,000	+ 1,958,000
Missouri Pacific ..	"	1,874,000	+ 753,000	7	11,861,000	+ 5,72,000
New York Cent. & H. ..	"	5,348,000	+ 372	7	26,337,000	+ 4,012,000
N.Y. N. Haven & H. ..	June	1,820,000	+ 311,000	6	10,319,000	+ 126,000
New York Ont. & W. ..	July	357,000	+ 49,000	7	919,000	+ 200,000
Norfolk & Western ..	"	1,802,000	+ 314,000	7	12,016,000	+ 1,674,000
Northern Pacific ..	"	2,391,000	+ 5,000	7	16,606,000	+ 1,257,000
Pennsylvania East ..	"	"	"	"	"	"
and West Lines ..	June	10,046,000	+ 96,000	6	59,603,000	+ 10,661,000
St. Louis & San F. ..	"	1,635,000	+ 529,000	12	16,759,000	+ 3,323,000
Seaboard Air Line ..	"	514,000	+ 47,000	6	3,990,000	+ 94,000
Southern ..	"	1,882,000	+ 600,000	12	24,331,000	+ 2,953,000
Southern Pacific ..	July	5,616,000	+ 767,000	7	31,491,000	+ 1,918,000
Union Pacific ..	"	3,716,000	+ 262,000	7	22,566,000	+ 435,000
Wabash ..	"	1,061,000	+ 45,000	7	6,619,600	+ 89,000

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CONTENTS.

Passing Events:—Revenue—M. Painlevé's Policy—Sweden's Double-Dealing—Russia's New Governing Body—Greek White Book—Conclusion of Mr. Gerard's Chronicle—Commercial Banking of Sydney—Eley Bros.—D. and J. Fowler—John Brown—Sheepbridge Coal and Iron—Boots Cash Chemists (Eastern)—Chartered Institute of Secretaries and Decimal Coinage—Amalgamations of Manufacturers—Gold Fields Rhodesian Development (pp. 295-9)—(Henry Briggs, Son and Co., p. 308).

Leading Articles:—"No Levy on Capital"?—Food Control—By-the-Way War Notes (pp. 299-303).

Money and Credit Notes:—Unchanged Rates—Bank Return—Impending Changes at the Bank of England—Lloyds and National Provincial Bank (France), Ltd.—Another Issue of Exchequer Bonds—Money Flurry in New York—Silver (pp. 304-7).

American Business Notes:—Wonderful Trade Figures—Geological Survey Report (pp. 310-11).

The Week's Stock Markets (p. 307).

London Produce Markets (p. 308).

Letters to the Editor (pp. 309-10).

The Week in Mines (p. 312).

Insurance News:—Empire of India Life—New Japanese War Insurance Scheme—Indemnity Mutual's Enlarged Powers—Salamandra Insurance of Petrograd—Canada Life Business—Marine Insurance 90 per cent. of Shares Transferred to London and Lancashire (p. 311).

Tea, Oil, and Rubber:—Rubber Market—Cicely Rubber Estates Co.—Rubana Rubber Estates (p. 312).

Mining News:—Nigerian Tin Corporation—Mining Corporation of Canada—Renong Tin Dredging (p. 312).

What Balance Sheets Tell:—Western and Hawaiian Investment Co.—Tennant Brothers—Regent's Canal and Dock Co.—Alliance and Dublin Consumers' Gas Co.—Cape Town Consolidated Tramways and Land Co. (p. 313).

Public Income and Expenditure (p. 313).

Books Received (p. 313).

August Rubber Outputs (pp. 314-15).

Answers to Correspondents (p. 315).

Dividends Announced (p. 315).

Traffic Returns (p. 316).

Oilfields Items (p. 315).

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Reserve Fund ...	2,800,000
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THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital	£4,000,000
Paid-up Capital	1,800,000
Reserve Fund	2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, São Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILI—Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	Yen 48,000,000
Capital Paid Up	Yen 38,000,000
Reserve Fund	Yen 21,300,000

Head Office: YOKOHAMA.

Branches and Agencies at

Antung-Hsien.	Harbin.	Nagasaki.	Shanghai.
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Calcutta.	Hong Kong.	New York.	Sydney.
Changchun.	Kobe.	Osaka.	Tientsin.
Dairen (Dalny).	Liaoyang.	Peking.	Tokyo.
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The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

SCOTTISH AMICABLE

LIFE ASSURANCE SOCIETY.

(Established 1825.)

A MUTUAL PROFIT-SHARING OFFICE.
COMPOUND BONUSES.

Bonus Declared at Latest Investigation £1 15s.
per cent. to £4 12s. per cent. according to duration.

Head Office. 35, ST. VINCENT PLACE, GLASGOW.
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THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837. LIMITED. INCORPORATED 1880.

Authorised and Issued Capital, £5,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,980,000; together £3,980,000
Reserve Liability of Proprietors..... 4,000,000

Total Capital and Reserves..... £7,980,000

HEAD OFFICE - - - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

LONDON COUNTY & WESTMINSTER BANK, LIMITED.

ESTABLISHED IN 1836.

CAPITAL £14,000,000, in 700,000 Shares of £20 each.

Paid-up Capital - - - £3,500,000.

Reserve - - - £4,000,000.

Chairman: The Right Hon. The VISCOUNT GOSCHEN. Deputy Chairman: WALTER LEAF, Esq.

HEAD OFFICE: 41, LOTHBURY, E.C. 2.

Joint General Managers: F. J. BARTHORPE. J. W. BUCKHURST.

The Bank is represented by Branches or Agents in all the Principal Cities and Towns of the United Kingdom and has Correspondents throughout the World.

Madrid Branch: Calle de Alcalá 43.

Paris: London County and Westminster Bank (Paris) Limited, 22, Place Vendôme

SUMS OF £10 AND UPWARDS RECEIVED ON DEPOSIT, AND INTEREST ALLOWED THEREON.

EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED
EXECUTOR AND TRUSTEE DUTIES UNDERTAKEN.

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Bankers to the Government of the Union of South Africa in Cape Province, to the Imperial Government in South Africa, and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL	£6,194,100
PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

BOARD OF DIRECTORS.

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Sir David Miller Barbour, K.C.S.I.,	William Smart, Esq.
K.C.M.G.	Right Hon. Lord Sydenham, G.C.S.I.,
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CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED and COLLECTED.

MAIL and TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK issues CIRCULAR LETTERS OF CREDIT available in all parts of the world.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE and SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, Etc., received.

EXECUTOR and TRUSTEE BUSINESS undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

FRANCIS SHIPTON, London Manager.

ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

CAPITAL PAID UP £2,000,000

REST & UNDIVIDED PROFITS £800,986

Head Office: ST. ANDREW SQUARE, EDINBURGH.

A. K. WRIGHT, Cashier and General Manager

J. B. ADSHEAD, Secretary.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager.

166 Branch Offices throughout Scotland.

Banking Business of every description transacted. Accounts opened for Foreign and Colonial Correspondents. Bills, Cheques, and other documents collected. Deposit received at interest repayable at call or at notice.

THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—21 Old Broad Street, E.C. 2.

Subscribed Capital £1,278,747 10 0

Paid up Capital 669,670 0 0

Reserve Fund and Undivided Profits .. 375,680 11 8

Reserve Liability of Proprietors 606,962 10 0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australasia.

THE WESTERN AUSTRALIAN BANK.

Established 1841.

Paid-up Capital .. £250,000 0 0 25,000 Shares of £10 each.

Reserve Fund .. £680,000 0 0 Reserve Profits .. £29,979

Reserve Liability of Shareholders £250,000.

Drafts issued Remittances cabled, Bills negotiated or collected, Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents, The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	£1,500,000
Capital Issued	1,125,000
Capital Paid Up	562,500
Reserve Fund	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital - £1,000,000.	Subscribed Capital - £825,000
Paid-up Capital	£500,000
Reserve Fund	540,000
	£1,040,000
Uncalled Capital	125,000
Reserve Liability of Shareholders	625,000
	£1,790,000

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office—38, Lombard Street, E.C. 3.

Subscribed Capital	£1,078,875 0 0
Paid-up Capital	539,437 10 0
Further Liability of Proprietors	539,437 10 0
Reserve Fund	450,000 0 0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION, Manager.

BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, Queen Victoria Street, London, E.C. 4.

AUTHORISED CAPITAL £5,500,000

SUBSCRIBED CAPITAL.

Four per Cent. Guaranteed Stock	£529,688
"A" Preference Shares issued to New Zealand Government	500,000
"B" Preference Shares issued to New Zealand Government	250,000
Ordinary Shares	150,000
	£1,429,688

Reserve Fund and Undivided Profits £2,246,295

Negotiates and collects Bills of Exchange.

Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

The Investors' Review.

Vol. XL.—No. 1,029.
New Series.

SATURDAY, SEPT. 22, 1917.

(Registered as a Newspaper.) Price 6d.

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The Investors' Review is a Subscription Journal, and will be delivered to subscribers in London by the first post, or sent to the country and abroad by the first mail, on Saturday Morning, on the following terms:—

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Telephone No.:
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ANSWERS TO QUERIES.

One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

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Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

Passing Events.

Because there was less floating debt to be renewed last week the total overturn at the Exchequer was smaller, £88,906,000 compared with £128,085,000 the previous week. Supply services, however, absorbed much about the usual amount, viz., £42,761,000, or £6,108,000 per diem. Add the £1,183,000 disbursed on miscellaneous account, making the total expenditure £43,944,000, and we obtain a daily average of £6,278,000. The total of nearly £89,000,000 is attained by the repayment of £35,543,000 of matured Treasury bills, and the repayment of £9,300,000 on temporary advances. £49,000 in Exchequer bonds was also paid off. And to provide for these credit requirements the Government sold £47,015,000 of Treasury bills, £2,943,000 of Exchequer bonds, £750,000 of War Savings certificates, obtained £19,793,000 from "other" war debt sources, presumably from the United States, and renewed £9,000,000 of the temporary advances. With all these helps there was not enough, and the Exchequer balances had to be drawn upon for £2,782,000, bringing them down to £21,757,000. From the ordinary revenue only £6,553,000 came in, but we are nearing the end of perhaps the least prolific quarter of the year, and income-tax, including super-tax, gave only £446,000 last week, while from excess profits duty and munitions levy the income was £2,788,000. Some interesting figures have been put together by the able City correspondent of the *Daily Telegraph* illustrative of the present position of the floating debt. It is not an encouraging résumé, but could well be worse than it actually is. The total outstanding under "temporary advances" is now £243,000,000. This is an increase of about £25,000,000 since March 31 last, and we agree with the writer that it forms a most inconvenient mass of debt which might very quickly become unmanageable, because it is quite hopeless to expect repayment of such advances out of the revenue of the last quarter of the fiscal year, as was the presumption and habit in usual times. And in addition to this floating debt there is now outstanding £883,000,000 of Treasury bills, bringing up the floating debt to £1,125,000,000. The Treasury bills outstanding are £97,600,000 smaller in amount than the total at September 16, 1916, which was £979,872,000, but in the interval the great War Loan has been placed

so that the position is now fully as difficult as it was 12 months ago, and as the prospect is of a weekly increase it is obvious that something must be done to convert a portion at least of the floating debt into a more or less permanent form. The *Daily Telegraph's* City editor suggests a compromise between a permanent long-dated loan and the five-year Exchequer bond, say, 5 per cent. bonds redeemable at 102½ within five years, or at 105 if not redeemed for 10 years. The suggestion is not a bad one, and points to a form of the "premium" bond type of debt which Mr. Bonar Law is understood to have declared to be, in a political and party sense, an abomination with which he will have nothing whatever to do. We begin to fear he is a rash man, and feel sure that he has only to go on in the routine way he is doing to bring the Exchequer he presides over into a position which will make it and him as humble towards the lender as the Prussian Junker is presently going to be towards the world he has called to arms against himself. And we are not at all sure that an Exchequer bond with a fixed bonus attached to it will prove much more attractive than the present bonds, which are a comparative failure because they do not offer the lender sufficiently attractive terms. At least, they do not look sufficiently attractive, although to the intelligent man it should be as agreeable to buy a bond at a discount which is to be repaid in so many years or months at par as to pay par for a bond which is redeemable at a fixed premium. But perhaps there is no immediate hurry, only it is as well to take a broad-minded, non-partisan or pietistic view of the facts so as to be prepared to act with circumspection, courage, and perspicacity when the moment comes.

M. Painlevé has made a promising beginning with his new Ministry. The declaration of policy read by him to the reassembled Parliament was meritoriously brief but emphatic in its tones, and at the same time comprehensive. He showed himself at the outset of his efforts at Cabinet-making to be a man of courage in refusing to be dictated to by the Socialists, and he displays the same attitude now that he has assumed full responsibility for the Government of the country and the prosecution of the war. It is a difficult problem, said he, that the Government will set itself to carry out, making private interests yield to the general interest, but it knows the nation itself to be conscious of

its spirit of patriotism, and believes it will make the effort which shall count for most when the safety of the people is at stake. Co-ordination is insisted upon between the people of France, as between the Allies, and the speaker went on to emphasise the fact that the period which will follow the conclusion of hostilities should be prepared for a long while in advance with as much minute care as mobilisation itself. And he laid an ambitious peace programme before the country, well deserving its earnest attention. But all continues to be dominated by the war, and regarding that war the new Prime Minister was as emphatically confident as any one of the leading public men of any country among the Allies. Hear him upon the high ideal animating France and her Allies in this war :—

If France pursues this war it is neither for conquest nor vengeance. It is to defend her own liberty, her independence, and at the same time the liberty and independence of the world. Her claims are those of right; they are even independent of the issue of battles. She proclaimed them solemnly in 1871, when she was beaten. She proclaims them to-day, when she is making the aggressor feel the weight of her arms. The disannexation of Alsace-Lorraine, reparation for the damage and ruin wrought by the enemy, and a peace which shall not be a peace of constraint or violence, containing in itself the germ of future wars, but a just peace in which no people, whether strong or weak, shall be oppressed, a peace in which effective guarantees shall protect the society of nations against all aggression on the part of one among them—these are the noble war-aims of France, if one can speak of war-aims when it is a question of a nation which, during 44 years, despite her open wounds, has done everything in order to spare humanity the horrors of war.

As long as these aims are not reached France will continue to fight. To prolong the war one day more than necessary would indeed be to commit the greatest crime in history, but to stop it a day too soon would be to deliver France into the most degrading servitude, to a moral and material misery from which nothing would ever deliver her.

After saying wise words on the work to be done, the burdens to be borne, and the difficulties to be faced when the war is over, M. Painlevé drew the impressive picture of the "immense battle line," where all civilised and liberty-loving nations may be said to be arrayed against the savage robbers of the north in an agony of strife for civilisation :—

Let us cast our eyes over the immense battle-line. If the Russian front has caused us painful disappointment, we must hope that the new Republic will derive from the extremity even of its peril the strength to re-establish union and discipline. On all the other fields of battle, on the Carso, on the Sereth, on the Cerna, as well as in Artois, during some months past, great things have been accomplished, of which the results are more far-reaching than is yet apparent, as developments will show. On our Eastern plains the American contingents are in brotherly training with our picked troops. With regard to our own army, under the impetus given by a chief whose matchless superiority manifests itself each day, it has added fresh lustre to the symbolic name of Verdun. Never has its moral been higher, and never was it more sure of itself. In order that it may be preserved from all attempts to undermine its marvellous heroism, it is necessary that it should feel that the vigilance of the public authorities is watching over it. Without encroaching upon the domain of the High Command, Parliamentary control and Government control will be exercised in this direction, as in all others, and the Government counts upon the close collaboration of Parliament, whose initiative and sustained effort have rendered to the national defence such efficient services. The future will show plainly that our intention is to govern in close union with Parliament. While upholding the authority which attaches to our office, we shall not seek to conceal our responsibilities behind a cloak of optimism, and we leave everything to your judgment. If you consider us worthy of such a laborious task, we shall justify your confidence by our vigour and our sincerity.

Official Sweden is not making a creditable appearance before the public opinion of free nations. It is behaving meanly, with a moral cowardice which is making the Swedish Government almost as malodorous as the traitorous Greek Governments maintained by the ex-King Constantine. Here is the leader of the Conservatives, Mr. Trygger, saluting the Prussians—Germans he calls them—with an effusive obsequiousness that ranks him among the reptiles. "Sweden can never join those who would crush the great culture-bringing German nation," he snivels. As if anybody ever said they wanted to "crush" anything beyond the overshadowing and enslaving Prussian militarism by which Germany is held

in bondage and its "culture" made a byword of ostentation, pretence, and deceit. He also declared that "during the war Sweden's efforts to act fairly have often been met by Great Britain with treatment little different from that which one accords to an enemy," and in saying that his caste and party prejudice blinded him to the fact that he was lying. But language of this kind is of a piece with the shuffling apology the Swedish Ministry has made for the disloyal conduct of its Foreign Minister and its representatives in Buenos Aires and Mexico. People will be slow to forget that a Swedish functionary complacently became the tool of the Germans and transmitted as a matter of course, amongst other infamies, that message which counselled the destruction of Argentine ships at sea in a manner "to leave no traces behind." That is one of the most cold-blooded and revolting utterances the enemy has made during the whole war, and if the ruling caste in Sweden is prepared to continue its subservience to the Prussians after this fashion, or to this extent, then we are persuaded its day will not be long in the land. Of that we feel, indeed, certain, because whatever the Conservative and other reactionary parties in Sweden may feel and say, we are confident that the real Swedish people are heartily with the Allies, and that their aspirations after and sympathies with liberty, not only in other countries but at home, are healthy enough and vigorous enough to make them implacable enemies of beings so regardless of even the decencies of civilised life as the official and privileged classes there seem to be. Therefore let us not extend the indignation roused by official Sweden's meanness and double-dealing to the Swedish people. The elections just passed have shown them to be in their right mind, loyal, and our friends. They would probably have shown this more emphatically still had Washington revealed a week or two earlier the manner in which Germany had been served by Swedish officials in its schemes of fiendish malignity. But as it is, the party led by Mr. Branting is powerful now, and may soon grow to have the whole intelligence of the nation behind it.

What is to be said about Russia is not much, and cannot be greatly to the purpose until more is known. It seems, however, to be now beyond all question that Korniloff has submitted, and that the civilians who stood in the breach led by Mr. Kerenski have not only maintained their control, but strengthened it. This is shown by the proclamation of Russia as a Republic and by the establishment of a Cabinet, or Directorate, of five, by whom supreme authority has been assumed. This small governing council recalls the famous French directorate whose ineptitude led up to the military dominance of the first Napoleon, but we hope the new governing body in Russia will have a better record than that of France in revolution, if only because composed of better material. We do not, however, know much about any of the men except Mr. Kerenski, but three are stated to be definitely non-party men, viz., M. Terestchenko, General Vehovsky, and Admiral Verdevsky. Mr. Kerenski himself was formerly a Social Revolutionary and Mr. Nikitin a Social Democrat, but neither was a strong party man, and their duties now place them outside and above all parties. Perhaps, however, the most encouraging change Mr. Kerenski's triumph has brought about is the re-instatement of General Alexeieff in the supreme command, for obviously the Republic can only hope to survive as an effective fountain of authority if the army is restored to discipline and made capable of successful resistance to the invader. Already there are indications that things are mending and, as we said at the outset, the Germans are evidently in no position to pursue their march towards Petrograd. Hindenburg may boast and bellow as he pleases, but even his stridency cannot hide the fact that it is retreat, not advance, the troops he drives to the shambles are performing around Riga. But it will soon become a question also of an authoritative civil Government, and although we cannot raise any serious objection to the dissolution of the pre-

sent Duma, Mr. Kerenski and his colleagues cannot delay very much longer the necessary preparations for the election of a Duma or constituent assembly which will possess an authentic mandate to represent and, through its adopted ministers, to rule the new Republic. Meantime, it is of the highest importance for the future of Russia that the man representing civil authority should have triumphed, that revolution in the Army, and in the Navy as well, has been stayed, and that order is asserting itself, not only throughout the country amongst the civil population, but in the ranks of the troops. It must have been a widespread attempt at counter-revolution which has been brought to naught, if it be true that besides General Korniloff twenty-three other generals and officers have been arrested by General Alexeieff's staff and confined under close guard in a hotel. Happily, all the while that ambitions raged, or mistaken notions upon the duty of the patriot, Russia had in its Zemstvos and municipalities strong and self-disciplined centres of order, whose work in restoring the people to sanity and hopefulness, and therefore to a faith in its destiny which made it loyal to its duties, has probably been greater in preventing the spread of anarchy and military disintegration than that of all the commanders and committees put together.

As we have said about Sweden, so we must repeat about Greece. Do not blame the deceived Greeks for the treachery of the Governments that replaced Mr. Venizelos when Constantine and his Greek renegades elbowed him out of office. A Greek White Book has been published, which contains an amazing record of cold-blooded treachery exhibited against Greek patriots and the Allies of Greece at the bidding of a man unfortunately in the position of a king, who was devoted to Prussia. The traitors who intrigued behind Mr. Venizelos's back and supplanted him did everything that Germany asked of them, betrayed Serbia by deserting her at the most critical hour of the struggle, betrayed the Greek nation itself by arranging for the surrender of the troops at Rupel, and joined hands with the hereditary enemy, Bulgaria, in smoothing the way for Austro-German aggression in the Balkans. The whole disclosure is of a most disgusting type, an exhibition of unscrupulousness which we have been painfully taught to regard as normal in German diplomacy, but which looks and is abominable when perpetrated on a people like the Greeks and by Greeks themselves, who were content to set at naught all the traditions and aspirations of their race in order to execute the behests of an arrogant despot in Berlin. We have been much disposed to blame our own Ministers for allowing themselves to be tricked so long by these traitors, but now when we are allowed to measure the extent of their hypocrisy and the depth of their betrayal, what can we do but excuse and pardon our own diplomats? The honesty of our Ministers made them unfit to cope with such knaves as these Prussianised-Greeks, because it made belief impossible to them that treachery so contemptible could exist among a people holding itself still worthy of a high destiny among the civilised.

Room was made here for the concluding sentences of Mr. Gerard's book, the worthy end to an admirable chronicle. The American Ambassador has been frank and honest, clear-sighted, and fair to a degree that must win the confidence and raise him in the esteem of everyone who reads what he has written. And all citizens should get the book and study it. It is not enough to have skimmed over the chapters as they appeared day by day in the *Daily Telegraph*, which has shown an admirable enterprise in securing their immediate republication here. Much is contained in it which should be preserved to help us in our treatment of the enslaved, deluded, and oppressed serfs of Germany, much also that should assist us in holding fast to our duty to civilisation, and to mankind. There can be no peace with the Prussian brutes who sit on the necks of a barbarian and morally degraded people. They would lie like artists in statecraft had they the

ability. As it is, they lie clumsily and without shame, and have, for all their ignorance and vanity, lied so well and so long as to deceive the world into thinking them other than they have now revealed themselves to be. Verily there must be no German peace, and the United States is in the war to make sure that none shall be.

There followed here about 60 lines in large type extracted from the final chapter of Mr. Gerard's book, sentences eminently pertinent and comforting at the present moment. We have received, however, this morning the following extraordinary dog-in-the-mangerish note from the managing editor of the *Daily Telegraph*, so the extract is deleted:—

The Daily Telegraph,
Fleet Street, London, E.C. 4,
September 20, 1917.

To the Editor of THE INVESTORS' REVIEW.

DEAR SIR,—Our solicitor's attention has been drawn to the fact that in the issue of THE INVESTORS' REVIEW of the 15th inst. you gave a long quotation from Mr. Gerard's book, which you were not authorised to do. All that we allowed to be quoted were extracts given out through the Press Association.

Yours faithfully,

JOHN M. LE SAGE (Managing Editor).

Business was good with the Commercial Banking Co. of Sydney, Ltd., in the half-year to June 30, and the position looks strong at all points. Nett profits amounted to £146,335, an increase of £13,000 over the corresponding period, but the amount brought in was £23,000 smaller, and after repeating the dividend at the rate of 10 per cent. per annum, the directors place £40,000 against £70,000 to reserve, and increase the carry forward by £20,000 to £59,100. The reserve fund now stands at £1,940,000, against a paid-up capital of two millions, so that the position in this respect is very comfortable. Bills in circulation have increased £690,000 to £1,462,000, and deposits, current accounts, &c., are £1,270,000 larger at £25,557,000. On the other hand, the item coin, bullion, Commonwealth notes and cash at bankers has increased £730,000 to £7,670,000, and money at short call in London is £817,000 up at £1,590,000. Investments have risen £905,000 to £4,529,000, bills and remittances in transit £200,000 to £2,116,000, and bills discounted £100,000 to £14,558,000. Consequently, the balance-sheet totals at £31,132,000 an increase of £2,050,000, and everything looks very flourishing.

Why so many people associate the words merger, amalgamation, &c., with share bonuses and the watering of capital, we do not know, but such is undoubtedly the case. It is chiefly because of this that the "busy-bodies" have found it so easy to "talk up" explosive shares and to foster expectations that cannot materialise. A good many extravagant hopes must have been damped by the speech of the chairman of Messrs. Eley Brothers, Ltd. Under the projected co-operative scheme the interest of each company is to be arrived at on a common basis, but there is to be no inflation of capital. And is this not as it should be? What more imprudent course could there be than to water the capital of these undertakings? No doubt they are at the present time making large profits, and some of them may, perhaps, be faring better under the new excess profits duty than under the former arrangement, but what of the future? What will be the position when the curtain falls on the present awful world drama? No one, not even our misguided pacifists, expects the advent of peace to hush in the millennium and to witness the turning of the sword into ploughshares. But we cannot believe that all this awful sacrifice of blood and treasure has been for nothing, and that victory will not bring us a substantial measure of relief from the burden of armaments. Europe will, we are afraid, remain to a certain extent an armed camp, but we cannot see eye to eye with those who see the nations staggering under a greater load than before. Peace will, of course, bring needs of its own, but there is no doubt, in our view, that as soon as the war is over the demand for explosives will fall off to an enormous ex-

tent, and it looks as if it is largely in recognition of this, and of the possibility of intense after-the-war competition, that endeavour is being made to bring about the projected fusion. There is no doubt that caution should be the dominant note in the explosives industry, and we hope the various undertakings will pursue a prudent course in the matter of the distribution of profits. Eley Bros., Ltd., is not paying extravagant dividends on its capital, the recently announced distribution being the same as for 1915, and only slightly in excess of the rate paid before the war, but the company has been unable to present any accounts since 1914, and it would be interesting to know if the two past year's distributions leave an adequate margin for reserves.

Owing to the numerous restrictions created by war conditions, and to the practical failure of the vintage, the profits of D. and J. Fowler, Limited, the Australian firm, are below the average, but the directors are able to make up the dividend to within $\frac{1}{2}$ per cent. of that of the previous year, which the shareholders doubtless consider satisfactory. Profit, after deducting fees, &c., and making provision for all accrued taxation, comes out at £27,290, a decrease of £2,660, and leaves, after paying the debenture interest and preference dividend, which absorb £4,500 and £8,250 respectively, a surplus of £14,546. The ordinary dividend of $6\frac{1}{2}$ per cent. requires £13,000, and after setting aside £900 to preference dividend reserve, there remains £640 to add to the amount brought in, raising the carry forward to £11,240. Last year the reserve, in anticipation of debenture expenses, received £5,500, and it is a pity it has not been possible to add to the reserves on this occasion. The company has a preference reserve fund of £33,830, and other reserves, apart from depreciation reserve, amounting to £13,760, but its debentures mature in 1919, and the position could certainly do with further strengthening. Stock has been reduced £21,330 to £149,600, but sundry debtors, bills receivable, preference reserve investments, sundry trade investments, &c., aggregate £13,000 more. Creditors are up £28,900 at £133,140, but the bank overdraft has been reduced £21,250, and bills payable total £16,580 less. Although conditions in South and Western Australia are still far from as good as might be wished, the outlook seems to be more encouraging than was the case last year.

Comparatively little change is shown in the results of John Brown and Co., Ltd., for the year to March 31 last. Profits amounted to £555,000, an increase of £2,000, while interest required £7,000 less, and with £20,000 more brought in the total available is £29,000 up at £641,827. An interim dividend of 5 per cent. against $2\frac{1}{2}$ per cent. was paid in December, and a final dividend of $7\frac{1}{2}$ per cent. was paid in June, making $12\frac{1}{2}$ per cent., or the same as for the previous twelve months. After again placing £150,000 to reserve for contingencies, which will then amount to £300,000, the balance forward is increased by £29,000 to £176,450. During the year debentures for £188,000 were paid off, but sundry creditors have risen £670,000 to £1,750,000, which includes provision for war taxation not yet definitely determined. Land, buildings, plant, &c., have increased £123,000 to £5,078,000, work in progress is up £455,000 at £1,341,000, and debtors are £41,000 higher at £1,081,000. It is stated that all departments have been well occupied with work of great national importance, and with the exception of the collieries the output has been largely increased. Extra depreciation has been written off plant and machinery, and further advances in wages have been given in various departments, with the result that the margin of profit has become less, but as the figures show it is still substantial enough to satisfy all but the most greedy.

Although the amounts payable for excess profits duty, &c., by the Sheepbridge Coal and Iron Co., Ltd., have

not yet been agreed the company does not make this an excuse for withholding the accounts, and the report for the year to June 30 is now available. Ample provision has been made for Government liabilities, and the company has again had a very successful year's trading, although the nett profits are £5,000 down at £200,600. The dividend of 15 per cent. is repeated, but as new capital has been paid up it requires some £13,000 more, and consequently the amount set aside for development of new properties is reduced from £70,000 to £50,000, and the carry forward is practically unchanged at £42,650. Sundry creditors, including estimated liability for war taxation, have increased £117,000 to £346,000, and there is a bank balance of £100,000 for War Loan subscription. Works, plant, and shares in other companies have increased £50,000 to £862,000, sundry debtors are up £30,000 at £191,000, and investments are £280,000 higher at £492,000, but loose plant has been written down £24,000 to £101,000, and cash is £20,000 lower at £65,800. General reserve remains at £80,000, and the reserve for development of new properties now amounts to £240,000. It is stated that the output of coal has been fairly well maintained during the year having regard to existing circumstances. Wages of all classes of workmen have been further increased, and miners' wages, including bonus, are now $45\frac{1}{2}$ per cent. above the basis of 1911, equivalent to an increase of 118 per cent. on the basis of 1888. Control of the collieries was taken over by the Government on March 1 last. At the iron works also substantial increases in wages have been conceded to the workmen, and the various departments have been well employed mainly with the production of munitions. A steel furnace has been added to the plant, and is ready for work. While prices of coal and iron remain stationary at Government limitations, the rise in wages and raw materials, especially timber, has resulted in a large increase in the cost of production, and it is all the more satisfactory therefore to find that the decrease in nett profit has been comparatively trifling.

In the report of Boots Cash Chemists (Eastern), Ltd., it is stated that war conditions continue to stimulate trade, hence the figures make another record, but as all prophecies are falsified as the war goes on, the directors are disinclined to repeat the formula that "an extensive reaction is of necessity bound to ensue." Anyhow, the gross profits for the year to March 31 showed a further increase of £5,000 at £50,140, and the nett profit is £2,000 larger at £29,300, a very satisfactory result when increased expenses of all kinds are taken into account. The dividend is raised from 10 per cent. to $12\frac{1}{2}$ per cent., but it is now paid less income-tax instead of mainly tax free, so that the shareholders are not quite so well off as they were last time. Reserve funds again receive £5,000, and the carry forward is increased by £2,000 to £19,300. Changes in the balance-sheet are unimportant, but all in the right direction, and the business is evidently in a very healthy condition.

A few months ago the *Secretary*, the official organ of the Chartered Institute of Secretaries, invited the opinions of members with regard to the desirability of adopting a decimal system of coinage and the metric system of weights and measures. Two coinage schemes were submitted—one retaining the sovereign as unit divided into 1,000 parts or mils, which would revise only the copper coinage, the penny becoming either a four-mil piece (value .96d.) or a five-mil piece (value 1.2d.), while the other provided for the halfpenny being taken as 100th part of a British gold dollar (or "Imperial crown"), value 4s. 2d., which would necessitate changing the sovereign to £1 os. 10d. Of those who replied 85 per cent. considered that a change to a decimal coinage would be favourable to their business, and of these 66 per cent. were in favour of retaining the sovereign as the unit of value. Experience of a decimal system in the business was indicated in 56 per cent. of the replies, but 50 per cent. were of opinion that overseas business was not hindered by the present system.

As to weights and measures 86 per cent. of the replies were in favour of the adoption of the metric system, and of these 53 per cent. indicated that it is being used in their business and 61 per cent. considered that the existing weights and measures hinder foreign trade. This information is interesting, but it is not of much value without fuller particulars. To appreciate the value of the plebiscite it would be necessary, for instance, to know how many forms of questions were sent out, and what proportion the replies bear to the total. Even then there would have to be a very careful scrutiny of the standing and connections of the firms whose opinions were sought before we could accept their views as really representative.

The combination of explosive making companies, which is now being negotiated, is to be the forerunner of a number of similar amalgamations of manufacturers in this country. This highly important development in industrial organisation is meeting with the active support of the Board of Trade. On Monday last Mr. L. A. Paish, of the Commercial Intelligence branch of the Board of Trade, addressed a meeting of the brass trade at Birmingham, and referred to the strenuous efforts which are being made in Germany to get all manufacturers into syndicates as the only way of regaining "the place in the sun" in trade after the war. The Board of Trade, he said, was anxious to co-operate with manufacturers, and was prepared to go as far as finding financial assistance in investigating any particular market. If manufacturers, he added, were to regain their trade after the war it was absolutely necessary that they should combine. It is understood that the brass manufacturers have already drawn up a scheme of co-operation. It is proposed to amalgamate for the purpose of setting up a central buying organisation, and a central export selling agency. In the other metal trades, and also in the electrical trades, plans are under discussion for the setting up of similar organisations, which will wield great power and influence.

The object of these combinations is to substitute co-operation for competition. The war has shown, as the chairman of Eley Bros. explained at the meeting this week, that when working at maximum capacity costs of production can be reduced to a level undreamt of before the war. To obtain maximum production it is necessary that manufacturers should specialise in particular lines to a greater extent than they did before the war, and that resources should be pooled so as to secure the best technical advice and the speedy adoption of improved methods of manufacture. It is also hoped to secure the elimination of redundant middlemen, so that the number of commissions may be reduced to a minimum. Of course, there is a danger that the interests of consumers will be threatened by these amalgamations, and in order that they may be protected some form of State supervision will be necessary. The Board of Trade has, in fact, insisted upon certain provisions being inserted to protect labour, including a fair wages clause, and also the consumer, but it is argued that unless some form of government representation is also provided for the effective protection of the consumer it will be very difficult to secure. The movement is one of very great importance, and adequate safeguards will have to be made if interminable disputes with labour and consumer are to be avoided.

The Gold Fields Rhodesian Development Co. this week announces a maiden dividend of 6d. per 10s. share on account of the 14 months ended May 31. This surprising result is the effect of the reduction of capital made last year, when 10s. was written off each £1 share in order to meet the depreciation which existed in investments, amounting at March 31, 1916, to £1,094,335. The profit was actually smaller than in the 12 months to March 31, 1916, the available balance being £96,630, against £120,749. After paying the dividend, £33,774 is carried forward. It was

a wise measure to reduce the capital, for it was so hopelessly in excess of the market value of the assets that dividends were out of the question until the balance-sheet was drastically revised.

"No Levy on Capital" P

Mr. Bonar Law has taken the trouble, or has had the boldness, to contradict the report that he intends to make a "levy on capital" for the purpose of paying off the war debt. And his pronouncement has set pens a-scratching to illustrate how absurd and impossible a confiscatory step of that kind would be, how impossible as a feasible measure of eminently respectable administration. And, to be sure, the wise men behind the pens are right, as always—with reservations. They may not have had time to recollect that we have had a substantial levy on capital in operation for a good many years now, and that in the 15 years ended March 31, 1915, it produced nearly £300,000,000 for the public Treasury. Had all this money been devoted to the redemption of debt—as it ought to have been—we should soon have been free from that clog had the peace been kept. When, therefore, the Chancellor of the Exchequer proclaims that he has no intention of making a "levy on capital" for war debt redemption, or, presumably, anything else, he is assuming to himself authority beyond his strength, and when the wise men of finance demonstrate how impossible it is to do anything of the sort, they presume upon the ignorance of their readers to a degree scarcely courteous. There is and has been these many years, since 1895, in fact, a "levy on capital," and in the early years of its incidence the eye and ear of the common man were often called to note the dire consequences to men of property. "Estates would be thrown on the market," "depreciation would soon become ruinous," and so on. It was a lamentable tale of woe, which has hitherto been derided by the reality.

In reality all depends on whether the proportion of capital sheared off by the State is excessive, and whether or not means are taken to provide and maintain a market on which to realise the property which has to be sacrificed in order to pay the death duties. We can, for example, imagine a Government rash enough to attempt to impose a 50 per cent. tax on inheritors of deceased estates in land, and taking no thought of how the money is to be provided. A demand of that magnitude, by forcing excessive amounts of land upon the market, could not fail to glut it with unsaleable real estate, because the sellers would outnumber the buyers. But if, along with the tax, the Government made pro-

THE LONDON CITY & MIDLAND BANK LIMITED.

Head Office : 5, THREADNEEDLE ST., LONDON, E.C.2.

Foreign Branch Office : 8, Finch Lane, London, E.C.3.

Subscribed Capital	-	-	£22,947,804
Paid-up Capital	-	-	4,780,792
Reserve Fund	-	-	4,000,000

Deposits	-	-	£193,222,087
Reserves	-	-	48,290,936
Bills of Exchange	-	-	22,352,037

The Belfast Banking Company, Ltd., is now affiliated with this Bank, but their figures are not included in the above.

vision for the simplification and cheapening of transfers of ownership, and encouraged by other measures the sub-division of the soil among those who would themselves cultivate what they possessed, a market for estates thus heavily levied upon might be kept alive and vigorous even were the possessors of wide acreages called upon to hand over 75 per cent. of the value to the tax-gatherer on assuming the succession. The levy might be graduated on the basis of the owner's portion of the costs of the work done to improve the estate.

Land has been chosen as affording the simplest illustration, and also because the sub-division of the land of the United Kingdom is now made a matter of vital importance by reason of the inconceivably heavy burdens thrown upon the nation by the costs of the war. But personal property can also be annexed if the necessities of the State require—and is annexed every day—only in the case of “marketable securities,” as bonds and shares are designated, greater latitude in time for payment and special provisions, perhaps, designed to prevent the market from giving way—such as the “sinking fund” or market-supporting device set on foot for the benefit of our 5 per cent. war stock—may be necessary. Much would depend on whether or not judgment were shown in devising the scale of assessment. It is long since this journal threw out the hint that the necessities of our Exchequer might come to be such as would force the Government to put every citizen on “rations”—to forbid, that is, anyone high or low in the social scale to exceed a fixed amount in personal expenditure—but if one may judge by what one sees and hears—by the advertisements of fashions in the newspapers, for instance—one can be sure that no idea so revolutionary has yet been entertained by either Ministers of the Crown or their predestined victims.

Nobody in authority appears to give a thought even to the question, “How is our expenditure to be met when the war is over?” Does anyone as much as try to estimate what that expenditure is going to be? We doubt it. The Government gives no encouragement to pryers. Our heaviest estimates are only indicated by “tokens” that reveal nothing, and demands upon the Exchequer multiply at such rapidity as to make the probability of one month the mockery of the next. But in a vague way something may be guessed. In the year before the war burst upon a civilisation grown selfish, optimistic, and sceptical of evil—the year ended March 31, 1914, *i.e.*—our total Imperial expenditure was, roundly, £197,400,000, of which debt charges accounted for £24,500,000, and army and navy together swallowed £77,000,000 odd. Education required just under £19,500,000, and old age pensions, Labour Exchanges, insurance, &c., rather less than £20,000,000. Altogether, what are called the “Civil Service” outlays amounted to about £54,000,000.

All these and other drafts upon the Exchequer have been magnified incalculably by the war, and its consumption of wealth. Therefore, even were the war to end before the current fiscal year closes—which we fear it hardly can now, except by starvation—the total charge imposed by our debts alone would probably prove to be nearer £300,000,000 a year than £250,000,000. The bringing home and dispersal of our mighty armies would probably extend the war expenses well over the first year of peace, and we ought to think our affairs very well managed indeed if that disbandment was effected at the cost of only another £300,000,000. It will more likely cost us £500,000,000, especially if we include the colonies, and reckon in the expenditure incident to the re-settlement of the discharged soldiers on the land or in whatever other occupations may be open to or made available for them. As corollary also the cost of pensions and grants are bound to be high, and to remain high for many years after the war ceases. If we assume all the work of disbandment of troops completed and paid for, and that the peace cost of the Army and Navy has been brought down, not merely to pre-war figures, but to the totals of ten or twelve or fifteen

years ago, the amount the nation will have to furnish every year must continue formidable enough to demand an income of between £500,000,000 and £600,000,000. Education is going to cost us soon, if not immediately, between £40,000,000 and £50,000,000 a year in England and Wales alone, the burden of pensions may easily be another £50,000,000, and every department of the Civil Service, including the war-born brood of new departments, may be counted upon to augment the aggregate. And what of agriculture and the cost of feeding the people? No man can say what, but the costs may be great.

We should like to know how any such expenditure as we can form a guess about is to be provided for without a “levy on capital.” There will be no excess profits—or very few—leviable after the war, and ordinary profits will certainly fail to make good that deficiency. Whence, then, is the money to come? “An indemnity”! Yes, we all want that, but if our political guides lack courage to tap sufficiently the perennial springs of wealth in this country can they be expected to have the manliness to emancipate the miserable serfs of the Prussian by making a clean sweep of every king, kinglet, grand duke, count, prince, and mere *Junker* throughout the Prussian Empire? The French, perhaps, helped by the Americans and the Russians, may be able to enforce heroic measures like that. We have no confidence that our guides will do so. The war, however, has lasted so long that it promises now to be either this or bankruptcy for all of us unless we have the courage of the free. Even were the Powers to agree, after having fought the Prussian wild beat to impotence, to clear all the class which battens and oppresses off the land, out of the country, and arrange to sell or let the confiscated land to the cultivators in the manner suggested by us during the first year of the war, it is improbable that much revenue would be available for division among them until five or perhaps ten years after the war closed. For the offending Empires are economically in ruins now, and as the Allies are bound to deal with their war debts as the Federals in the United States dealt with the war debts of the Confederacy—repudiate them utterly—recuperation of any kind is bound to be slow and difficult. We shall therefore have to rely on ourselves for probably quite a decade after the war, even if ultimately in part indemnified by the Germanic peoples; and if we are to maintain our solvency, our place among civilised nations likewise, we must make up our minds to endure taxation far more drastic, much more evenly and fairly imposed, ay, and more bodeful of revolution, than anything the Government seems to have as yet thought of. Oh, yes, there will have to be increased “levies” on property, whatever our professors and political economists may say.

In writing as above about “how to make Germany pay,” we seemed at the time the articles—subsequently collected and published under the title, “No Deluding Peace”—first appeared to many to be talking nonsense. Some even said, and may say now, for all we know, “You are not helping towards a speedy ending of the war by writing thus. Seeing a threat of that kind held over them, the Germans will be provoked to go on fighting to the last man.” Is not a view of that kind founded on a misunderstanding? The ruling caste, the *Junker*, we admit, is likely to be moved to the extreme of madness by the threat to make an end of him for good and all as tyrant over his fellow-men. But are there, or have there ever been, any signs that the said *Junker* would be prepared to do otherwise, however little might be said regarding our ulterior purposes? Never. The prevarications, the mock concessions, the sham airs of conciliation, all the rhetorical tricks of the charlatan are used to avoid giving a plain answer to a simple question, and the dodging proves that the criminal as yet abates nothing of his lusts. He still means to keep Belgium, to refuse liberty to tortured Alsace and Lorraine, to stick to the inheritance of the Turk, to trick Poland and dismember Russia if he can. These and many other abominable ambitions the savage beast cherishes, and will cherish in desperation to the last. Why not tell him, then, frankly, at once and

always?—"The longer you go on sacrificing the lives of the German and other peoples you oppress the more determined are we, the Allies, to destroy your power at its source. You shall be deprived of all you possess, and it shall be divided on terms and conditions among the people you hold in bondage to help them to pay us for the loss you have caused." We had hoped to see a frank stand like this made long ago, but our rulers are shackled by the same manacles as those that bind the Germans, and therefore we can expect neither "thorough" handling of our financial problems at home nor the necessary frankness in dealing with our requirements from the enemy. But America is not likely to be so mealy-mouthed, so tied by the mummeries of courtly "secret" diplomacy, and every week we are more glad that the United States have taken up the war in a way which means "real business." For our Government drifts with the stream that carries it, and which it imagines it guides.

Food Control.

Quite by accident we stumbled across the *National Food Journal*, issued by the Ministry of Food. It is to be published on the second and fourth Wednesdays in each month at the price of "2d. nett," and the first number came into our hands a few days ago. As it contains a foreword headed, "The Food Controller to the Public," which presumably Lord Rhondda really intended to reach the public, we cannot congratulate the Department on its methods of distributing and making known the new journal, nor can we imagine the careful housewife paying 2d. for it, even to obtain half a dozen recipes for "made dishes of potato." However, Lord Rhondda's introduction is of considerable interest, as it briefly defines the lines on which he is working, and we are glad of the opportunity to quote the following extract:—

My policy, broadly stated, is to fix the prices of those articles of prime necessity over the supply of which I can obtain effective control at all stages from the producer down to the retailer. Such prices will, as far as possible, be fixed on the principle of allowing a reasonable pre-war profit to those engaged in the production and distribution of the particular commodity. Indeed, the policy will in effect be one of determining profits at every stage, though it will take the form of fixing prices. Every effort will be made to prevent speculation, and unnecessary middlemen will be eliminated. Existing agencies—I make a strong point of this—will be utilised for purposes of distribution under licence and control, and under the supervision of local food controllers to be appointed by the local authorities.

I am anxious that producer, seller, and consumer should realise that the action which is being taken by the Department is based on definite and carefully thought out lines, and that prices are not being interfered with in a haphazard way or without purpose. While I am primarily concerned with the protection of the consumers, I have to see that the legitimate interests of food producers and other traders are safeguarded, and above all to avoid as far as practicable action which may tend to curtail the necessary supplies.

It is, of course, impossible that in this crisis supplies can be provided to the same extent or with such regularity as in times of peace, and the consumer should also understand that he must of necessity pay high prices. My object is to see that supplies are forthcoming as far as they are available, and that the prices are not excessive.

I am glad to be able to say that the general position of our essential food supplies is satisfactory, but I cannot urge too strongly on everyone the absolute need for economy in the use of all foodstuffs.

In another note it is pointed out that the success of the Ministry depends only in a minor degree on restriction and coercion; it requires the hearty co-operation of all classes, producers, traders, and consumers alike. There can be no question of the willingness of the public to endure petty discomforts once it is understood that they are really necessary, but the people must first of all be convinced that the Department is honestly tackling the problems which the war has brought in its train. With regard to profiteering, it is claimed that the worst form, which consists in the intervention of the unnecessary middleman, has already been almost entirely eliminated in the case of essential foodstuffs, and an effective control has been established in respect of bread, flour, sugar, and other imported foodstuffs, and is gradually being extended

to other descriptions of food. At the same time, it must be borne in mind that there is a genuine world shortage of supplies, partly owing to poor harvests and partly to increased consumption by the armies in the field, while prices are also affected by the inflation of currency created by huge Government loan operations and disbursements. The American Food Administration announces that the United States and Canada have a wheat deficit of 400 million bushels, in the amount required for the Allies and neutrals, and it has asked the American public to reduce their consumption of flour by 1 lb. per week. According to Lord Rhondda, the people here have not saved $\frac{1}{2}$ lb. per week, but we are not inclined to accept this statement too literally, especially when the "dilution" of flour and admixture of other grains are taken into account, but it is one of those exaggerations to which the Food Controller is prone, and which do much more harm than good. Meantime we have now got the 9d. loaf, and prices of meat are being reduced to a more reasonable level, but the inevitable result will be to increase consumption, so that the Food Ministry is apparently attempting to accomplish two irreconcilable objects. Farmers and butchers are loudly denouncing Lord Rhondda's arrangements with regard to meat supplies, and are predicting a famine a few months hence. We hope that this will prove a mistaken view, but some of the criticisms come from such responsible quarters that we cannot help feeling a little uneasy. It is impossible to forget the horrible muddle made over potatoes last spring, the vile distribution of sugar that still exists, or the entirely unjustifiable shortage of tea with which we are threatened. We do not mention these things in any carping spirit, but merely to indicate the enormous difficulties that have to be encountered (we cannot say overcome) when the regular channels of supply and distribution are interfered with. However, we must just hope for the best, confident that we shall muddle through somehow.

It is stated that retail food prices on August 1



A1

No. 5

THE AMERICAN'S LONDON.

No. 5—Around the Tower.

Within the ancient church of Allhallows Barking (in Byward Street against the Tower) is a tablet, set up in 1911 by the Pennsylvania Society of New York, to the memory of William Penn, "proprietary Founder and Governor of Pennsylvania." Penn, who was born in the Tower Liberty, was baptised in this church on October 23, 1644. In 1681 he was granted by letters patent a tract of land, over 40,000 miles in area, west of the Delaware, in quitance of a debt of £16,000 which the Crown owed his father, Admiral Penn, after whom the territory was called "Pennsylvania" by Charles II.

At Allhallows, in 1797, John Quincy Adams, who became sixth President of the United States, was married to Louisa Johnson, the daughter of the American consul in London. Adams at the time was in attendance upon his father (who succeeded Washington as President), then minister to Great Britain.

At the north-western corner of the Tower is a great bastion called Legge's Mount. Now, if one proceed farther along to the Minories and turn off down Church Street there, the disused church of Holy Trinity will be reached. Within is a memorial to George Legge, Earl of Dartmouth (Master of the Ordnance to Charles II.), after whom this bastion is named, and on it are emblazoned the arms—the Stars and Stripes—of the Washingtons. The Earl's mother was Elisabeth, daughter of Sir William Washington, of Packington, whom some authorities state was of the branch of the family from which George Washington himself was descended. There is also a memorial of the Earl's father, likewise bearing the arms.

Allhallows is open Free daily, to 30 a.m. to 5 p.m., closed between 2 and 3. Admittance to Holy Trinity on knocking, or by applying to the Sexton of St. Botolph, Aldgate.

By Routes Nos. 7A*, 10, 10A, 10B†, 13*, 17*, 18, 18A*, 21, 21A, 34*, 35†, 35A, 40*, 40A, 47 to Monument Station, walk thence along Eastcheap to Allhallows; or by Routes Nos. 42, 78, to the Minories.

* Weekdays only. † Sundays only.

The London General Omnibus Co. Ltd. Electric Railway House, Broadway, Westminster, S.W.1.



showed an increase of 101.7 per cent., as compared with those prevailing at the outbreak of the war. This is mainly due to the high prices charged in countries from which supplies are obtained, and which are beyond Government control, to the rise created by inflation, and to the high rates of freight and insurance. Of course, we have suffered from predatory middlemen, who fulfil no useful purpose in the distribution of supplies, but these have been almost wholly eliminated, and the Food Controller is now in a position to fix profit-restricting prices in respect of all the principal articles of consumption at every stage. In the nature of things, prices must be high while the war lasts, and for some considerable time afterwards, but a good deal has been accomplished, and the following official list of maximum retail prices may be useful for reference:—

Beans, coloured haricot	5½d. per lb.
„ large butter	8d. per lb.
„ white haricot	6d. per lb.
Bread, cash over counter, Sept. 17—	
4 lb. loaf	9d.
2 lb. loaf	4½d.
1 lb. loaf	2½d.
Cerealine (or maize meal)	3½d. per lb.
Cheese, United States, Canadian, Australian, and New Zealand	
Chocolate	1s. 4d. per lb.
Flour, cash over counter, Sept. 17—	
Sack (280 lb.) or half-sack (sack charged for)	50s. per sack.
7 lb. or more, but less than half-sack	2s. 8d. per 14 lb.
Quartern (3½d. lb.)	8½d.
Half-quartern (1¾d. lb.)	4½d.
1 lb.	2½d.
Self-raising flour, per lb.	3½d.
Hominy	3½d. per lb.
Jam	9d. to 1s. per lb.
Jelly, excepting black and red currant, in excess of jam prices	1d. per lb.
Lentils, large manufactured	8d. per lb.
„ small manufactured	7d. per lb.
Maize, flour, flakes, semolina	3½d. per lb.
Meat, in excess of wholesale prices on any fortnight's trade, whichever addition be the less, 20 per cent., or	2½d. per lb.
Milk, winter months (London price)—	
October	7d. per quart.
November to March (inclusive)	8d. per quart.
Milk (winter prices)—	
Rural district areas in England and Wales; Oct.	Per Imp. Gal. Nov. to Mar. Inclusive.
areas other than burghs in Scotland	2s. 0d. .. 2s. 4d.
Elsewhere in Great Britain	2s. 4d. .. 2s. 8d.
Oatmeal and oats (rolled, flaked, or like products)—	
Scotland	4½d. per lb.
England	5d. per lb.
Peas, blue and green (whole or split)	9d. per lb.
„ yellow (split)	6d. per lb.
Sweetmeats (other than chocolate)	2d. per oz.
Tea, India and Ceylon (by arrangement)	2s. 4d. to 3s. per lb.

By-the-Way War Notes.

Sometimes we are disposed to think that readers must be weary of our continual reiteration of confidence about the war. They never tell us that they are, but much the contrary. Still, appearances are so often discouraging, and the war has been so long-drawn-out, that the wisdom of our attitude, and the confidence of tone adhered to may well have become a weariness to some. All the more reason have we to quote passages from an interview given by General Smuts to the *Paris Journal*, one of the most popular daily newspapers in France. He was asked by its correspondent for his views about the future, about the actual military situation, and why we seem to be progressing so slowly. To all these questions the General's answer was emphatic, and throughout so closely in harmony with the views so long insisted upon in *THE INVESTORS' REVIEW*, that we think his words the best we could publish this week. "What you call our semi-immobility of to-day," he said,

is the result of our mistake of yesterday, a fundamental mistake which consisted in believing one thing only was of importance—effectives. Now this war is above all a war of machinery. If we have discovered it a bit late the harm is now repairing, and the superiority is ours. This is why we may have been slow in starting to go forward. Why we do

not progress with as much speed as some would like is because this use of the machinery of war common to the assailants and the defenders helps very much the defensive and renders a quick victory impossible, as is proved by the example of Verdun, where the French, although with their back to the wall, have resisted countless assaults carried out desperately and without regard to their cost.

Instructed by experience, we have adopted in France tactics which may not be very showy, but the results of which are, so to speak, mathematically certain. It consists in progressing by advances strictly limited on ground rendered impossible to hold by the superiority of our artillery. They cost a minimum to us, and they inflict on the enemy the maximum of losses. This offensive is slow by definition, but it is sure, and we are pursuing it, and will pursue it, without rest. If the public understand these methods and their success, there is no more question as to who is winning, and that the nations at the rear must only arm themselves with patience.

To-day we have won, and the Germans know it quite well. Yesterday their directing classes understood it. To-morrow there will not be in the German Empire a single man who will not understand it also. The final result of the persistent pressure of our Army is well anticipated over there, in spite of reassuring communiques. Can anybody doubt the feelings of increasing terror of the enemy in seeing the nations, the smallest like the largest and the most free, side one by one against her? In seeing also the financial market shut to her, her economic future desperately compromised. The name of Germany every day becoming more odious.

The military victories of Germany in the East cannot make up for her defeat in a world sense. Peace may be near or may be far off, but the issue is no longer in doubt. Peace! There is nothing to which Germany aspires more ardently, so much does she feel that her cause is hopeless. But for us, before we even think of it, we must be certain to be able to end for ever the military imperialism which caused this war. In spite of the horrors and of the carnage, we must continue till the lesson is graven deep in the heart of the German people. Before accepting any form of peace, those who have charge of the government of the nations will have to think carefully about its terms, because from the peace which we sign will depend for generations the peace and the happiness of the whole world. The stakes are the largest which humanity has ever known, and we only want now patience and confidence to be certain that these stakes shall be ours.

Proof of the accuracy of General Smuts's statement of the position tumbles in upon us, one might say, every hour of the day. We see evidences of the approaching collapse of Prussian aggression, not only in the lies about "Britain suing for peace," which have been circulated lately in Berlin—and which are, naturally, indeed inevitably, attributed to that grotesque mystery man, Baron von Kuhlmann—but much more in such revelations as Ludendorff's new army order. For the first time in the long story of the war the wish is therein expressed to the army commanders that they should "economise the human material." There has, indeed, been too great a consumption of Teutonic bipeds as gun fodder, but the discovery now proclaimed of that blunder has come too late. Furthermore, there is the evidence of the flurry in Court circles and among German political functionaries over the Pope's effort to bring peace, which is eloquent of the impotence to which the Prussian oppression is being reduced. And daily we have a display of braggadocio and lying in reference to the actual fighting going on, and its results, which betrays an anxiety on the part of the Prussian high command lest the people they oppress and ruin should awake to the truth, and call the rogues to account. "Enormous slaughter of British and French troops," "great captures of prisoners," "immense damage done," and so forth, are lies stereotyped for German consumption, and their daily iteration indicates, amongst other things, that the long-continued slaughter of German men and boys is at last sapping the loyalty to the Prussian tyrants of those that are left. The Kaiser has need to preach loyalty to himself. It begins to be possible to hope that the long duration of the war may cure even Germans of the grovelling attitude of the sycophant and serf.

In the actual fighting, up to mid-week, there have been no sensations, partly because the weather has everywhere been unfavourable, but likewise, and more, perhaps, because we have now no necessity to fling away the life of a single combatant in order to speed up the end of the war. The victory was won long ago on all Western fronts. Austria is smashed by Italy, deprived of her power of successful offensive, her means

completely gone. Germany is beaten on the French front and on ours, so that great attacks need only be undertaken when conditions are favourable, and when the preparations to make them a success have been so thoroughly carried out as to minimise risks to our men. But because things seem quiet, let it once again be pointed out that the activity of the Allied armies in other ways is not less. Every week shows that fighting in the air is becoming more strenuous and important, and that in this fighting the French, Italians, and ourselves increasingly get the upper hand. What destruction is affected by our raids over the enemy's depots, ammunition dumps, railways, stores of all kinds, camps, and so forth we cannot know, except by the consequences upon the enemy's power to attack or to resist assault, but undoubtedly the skill with which our raids and excursions are carried out harmonise with the weakening of the enemy's power to retaliate, give us ample ground for confidence. As was said in this column weeks ago, the Entente victories in the West and South have reduced the Austro-German-Turko-Bulgarian powers of attack to something near paralysis. The Germans cannot go forward to Petrograd, Rumania holds up Leopold the Austrian and his generals as well as the Prussian Mackensen, and the real impotence of the Bulgarian and Turk warns us that we have but to continue to shut them in to accomplish their discomfiture. And the American Army is getting ready and coming over at a speed which may well send dismay into the heart of even the Kaiser himself, most besotted of all the world's rulers.

Last week's returns of ships sunk is again the most favourable of any week since universal piracy and murder became the advertised policy of the Prussian Empire. 2,695 ships arrived at and 2,737 sailed from British ports, or 5,432 in all, in the week, and out of that great number 8 vessels of 1,600 tons and over were sunk. But the number of vessels under 1,600 tons jumped to 11, which, if we add one fishing craft also destroyed, brings up the total victims of the week to 20. That compares with 29 a week ago. Is it to be inferred, then, that the increasing effectiveness of our Navy, or the better armament of our merchant ships, is diverting the attacks of the German submarines to the smaller vessel? We cannot be sure, but it is not improbable. Statistics, however, are not yet available for a sufficient length of time to form basis for a generalisation of this kind. The fact, however, that 9 small ships were sunk in the previous week, but not then taken into account, making 20 in all included in last week's loss, although only 11 were then actually sunk, seems to point in this direction. Big ships are probably becoming too well armed, or too well protected by destroyers, to be the safe game for the cowardly pirates they were at first, and they, being essentially cowards always, would naturally turn round and endeavour to take vengeance on the small ships. If that is so we might also look upon this change as sign of a beginning of the end. Everywhere, in short, the Northern savage would seem to be growing feebler in his thrusts and sallies on sea as on land, for the Italians last week lost only one boat of under 1,500 tons and one sailing vessel.

Let us be of good hope and courage, then, and, above all, let us disregard more and more resolutely the clamour for peace, a clamour which takes no account of the issues involved, which serves the tyrant Powers and not the free, which would let the aggressors off unpunished and rivet afresh on afflicted humanity the fetters that were rendering our civilisation itself a tyranny.

Friday morning brought the earliest details regarding the British offensive, begun at 5.40 on Thursday morning. It was a tale of success won. On a front of eight miles east of Ypres, between the Ypres-Comines Canal and the Ypres-Staden Railway, our home and colonial forces attacked the enemy, and won all the arranged-for objectives and more within a few hours. Should not feats like these, oft repeated, enable the public to comprehend better the nature of this war?

After each step forward the commanders have to bring up their artillery, arrange the guns with a view to the greatest effectiveness, not only in preparation for the next advance, but in lending to that advance the utmost help when it takes place. As General Smuts says, this is "a war of machinery." It is also a war of science and of the highest technical skill. Every dodge and device of the enemy—and he is a fiend incarnate in his impish ingenuity—has to be studied, mastered, and overcome. The trench warfare of the first two weary years has now given place to the ant-heap warfare, as it may be called, a method of defence well described by Mr. Beach Thomas in the *Daily Mail*:—"The whole German front was peppered with pill-boxes, or concrete blockhouses, big and small, some being no more than the entrance to dug-outs, capable of holding several score men, almost all the striking episodes of the fighting being about these concrete excrescences."

How could anybody be so foolish as to imagine that wasps' nests of this kind could be stormed with the ease of an old-fashioned "square" of living bodies? The marvel is that unarmoured human beings get through and past such defences at all. That our men do so now with far fewer casualties—though seriously severe still—than were suffered in the early months of the war is testimony to the progress our leaders and their men alike have made in developing the science of attack in a war of guns and bombs, of gas and poison, above all of *mitrailleuses*, which reap a harvest of death more complete than the sickle mowing corn. It is the constant study of Sir Douglas Haig and General Petain, the supreme in command, how to circumvent and overcome all these deadly and death-dealing tricks, ingenuities, and weapons of the enemy with diminishing losses among the troops they lead. And the victory of yesterday is one more proof of their success. There can be no doubt about it, the Germans are beaten, and will continue to be beaten to the last. To this defeat our aircraft—and when we say "our," we mean French, Italian, Belgian, and American, as well as British—more and more powerfully contribute. Their help is essential and effective in preparation for assaults, and equally so in the open fighting itself, and here also the Germans are outmatched, beaten.

We have no hatred for the Germans merely as such, never had, save as tools and debased serfs of the Prussian tyrant. But, being what they are, filled with conceit, dreaming still of annexations and conquests, what better fate can we ask for them than that they should continue to rush to the shambles as ordered? The more the manhood of the two despotic empires is destroyed, the easier will it be to impose conditions and terms upon the remnants. From this point of view let us once more insist that prolongation of the struggle is probably a blessing—it may be a disguised blessing, but one nevertheless contributive to the surety of the after-time peace. Turbulent, vanitous, envious, and covetous self-souled peoples like the Teutons now dying in millions in pursuit of a base ideal may themselves have no chance to rise to better things unless and until the savagery now rampant in their mental structure has been bled out of them. Will they be fools or cowards enough to hand all they possess or still can borrow to their tyrants in subscriptions to this new "loan," now being touted and bullied for all over the land! What about these consignments of valuables from Germans to agents in Holland? Ah! these may come in useful when the amount due to the peoples of Belgium and Northern France comes to be assessed.

The Canadian Bank of Commerce notify that the transfer books of the Province of Manitoba 4 per cent. registered stock, 1950, will be closed from October 11 to 31, inclusive, for the purpose of preparing the half-yearly interest warrants.

The following cable has been received from Sir Frederick Williams Taylor, manager of the Bank of Montreal:—"Threshing general; yield larger than anticipated; quality good; reliable estimates exceed two hundred million bushels."

The Bank of Montreal announces that the coupons falling due October 1 on the City of Calgary 4½ per cent. debentures may now be presented at the offices of the bank, 47, Threadneedle Street, E.C. 2.

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Nothing has happened to ruffle the Money market and rates of discount remain where they were. They seem likely to do that until we near the end of the year, when it is quite probable that money might become for a time almost inconveniently in request, but as long as the Bank keeps its rate down to 5 per cent., traders need not worry themselves about the price of accommodation, and we see no reason why the Bank rate should go up. It could not attract gold from abroad even if it went up to 10 per cent., because although there may be plenty of gold in some places, the markets that held it would certainly take measures to prevent its export, so things will just move along in their wonted humdrum fashion. Sometimes call money is wanted and a ½ per cent. up, but generally it is quite easy at 4 per cent.

Why other deposits should be up £6,890,000 in this week's Bank return we cannot explain, but the how is easily seen. Government deposits have been reduced by £1,825,000 to £40,665,000, and other securities have

been increased by £4,312,000. Also the reserve has gone up another £357,000 in spite of an increase of £132,000 in the note circulation, because coin and bullion has come back to the extent of £489,000. Here then by cash in to a moderate extent, reduction in Government balances to a larger extent, and by a heavy increase in the borrowings at the Bank the money to pile up other deposits has been found. The reserve now amounts to £32,508,000, and its proportion to the liabilities is up ⅔ per cent. to 19½.

Having nothing to absorb their interest, bankers and merchants in the City are continuing to occupy their minds with the position and status of the Bank of England, and we rather fancy changes are impending there which will bring it more into harmony with modern ideas about publicity. It is many years ago since this writer published a suggestion for a more enlightened form of weekly Bank return, and for the publication also of audited accounts and balance-sheets, but the time was not ripe, and nothing came of any such attempts at reform. Now, however, the spirit of change is abroad, and an impatience with the secretiveness of all kinds has become visible, so that it will be an easy matter to-day to effect changes in the Bank's constitution such as the publication of accounts and the segregation of liabilities, &c., in the weekly return, as well as permanence of responsible management, which would have been scoffed at or denounced as revolutionary 30 years ago. Look, for instance, at the declaration of a dividend by the Bank. The usual half-yearly formal general meeting of what is called the Court of the Bank was held on Thursday, with Lord Cunliffe, the Governor, in the chair. He announced that the profits for the half-year ended August 31, after making provision for all contingencies, had been £541,938, and that this amount raised the "rest" to £3,567,462. That would allow the court of directors to pay a dividend of 5 per cent. for the half-year, less income-tax, and the "rest" would then stand at £3,021,724. When this writer used to be a journalist in the City he had every half-year to calculate the amount of profit in order to announce beforehand what the directors of the Bank would pay to their shareholders. They never gave any information but the amount of the "rest" was watched, and when at the end of the half-year odds and ends of profits were added to it, it was easy to guess how much the Bank could pay by the extent to which the visible profits represented in the item "rest" exceeded the £3,000,000 which we were led to understand was the minimum below which the directors would not permit that asset to fall. Now is not this an antiquated, and, one may say, absurd method of dealing with shareholders and the public? Why could not the Bank of England imitate the other joint-stock banks, and announce its assignments to reserve or depreciation, its dividend, and the balance left? There is no mystery about banking, but the two centuries' old formalism in matters financial still exists in the affairs of the amiable Old Lady of Threadneedle Street. Therefore, we think changes are coming, and the public need not be surprised if they open their papers some morning to find that a great modernisation has occurred.

A very interesting development of co-operation between bankers has been announced this week. Lloyds Bank and the National Provincial Bank of England, two of the biggest and best known banks in the kingdom, have arranged to assume the joint proprietorship of Lloyds Bank (France), Ltd. The interests of the two banks will be in all respects equal, and the French institution will, in future, be known as Lloyds Bank (France) and National Provincial Bank (France), Ltd., with a separate directorate and head office in London. The capital is to be increased from £600,000, in £50 shares, of which £20 per share is paid up, to £1,200,000, and this additional capital will no doubt be provided by the banks privately. The first board will consist of Sir Richard V. Vassar Smith, Lord Inchcape, Messrs. Henry Bell, Colin F. Campbell, D. J. H. Cunliffe, M. O. Fitzgerald, W. H. N. Goschen, A. E.

Harris, J. W. Beamont Pease, and Capt. George Lloyd, M.P. In addition to affording facilities to the British mercantile community in France and the United Kingdom, the organisation of the bank in France, at its offices in Paris, Havre, Bordeaux, Biarritz, St. Jean de Luz, and Nice will be placed freely at the disposal of customers. This is a rather novel instance of co-operation, for although a number of banks joined Lloyds in the formaton of the British Italian Corporation, that was for the purpose of doing financial business which is rather outside the strict definition of banking as understood in this country. The London and South-Western and Cox and Co. have a somewhat similar arrangement in France.

Owing to the failure of the present 5 per cent. Exchequer Bonds to attract the investor, for reasons which have frequently been explained in these columns, discussions are taking place as to the sort of security which should replace them. The floating debt is rising rapidly, and it is necessary in order to defer the raising of the next big War Loan to the spring, by which time the bulk of the banks' advances made against the last issue will have been repaid, to lessen the rate of increase in the floating debt. Treasury Bills outstanding now amount to £882,314,000, or £97,558,000 less than a year ago. On the other hand, the amount of Ways and Means advances outstanding is £242,690,500, as against £47,896,500, so that the total floating debt at present is £1,125,004,500, as compared with £1,027,768,500 a year ago. It is suggested that the public would welcome the issue of rather longer-dated bonds than the present Exchequer Bonds bearing 5 per cent. interest. Redeemable at, say, 102½ in five years, or at 105 in ten years, they would no doubt attract the money which is now going into other British and Colonial gilt-edged securities. The average yield would be 5½ per cent., instead of 5 per cent. as at present, and if a conversion option were also given, the bonds would be made still more attractive. But in order that the necessary stimulus should be applied to the issue, it would be advisable to limit the period of subscription. Exchequer Bonds, however, will be a poor substitute for Premium Bonds, particularly as regards the smaller investor, a fact to which any banker or broker will testify.

There has been another of those temporary flurries in money rates in New York this week, and call loans have been arranged as high as 6 per cent. one day, and as low as 3 per cent. the next. This is becoming a common feature of the market, and is to be attributed to the faulty working of the Federal Reserve system under the exigencies of war finance. Heavy borrowings by the United States caused large amounts to be transferred from time to time to the Federal Reserve banks, and as these funds are distributed first through the member banks only periods of temporary stringency naturally occur. This defect of the system has led to a movement to bring into membership the banks and trust companies outside the system. As the result of this week's tightness of money, the rate of discount for British 90-day Treasury Bills sold in New York has been raised from 5¼ to 5½ per cent. These bills, which are being sold at the rate of \$15,000,000 a week, up to a total of \$150,000,000, will be placed on tap continuously, for as the bills mature they will be renewed or replaced. Mr. McAdoo, the secretary of the United States Treasury, announces that he will probably ask Great Britain to consent to a renewal of loans to cotton farmers, which are approaching maturity. The amount so invested is \$110,000,000, in the form of mortgages made by British financial houses. It was intended to call in these loans under the scheme for the mobilisation of American securities.

SILVER.

Silver continues to be the great interest in the bullion market, and the price is now up to 54d. per oz. with the market firm. A week ago the price was 50d., so that the latest rise is the biggest jump in any one week since the movement began, and dabbblers in bullion may well ruefully ask themselves, "Why did we not load up with silver when the war broke out?" It is too late now,

although the price is quite likely to go on rising, for the supply is so short that although, as Messrs. Mocatta tell us, the buying is by no means large for the London market, the sellers are masters of the position, so a rise of 1d. a day now excites no astonishment. It is not yet known to what extent the United States Government intends to give permits for the export of silver, and while that is in doubt there is nothing to check the upward movement. China, however, the same firm tells us, continues to pay large premiums for silver in San Francisco, although the exchange remains well below parity, has not risen, in fact, since silver was 49d. per oz. This, and the fact that the United States Government is itself buying for subsidiary coinage like France and ourselves, naturally tends to harden the market. It is consequently the opinion of Messrs. Mocatta that, although a reaction is more than due and may be severe when it comes, there are no signs of weakness as yet, and they confirm our own opinion that higher prices still may be reached. We, indeed, do not see the prospect of any violent recoil, allowing for the fact that silver is taking the place of gold in our own and other currencies. According to Messrs. Samuel Montagu and Co. the stock of silver in Bombay on the 18th inst. amounted to 3,300 bars, or 1,200 bars more than that held on the 4th inst. On September 15 the stock in Shanghai was 22,600,000 ozs. and \$15,000,000 in syces, an increase of 400,000 ozs., but showing no change in syces.

Applications for the Rs. 90,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,06,05,000. Of these, Rs. 82,79,000 were allotted in deferred transfers, and Rs. 7,21,000 in immediate transfers. Tenders for bills and deferred transfers at 1s. 4 5-32d. and for immediate transfers at 1s. 4½d. received about 43 per cent. The amount to be offered next Wednesday is again Rs. 90,00,000. Since April 1 the total sales have been Rs. 25,80,00,000, realising £17,435,253.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, September 19, 1917.

ISSUE DEPARTMENT.

	£		£
Notes Issued	70,774,620	Government Debt.. ..	11,015,100
		Other Securities	7,434,900
		Gold Coin and Bullion ..	52,324,620
		Silver Bullion	—
	£70,774,620		£70,774,620

BANKING DEPARTMENT.

	£		£
Proprietors' Capital ..	14,553,000	Government Securities ..	58,145,320
Rest	3,544,836	Other Securities	96,461,654
Public Deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts) ..	40,764,744	Notes	30,108,380
Other Deposits	128,236,171	Gold and Silver Coin ..	2,399,142
Seven Day and other Bills ..	16,245		
	£187,114,996		£187,114,996

Dated September 20, 1917. E. M. HARVEY, Deputy Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. Sept. 20.		Sept. 12, 1917.	Sept. 19, 1917.	Increase.	Decrease.
	Liabilities.	£	£	£	£
3,595,467	Rest	3,561,506	3,544,836	—	16,670
52,992,848	Pub. Deposits ..	42,589,062	40,764,744	—	1,824,918
104,185,085	Other do. ..	121,345,893	128,236,171	6,890,278	—
20,638	7 Day Bills ..	17,578	16,245	—	1,333
	Assets.			Decrease.	Increase.
42,187,627	Gov. Securities.	57,767,320	58,145,320	—	378,000
96,102,911	Other do. ..	92,149,595	96,461,654	—	4,312,059
37,056,500	Total Reserve ..	32,150,724	32,508,022	—	357,298
				6,890,278	6,890,278
				Increase.	Decrease.
£ 35,974,870	Note Circulation	£ 40,534,080	£ 40,665,740	£ 131,660	—
54,579,370	Coin and Bullion	54,234,804	54,723,762	488,958	—
23'6 p.c.	Proportion ..	19'6 p.c.	19'2 p.c.	—	0.4 p.c.
6 "	Bank Rate ..	5 "	5 "	—	—

CURRENCY NOTES.

Return of Currency Notes for the week ended September 20, 1917.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes	3,118,047	2,684,268	128,379,210
10s. notes	1,135,000	1,114,353	34,935,388
Note certificates ..	140,000	—	15,670,000
Previous total ..	600,595,384	523,505,212	—
	703,988,432	527,303,833	176,684,598

Ratio of gold held against notes, this week, 17.70 p.c.; last week, 17.75 p.c.

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
January	£ 1,865,125,000	£ 1,459,596,000	£ 405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,445,416,000	333,290,000	—
June	1,486,612,000	1,147,630,000	339,182,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August	1,628,368,000	1,364,782,000	263,586,000	—
Sept. 5	352,657,000	298,577,000	54,080,000	—
" 12	343,640,000	273,357,000	70,283,000	—
" 19	321,243,000	285,301,000	35,942,000	—
Total ..	13,607,568,000	10,998,765,000	3,641,865,000	—

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Aug. 17, 1917.	Aug. 10, 1917.	Aug. 3, 1917.
Gold coin and certificates ..	79,839,600	82,769,800	79,957,000
Gold Settlement Fund ..	82,100,400	81,970,400	87,630,600
Gold with foreign agencies ..	10,500,000	10,500,000	10,500,000
Total gold held by banks ..	172,440,000	175,240,200	178,087,600
Gold with Federal Res. Agent ..	100,517,600	97,093,400	93,569,000
Gold Redemption Fund ..	1,050,000	1,854,800	1,878,000
Total gold reserves ..	274,007,600	274,188,400	273,534,600
Legal tender notes, silver, &c. ..	10,581,200	10,623,400	10,741,800
Total reserves ..	284,588,800	284,811,800	284,276,400
Bills discounted—Members' ..	28,789,200	26,845,800	26,189,600
Bills bought in open market ..	31,065,800	29,058,000	31,836,600
Total bills on hand ..	59,855,000	56,803,800	61,026,200
U.S. Gov. long-term sec. ..	9,025,800	8,255,200	8,484,400
U.S. Gov. short term sec. ..	6,110,400	6,520,800	5,092,800
Municipal warrants ..	244,600	254,800	249,800
Loans on gold coin and bullion ..	—	—	—
Total earning assets ..	75,235,800	71,834,600	74,853,200
Due fm other Fed Res bks—n. ..	2,337,600	655,000	949,200
Uncollected items ..	46,140,800	41,152,200	39,411,600
Total deductns. fm gross dep. ..	48,478,400	40,821,200	40,360,000
5% Red. Fund ag Fed. Res. bknts ..	100,000	100,000	100,000
All other resources ..	376,400	85,000	98,400
Total resources ..	409,648,400	397,652,600	399,688,800
Capital paid in ..	11,618,600	11,594,000	11,570,200
Government deposits ..	22,022,400	24,089,400	11,353,000
Due to members—Res. account ..	226,163,400	220,322,800	238,577,400
Due to non-mbrs—clearing ac. ..	2,327,400	2,054,800	2,453,800
Members' bank deposits—nett ..	—	—	—
Collection items ..	34,383,200	24,498,600	26,410,600
Total gross deposits ..	284,895,600	274,963,600	278,794,800
F.R. notes in actual circulat'n ..	111,756,400	109,848,800	108,157,000
F.R. bk nts in circn—nett liab. ..	981,400	836,400	505,200
All other liab. in for Gov crdts ..	436,000	407,800	—
Total liabilities ..	409,648,400	397,652,600	399,688,800
Gold res. ag nett deposit liab. ..	72.9%	74.8%	74.6%
Gold & lawful money reserve ..	77.4%	79.3%	79.1%
against nett deposit liabilities ..	—	—	—
Gold res ag F.R. nts in act circ ..	91.7%	90.1%	88.2%

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Sept. 15, 1917	Sept. 8, 1917	Sept. 1, 1917	Sept. 16, 1916
Loans ..	£ 761,656,000	£ 770,130,000	£ 769,882,000	£ 661,274,000
Reserve held in own Vaults ..	20,908,000	15,132,000	23,124,000	23,124,000
Reserve held in Fed. Res. Bk. ..	72,700,000	69,976,000	73,118,000	33,610,000
Cash in own Vaults ..	16,046,000	21,874,000	17,988,000	—
Reserve held in Other Depos. ..	19,468,000	15,966,000	15,434,000	10,752,000
Nett Demand Deposits ..	703,126,000	702,794,000	712,360,000	648,108,000
Nett Time Deposits ..	44,502,000	39,804,000	40,944,000	33,956,000
Circulation ..	6,326,000	6,266,000	6,174,000	6,256,000
Excess Lawful Reserve ..	15,154,000	10,010,000	12,508,000	14,988,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Sept. 15, 1917.	Sept. 8, 1917.	Sept. 1, 1917.	Sept. 16, 1916.
Loans ..	£ 167,484,000	£ 170,344,000	£ 169,910,000	£ 144,526,000
Specie ..	12,034,000	12,066,000	11,790,000	12,052,000
Deposits ..	171,854,000	172,784,000	162,712,000	152,920,000
Legal Tenders ..	3,302,000	3,128,000	3,066,000	1,920,000

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Sept. 15, 1917.	Sept. 7, 1917.	Aug. 31, 1917.	Sept. 15, 1916.
Total Coin & Bullion ..	£ 125,410,650	£ 125,202,950	£ 124,953,800	£ 124,620,200
Treasury Notes ..	35,720,850	35,353,100	31,567,750	14,372,200
Bills discounted ..	549,862,100	549,998,200	568,230,500	377,702,750
Advances ..	503,500	471,450	504,900	603,750
Note circulation ..	473,760,850	471,662,100	466,955,100	343,940,860
Deposits ..	275,217,650	275,723,750	294,520,150	173,340,400

Clearing House return during August, £386,111,030.

IMPERIAL BANK OF RUSSIA (10 roubles to the £).

	Sept. 14, 1917.	Sept. 5, 1917.	Aug. 28, 1917.	Sept. 14, 1916.
Notes in reserve ..	£ 14,450,000	£ 11,930,000	£ 13,880,000	£ 9,770,000
Gold ..	129,260,000	129,400,000	129,790,000	155,210,000
Gold in reserve abroad ..	—	330,810,000	230,800,000	205,490,000
Loans and Discounts ..	—	—	—	—
including Treasury Bonds ..	1,326,200,000	1,325,970,000	1,355,260,000	442,030,000
Circulation note issue ..	1,539,750,000	1,493,070,000	1,467,620,000	712,230,000
Deposits, including Treasury deposits ..	—	337,810,000	329,430,000	20,720,000

BANK OF ITALY (25 lire to the £).

	Aug. 20, 1917	Aug. 10, 1917	July 31, 1917	Aug. 20, 1916
Total cash ..	£ 41,027,320	£ 38,231,199	£ 38,820,720	£ 43,860,000
Inland Bills ..	24,580,320	22,939,480	23,590,760	18,090,880
Foreign Bills ..	832,840	832,840	832,720	832,160
Advances ..	12,332,280	13,645,760	12,246,120	7,518,640
Government securities ..	8,815,000	8,789,240	8,795,000	8,866,920
Circulation ..	184,604,480	185,314,120	183,801,800	135,102,630
Deposits at notice ..	23,658,800	22,759,280	23,083,840	13,865,680
Current accounts ..	13,120,840	13,187,720	13,268,920	15,514,680

NETHERLANDS BANK (12 Florins to the £).

	Sept. 15, 1917	Sept. 8, 1917	Sept. 1, 1917	Sept. 16, 1916
Gold and Silver ..	£ 57,007,000	£ 55,952,166	£ 55,951,333	£ 49,531,083
Bills and Advances ..	11,071,750	14,704,834	14,812,166	15,851,583
Note circulation ..	65,816,500	65,863,334	66,089,016	56,882,333
Deposits ..	6,678,833	8,279,000	8,227,500	11,835,750

BANK OF SPAIN (25 pesetas to the £).

	Sept. 8, 1917	Sept. 1, 1917	Aug. 25, 1917	Sept. 9, 1916
Gold ..	£ 74,531,264	£ 73,353,936	£ 72,474,018	£ 46,355,734
Silver ..	29,369,774	29,656,407	29,671,672	30,163,942
Foreign Bills ..	3,562,278	3,703,315	3,712,980	3,803,874
Discounts and Short Bills ..	29,179,933	29,476,360	29,421,879	23,689,807
Treasury Account, &c. ..	25,219,216	—	25,233,169	29,853,988
Notes in Circulation ..	105,271,673	104,253,640	103,699,344	89,883,062
Current Accounts, Deposits ..	37,494,173	—	37,310,127	30,787,686
Dividends, Interests, &c. ..	1,623,619	2,018,071	—	1,579,148
Government Securities ..	6,179,705	6,538,681	6,263,822	2,355,952

BANK OF NORWAY.

	Aug. 31, 1917	Aug. 22, 1917	Aug. 15, 1917	Aug. 31, 1916
Gold ..	£ 7,144,000	£ 7,147,000	£ 7,148,000	£ 6,327,000
Balance abroad and Foreign Bills ..	4,023,000	4,316,000	4,161,000	6,107,000
Gov't Securities ..	705,000	705,000	705,000	767,000
Discounts & Loans ..	16,608,000	15,926,000	15,556,000	5,677,000
Notes in Circulation ..	16,533,000	16,202,000	16,135,000	12,389,000
Deposits at notice ..	8,736,000	8,597,000	8,144,000	3,994,000

BANK OF SWEDEN.

	Sept. 1, 1917.	Aug. 25, 1917.	Aug. 18, 1917.	Sept. 2, 1916.
Gold ..	£ 11,360,000	£ 11,366,000	£ 11,365,000	£ 9,207,000
Balance abroad and Foreign Bills ..	7,760,000	7,590,000	7,367,000	9,443,000
Swedish and Foreign Gov't Securities ..	3,377,000	3,416,000	3,227,000	3,795,000
Discounts and Loans ..	10,757,000	9,734,000	9,849,000	3,746,000
Notes in circulation ..	26,371,000	24,138,000	24,427,000	19,650,000
Deposits at notice ..	7,510,000	8,216,000	8,251,000	5,258,000

SWISS NATIONAL BANK (25 francs to the £).

	Sept. 7, 1917.	Aug. 31, 1917.	Aug. 23, 1917.	Sept. 7, 1916.
Gold and silver ..	£ 15,854,708	£ 15,859,524	£ 15,906,320	£ 13,682,536
Bills ..	7,501,848	7,540,692	7,307,968	6,996,084
Note circulation ..	21,377,988	21,511,752	20,320,000	17,145,760
Current and deposit accounts ..	5,259,960	4,687,680	5,491,448	5,568,124

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Sept. 18, 1917.		Sept. 20, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	11.30	11.33	11.30	11.33
..	Three months' bills ..	11.45	11.50	11.45	11.50
Paris ..	Cable transfers ..	27.51	27.58	27.51	27.60
..	Three months' bills ..	27.93	27.98	27.93	28.00
Switzerland ..	Cable transfers ..	21.38	22.83	22.22	22.32
..	Three months' bills ..	22.73	22.83	22.57	22.67
Petrograd ..	Cable transfers ..	284	289	282	285
Genoa, &c. ..	Cable transfers ..	36.30	36.40	36.30	37.00
Spain ..	Cable transfers ..	21.15	21.23	20.95	21.05
..	Three months' bills ..	534	543	534	543
Lisbon and Oporto ..	Cable transfers ..	314	314	312	312
Copenhagen ..	Cable transfers ..	15.48	15.58	15.45	15.55
Christiania ..	Cable transfers ..	15.35	15.45	15.30	15.40
Stockholm ..	Cable transfers ..	14.05	14.15	14.00	14.10

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22 1/2	27.52 1/2	27.57 1/2
Amsterdam, cheques ..	Florins to £1 ..	12.10 7/8	11.30	11.31 1/2
Italy, sight ..	Lire to £1 ..	25.22 1/2	36.85	36.85
Madrid, sight ..	Pesetas to £1 ..	25.22 1/2	21.15	20.72 1/2
Lisbon, sight ..	Pence to milreis ..	53 1/2	31 1/2	31 1/2
Switzerland, sight ..	Francs to £1 ..	25.22 1/2	22.20	22.15
Christiania, sight ..	Kroner to £1 ..	18.159	15.77 1/2	15.15
Stockholm, sight ..	Kroner to £1 ..	18.159	15.39 1/2	15.44 1/2
Copenhagen, sight ..	Kroner to £1 ..	18.159	285	276
Petrograd, sight ..	Roubles to £1 ..	94.57	97 1/2	97 1/2
Alexandria, sight ..	Piastres to £1 ..	12.10 7/8	1/4	1/4 1/2
Bombay, T.T. ..	Sterling to rupee ..	1/4	1 1/2	1 1/2
Calcutta, T.T. ..	Sterling to rupee ..	1/4	3/2	3/2
Hong Kong, T.T. ..	Sterling to dollar ..	—	4/10 1/2	4/10 1/2
Shanghai, T.T. ..	Sterling to tael ..	—	2/4 1/2	2/4 1/2
Singapore, T.T. ..	Sterling to dollar ..	—	2/18	2/18
Yokohama, T.T. ..	Sterling to yen ..	24.58d.	4.76d.	4.70d.
New York, cable ..	Pence to dollar ..	47.58d.	49d.	49d.
Buenos Aires, T.T. ..	Pence to dollar ..	—	15.5d.	15.5d.
Valparaiso, 90 days ..	Pence to peso ..	—	53d.	53d.
Montevideo, T.T. ..	Pence to dollar ..	—	12d.	12d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	—	—	—

OPEN MARKET DISCOUNT.

	Last week.	This week
	Per cent.	Per cent.
Thirty and sixty day remitted	4 1/2	4 1/2
Three months	4 1/2	4 1/2
Four months	4 1/2	4 1/2
Six months	4 1/2	4 1/2
Three months fine inland bills	5 1/2	5 1/2
Four months	5 1/2	5 1/2
Six months	5 1/2	5 1/2

BANK AND DEPOSIT RATES.

	Last week	This week
	Per cent.	Per cent.
Bank of England minimum discount rate	5	5
short loan rates	—	—
Bankers' rate on deposits	4	4
Bill brokers' deposit rate (call)	4	4
" 7 and 14 days' notice	4 1/2	4 1/2
Current rates for 7 day loans	4 1/2	4 1/2
" for call loans	3 1/4	4

The Week's Stock Markets.

There have been more stimulating influences at work on the Stock Exchange this week than for some time past, and if there has been no improvement in business—scarcely to be expected at this season—the tone generally has been quite cheerful. Russian affairs have not been causing so much anxiety, and the recovery in the value of the rouble brought in buyers of Government, Municipal, and Railway stocks at the low level to which prices had fallen. Then, towards the end of the week, came the cheerful news of another big push on the Western front, and there were rumours going about that the success achieved is greater than the official reports indicate superficially. However that may be, dealers went off for the week-end in a very cheerful frame of mind, and they are rather hopeful that business will improve before long. Of course, the prospect of another Exchequer bond issue has had a somewhat disturbing effect on the gilt-edged list, and the strike riots in Argentina depressed South American issues generally, but in these strenuous times there is sure to be trouble in some part of the world or other. On the whole, however, things are going quite as well as could reasonably be expected in the circumstances, and we must not pitch expectations too high, either now or for a long time to come.

With an active discussion going on as to another Government issue in the near future, probably in the form of five-year Exchequer bonds, the market for gilt-edged securities was rather unsettled, and prices generally eased off a fraction. Towards the close there was some recovery, and War Loans were in fair demand, but dealings as a rule were on a small scale. Colonial issues were steady, and there were buyers for short-dated stocks, but, generally speaking, the list was left undisturbed. In the Foreign market, the outstanding feature was the recovery in Russian securities. The news was read better, and the fall in the exchange helped to improve matters. Russia will emerge triumphant from its present troubles—of that we may be sure—but it will take time to harmonise ideals that at present appear to be irreconcilable. Brazilian and Chinese issues also were firm, but Japanese were rather on the dull side.

Home Railways opened well, reacted, and then put on quite a modest spurt, which was very welcome, for the market has not had much to boast about recently. Fears of labour troubles have receded into the background for the time being, and there is probably a growing conviction that, after all, nationalisation would not be such a bad thing for the shareholders. American Rails gave way rather sharply in response to lower quotations on Wall Street owing to a temporary hardening of money rates in New York. Canadian Pacifics and Grand Trunks were flat, but Mexicans were good. Argentines naturally succumbed to the strike riots. Buyers, however, came forward at the lower levels established, and prices closed above the worst. Leopoldina, San Paulo, Guayaquil and Quito, and a few others also gave way to some extent, but dealings were small and few holders are anxious to throw out stocks at present prices. Banks with foreign connections showed up to most advantage, and Anglo-Egyptian, Bank of Australasia, British Bank of North America, Hongkong and Shanghai, among others, gained appreciably, while London banks were rather neglected. Breweries were steady, and City of London and Watney Combe deferred rose sharply, but Allsops eased off a little. Imperial Continental Gas gained a point, while Mexican Light and Power fell a similar amount. Iron and Steel shares received a fairish support, but speculative investors were still running after Explosive shares, although they are not quite in such favour as they were recently. Land shares were scarcely mentioned, and Nitrates generally were undisturbed. Prince Lines gained a fraction on the excellent report, and Furness Withy also improved, but P. and O. deferred fell a point. A smart spurt in the Marconi group relieved the monotony of the market in Telegraphs, &c. Textiles were

quietly steady, and motor shares were rather flat, but Brazilian Traction preference improved. Miscellaneous Industrials were good in places, but there were several weak spots.

Oil shares moved irregularly, and at no time attracted much

	Last Week	This Week		Last Week	This Week
Consols	55 1/2	55 1/2	N.S.W. 4 1/2% 5 yr. bds.	90 1/2	90 1/2
War Loan	87 1/2	87 1/2	" 4 1/2% 1922-7	91 1/2	91 1/2
" 4 1/2%	97 1/2	97 1/2	" 5% 1921-3	96 1/2	96 1/2
" 5% 1929-47	94 1/2	94 1/2	" 5 1/2% 1920-2	98 1/2	98 1/2
" 4% 1919-47	103	101 1/2	New Zealand 4% 1929	86	86
India 3%	55 1/2	55 1/2	Queensland 4%	80 1/2	80 1/2
" 3 1/2%	65 1/2	64 1/2	" 4 1/2% 1920-5	92 1/2	92 1/2
Australian 5 1/2% 1920-22	99 1/2	99 1/2	Union of S. Africa 4 1/2%	92	91 1/2
Canada 4% 1940-60	80 1/2	81	1920-5	92	91 1/2
" 4 1/2% 1920-5	93 1/2	93 1/2	Victoria 4 1/2% 1920-5	92 1/2	92 1/2
N.S.W. 4% 1933	82 1/2	82 1/2	Westn. Aus. 4%	81	81
Argentina 4% 1900	65	65	French War Loan, 5%	79 1/2	79 1/2
Belgian 3%	60	60	Japan 4 1/2% (1st), 1905	96	96
Brazil, 1913	70	70	" 5% 1907	92 1/2	92 1/2
" 5% 1914	79 1/2	80	Mexican 5% 1899	68 1/2	68 1/2
Chinese 1896	94	94	Russia 4%	50 1/2	50 1/2
" 1912	81	81	" 4 1/2% 1909	58 1/2	58 1/2
Egypt Unified 4%	84	84	" 5% 1906	66	66
Caledonian defd.	8 1/2	8 1/2	London and N.-W.	90	91
Gt. Central prd.	13	13	London and S.-W. dfd.	22	22 1/2
" dfd.	6 1/2	6 1/2	Do red. pf. 1914	91 1/2	92 1/2
Gt. Eastern	34 1/2	35 1/2	Metropolitan	23 1/2	23 1/2
Gt. Northern dfd.	35 1/2	35 1/2	Do. 5% pf.	90	77
Gt. Western	84	85	Met. District	16 1/2	16 1/2
Lancs. and Yorks.	63 1/2	64	Midland dfd.	54 1/2	55 1/2
London Brighton defd.	57	57	Nth. British dfd.	13 1/2	13 1/2
London Chatham ord.	8 1/2	8 1/2	Nth.-Eastern	97 1/2	98 1/2
			Sth.-Eastern dfd.	26 1/2	27 1/2
Canadian Pacific	180	178	Chesapeake	60	60
E. Indian Guar. 4 1/2% deb.	86	86	Erie	25 1/2	26 1/2
Grand Trunk ord.	9 1/2	9 1/2	Southern	28 1/2	29 1/2
Do. 1st pf.	64	63 1/2			
Do. 3rd pf.	24 1/2	23 1/2	Cent. Argentine ord.	59	58 1/2
Antofagasta dfd.	126 1/2	126 1/2	Leopoldina	39	38
Brazil Common	5	5	Mexican ord.	19	20
B. A. & Pacific	40	40	San Paulo (Brazilian)	186 1/2	186
B. A. Gt. Southern	75	73 1/2	United of Havana	83	83
B. A. Western	74	70 1/2	London & S.W.	12 1/2	11 1/2
Anglo-South American	7 1/2	7 1/2	London City & Midland	7 1/2	7 1/2
Bank of Australasia	115 1/2	116 1/2	London County & Westm.	14 1/2	14 1/2
Bank of N.S. Wales	34 1/2	34 1/2	London Joint Stock	24 1/2	24 1/2
Barclay & Co. "A"	78 1/2	78 1/2	Nat. Prov. of Eng. (1904 pd)	27	27
Do. "B"	11 1/2	11 1/2	Do. (1912 pd)	31	31 1/2
Capital & Counties	23	22 1/2	Parr's	29	29
Chartered of India	65 1/2	65 1/2	Standard of S.A.	11	10 1/2
Hongkong & Shanghai	78	81	Union Discount	10 1/2	10 1/2
Lloyds	24	24	Union & Smiths	23 1/2	23 1/2
London & Provincial	16	16			
London & Brazilian	23 1/2	23 1/2	Kynochs	36 1/2	36 1/2
Armstrong, Whitworth	39 1/2	40 1/2	Mond Nickel ord.	3 1/2	3 1/2
Birmingham Small Arms	54 1/2	55 1/2	South Durham Steel	36 1/2	36 1/2
Cammell-Laird	68	69	Thornycroft	37 1/2	37 1/2
Cargo Fleet	22 1/2	23	Vickers	38 1/2	39 1/2
Dorman, Long	39 1/2	40 1/2	Fine Cotton Spinners	31 1/2	30 1/2
Associated Cement	32 1/2	32 1/2	Forestal Land	49 1/2	49 1/2
Borax dfd.	38 1/2	38 1/2	Furness, Withy	46 1/2	47 1/2
Bovril	19 1/2	19 1/2	Harrods Stores	2 1/2	2 1/2
Brazil Traction	46	45 1/2	Hudson's Bay	6 1/2	7
British Amer. Tobacco	18 1/2	18 1/2	Imperial Tobacco "C" pf.	34 1/2	34 1/2
British Aluminium	34 1/2	34 1/2	Lever Bros. "C" pf.	20 1/2	20 1/2
British Oil & Cake	30 1/2	30 1/2	Lyons, J.	4 1/2	4 1/2
Brunner, Mond	48	48	Marconi	3 1/2	3 1/2
Castner-Kellner	37 1/2	38	Maypole Dairy dfd.	24 1/2	24 1/2
Coats	6 1/2	6 1/2	National Steam Car	19 1/2	19 1/2
Courtaulds	7	7	Pears, A. & F.	1 1/2	1 1/2
Cunard	3 1/2	3 1/2	P. & O. dfd.	320	319
Dennis Bros.	30 1/2	30 1/2	Royal Mail	113 1/2	113 1/2
Eastern Telegraph	148 1/2	148 1/2	Underground Inc. Bds.	8 1/2	8 1/2
Eastmans	9 1/2	8 1/2			
English Sewing Cotton	50 1/2	50 1/2	North Caucasian	1 1/2	1 1/2
Anglo-Egyptian "B"	21 1/2	21 1/2	Roumanian Cons.	12 1/2	12 1/2
Baku (10s.)	2 1/2	2 1/2	Royal Dutch (100 gulden)	4 1/2	4 1/2
Burmah	6 1/2	6 1/2	Shell	5 1/2	5 1/2
Lobitos	2 1/2	2 1/2	Spies (10/-)	10 1/2	11 1/2
Malakoff Pipeline	3 1/2	3 1/2	Ural Caspian	1 1/2	1 1/2
Mexican Eagle pf.	3 1/2	3 1/2			
Anglo-Java Rub. (2/-)	8 1/2	8 1/2	Merlimau 2/-	6 1/2	6 1/2
Anglo-Malay 2/-	15 1/2	15 1/2	Pataling 2/-	45 1/2	46 1/2
Ayer Kuning 1/-	53 1/2	53 1/2	Port Dickson 2/-	4 1/2	4 1/2
Bukit Mertajam 2/-	54 1/2	5 1/2	Rubber Trust 1/-	29 1/2	30 1/2
Bukit Sembawang 2/-	34 1/2	34 1/2	Sapumalkande 1/-	28 1/2	28 1/2
Carey United 1/-	47 1/2	47 1/2	Selangor	37 1/2	37 1/2
Chersonese	3 1/2	3 1/2	Sialang 1/-	76 1/2	76 1/2
Gula Kalumpung 1/-	36 1/2	36 1/2	Singapore Para 2/-	4 1/2	5 1/2
Highlands 1/-	63 1/2	64 1/2	Singapore United 2/-	3 1/2	3 1/2
Java Para 1/-	34 1/2	35 1/2	Taipung 2/-	4 1/2	4 1/2
Johore Rubber Lands 1/-	37 1/2	37 1/2	Tanjong 1/-	94 1/2	93 1/2
Langen Java 1/-	48 1/2	48 1/2	Tanjong Malim 1/-	39 1/2	39 1/2
Linggi 2/-	29 1/2	30 1/2	Tebrau 1/-	74 1/2	74 1/2
London Asiatic 2/-	9 1/2	9 1/2	United Serdang 2/-	12 1/2	12 1/2
Malacca 1/-	5 1/2	5 1/2	Valambrosa 2/-	24 1/2	25 1/2
Malayalam 1/-	37 1/2	38 1/2			
Abbottiakoon (10/-)	4 1/2	4 1/2	Gt. Boulder (2/-)	12 1/2	12 1/2
Bechuanaland Exp.	6 1/2	7 1/2	Kyshtim	1 1/2	2
Brakpan	5 1/2	5 1/2	Mashonaland Agency	5 1/2	5 1/2
Broken Hill Prop. (6/-)	5 1/2	5 1/2	Meyer & Charlton	5 1/2	5 1/2
Cam & Motor	11 1/2	10 1/2	Modder "B"	8 1/2	7 1/2
Central Mining (12/-)	6 1/2	6 1/2	Do. Deep	6 1/2	6 1/2
Chartered	13 1/2	13 1/2	Mysore	3 1/2	3 1/2
City Deep	3 1/2	3 1/2	Rand Mines (5/-)	3 1/2	3 1/2
Cons. Gold Fields	1 1/2	1 1/2	Rio Tinto (15/-)	6 1/2	6 1/2
Cons. Langlaagte	22 1/2	22 1/2	Russo-Asiatic	3 1/2	3 1/2
Crown Mines (10/-)	2 1/2	2 1/2	Spring Mines	3 1/2	3 1/2
De Beers Ltd. (12 1/2 10s.)	138	138	Tanganyika	3 1/2	3 1/2
East Rand	6 1/2	6 1/2	Tanayik	1 1/2	1 1/2
Geduld	39 1/2	38 1/2	Van Ryn Deep	3 1/2	3 1/2
Gov. Areas Mod.	38 1/2	38 1/2			

* Treasury prices.

attention. Mexican Eagles, North Caucasians, Spies, and Ural Caspians showed some strength, but Royal Dutch, Lobitos, and Venezuelan Concessions were weak. Rubber shares continued in strong demand, and business was widely distributed throughout the active list, the "heavy" division being as much sought after as the "penny bazaar" variety, although the latter was specially in request owing to the probability of an increase in the scale of commission next month. Numerous small advances are recorded, and the market finished very firm.

HENRY BRIGGS AND CO., LTD.

The Yorkshire colliery firm of Henry Briggs, Son and Co., Limited, made a slightly larger profit during the financial year ended June last, but it is struck, as in the previous year, before providing for excess profits, and the increased duty of 80 per cent. will, we fear, take quite a lump. At the same time the dividend, which is maintained at last year's rate, is a very substantial one, and leaves a large and adequate margin for any contingencies which may arise under this head. Profit amounts to £181,100, an increase of £2,780, and leaves, after paying a dividend of £3 15s. on the A shares, and £2 10s on the B shares, a surplus of £99,100. A year ago £20,000 was written off depreciation of investments, and £50,000 set aside to reserves, but the absence of any corresponding allocations this time need give rise to no uneasiness. There is a reserve fund of £215,650, against an issued capital of £327,875, and a larger carry forward of £163,700. A number of movements have taken place in the balance-sheet. Stock and plant, mainly owing to an increase in the item materials and stores, are up £18,000 at £419,900, £41,000 more has been invested in debentures and railway preference stock, which now appear at £182,600, and the bank balance is £18,750 larger. These increases far more than offset the rise in sundry creditors, which have gone up £35,200 to £171,600.

LONDON PRODUCE MARKETS.

SUGAR.—Market remained without alteration in prices during the week, while the demand was well sustained for the moderate quantities of grocery kinds.

COFFEE.—Only moderate supplies were brought forward at public sales, and with a good demand fully steady prices were secured. East India Mysore, bold to extra bold, changed hands at 83s. to 98s.; Costa Rica, mid. to fair bold greenish, 91s. to 91s. 6d.; Guatemala, mid. greyish, 85s. 6d. to 86s. 6d. For future delivery a quiet but firm tone prevailed.

Cocoa.—Liberal supplies were submitted to auction, but met with quiet attention, though the portion sold brought steady prices. Grenada, fair to fine, realised 84s. to 87s.; Trinidad, ditto, 78s. to 86s.; West Coast African, 58s. to 65s. 6d.

TEA.—Only 1,900 packages Indian were offered and soon cleared to a good demand at generally maximum prices. 3,500 packages Ceylon met with active competition for "D" class at again dearer prices, but the commoner kinds were somewhat neglected.

SPICE.—Pepper remains firm, but quiet. Singapore black, basis fair spot, sold, 1s. 0½d.; Telicherry, 1s. 0½d.; Muntok, on sample, 1s. 3d.; and ditto, to arrive, 1s. 2½d., c.f. and i. Cloves firmer. Fair Zanzibar, spot, sold up to 1s. 6½d. Tapioca met a quiet sale, but rates steady. Desiccated cocoanut, fine and medium, spot, sold, 130s.

RICE.—Market steady, but trade quiet, beans and peas unaltered.

HEMP.—East India continues in demand at full rates, New Zealand quiet at fixed maximum rates, Chinese being sparingly offered.

SHELLAC.—Market quiet, and prices declined on selling desire. Fair T.N., spot, 230s.; October, sold, 226s., 227s. to 224s.; December, 228s., 232s. to 227s.

GAMBIER firm but quiet. Block, afloat, sold, 56s. ex quay, Liverpool.

RUBBER market dull, and prices moved in buyers' favour. Plantation crepe, spot, sold, 2s. 10½d. to 2s. 9½d.; October-December, 2s. 11d. to 2s. 9½d. and 2s. 10½d.; January-June, 3s. to 2s. 10½d. and 2s. 11½d.; smoked ribbed sheet, spot, done at 2s. 8½d. to 2s. 7½d.; October-December, 2s. 9d. to 2s. 7½d. and 2s. 8½d. Fine hard Para, spot, sellers, 3s. 2½d.; soft fine ditto, 2s. 9d.; ball, 1s. 9d.

COPRA quietly steady. Ceylon, September-October, buyers, £46; F.M.S., Singapore, £45 10s.; and F.M., Straits, £45 5s., c.f. and i.

TALLOW.—Auctions experienced a brisk demand, and prices were occasionally 1s. per cwt. higher.

CORN (Mark Lane).—The market presented a more or less subdued tone this week, while price changes were mainly confined to imported wheat and flour, both being officially reduced. English wheat remains at 73s. 6d. per qr., 504 lbs., while in request from time to time for seed purposes. Of imported descriptions, Manitoba No. 3, 71s., and No. 6, 67s., ex ship. Canadian feed, nominal at 77s., ex quay, 400 lbs. Flour: Country straight runs, 44s. 3d. per sack, ex mill. Oats: Canadian Western No. 2, 63s. 6d.; American white clipped No. 2, 61s. 3d.; Chilean tawny, 63s. 6d. to 64s., all landed. Barley: English, 62s. 9d. Maize: Market stationary in absence of supplies at present.

COTTON (from our Manchester correspondent).—A rather healthier feeling has prevailed in the market during the past week, and although business has been unevenly divided, the turnover in some quarters has been rather larger. The stronger tone in raw cotton circles has undoubtedly stimulated demand in yarn and cloth. Rather less favourable advices have been received relating to the progress of the American crop. At the time of writing no

details are available as to the conditions under which the Liverpool market will be reopened at the beginning of October. An increased inquiry has come through in cloth for abroad. Bids in grey shirtings for India remain unworkable, but buying in miscellaneous fabrics has been on rather broader lines. Freight charges to India have been put up, however, and it is feared that this move will adversely affect fresh business. Demand for China has been rather disappointing, and the trade position in Shanghai is understood to be unsettled. There has been some buying, however, by merchants on this side in bleaching cloths. The undercurrent of demand for Java and Singapore has kept up well. Some fair sales have been put through for South America. Some improvement

CURRENT PRICES OF CHIEF ARTICLES

WEEK ENDING SEPTEMBER 21, 1917

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt. duty 14½, 98% polarisation	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granulated, first marks	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	New Zealand (scoured) Merino	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Greasy Crossbred	nom.	nom.
French Cubes	nom.	nom.	Cape snow white	nom.	nom.
Crystallised, West India	2 6 9	2 6 9	Indiarubber p. lb. Plantation, Spot	0 2 10½	0 2 9½
Beet, 88% f.o.b.	nom.	nom.	Crepe ..	0 2 10½	0 2 9½
Tea —per lb., duty 1½ lb.	s. d. s. d.	s. d. s. d.	Coal —per ton		
Indian Pekoe ..	1 0-2 0½	11-1 10½	Durham, best ..	nom.	nom.
Broken ..	1 0-2 0½	1 3-2 7	Seconds ..	nom.	nom.
Orange ..	1 0-2 1½	1 2-2 6½	East Hartlepool ..	nom.	nom.
Broken ..	1 0-3 0½	2 4½-2 10½	Seconds ..	nom.	nom.
Pekoe Souchong	1 0-1 6	11-1 6	Steamers, best ..	30 0	30 0
Ceylon Pekoe ..	1 0-1 6	11-1 6	Seconds ..	27 0	27 0
Broken ..	1 3-2 4	1 0-2 6	Lead —per ton.	£ s. d.	£ s. d.
Orange ..	1 0-1 3	1 0-1 5	English Pig ..	nom.	nom.
Broken ..	1 3-2 7½	1 3-2 9½	Foreign soft ..	£30½-29½	£30½-29½
Pekoe Souchong	11½-1 0	11-1 0	Quicksilver —per bottle firsthand	nom.	nom.
Cocoa —per cwt. duty 6d. per lb.	s. s.	s. s.	Tin —per ton		
Trinidad—per cwt.	85 0-90 0	85 0-90 0	English Ingots	£241-242	£241-243
Grenada ..	72 0-87 0	72 0-87 0	Do, bars	£242-243	£242-244
West Africa ..	55 0-67 0	55 0-67 0	Standard cash ..	£245 10½	£244 10½
Ceylon Plantation	70 0-85 0	70 0-85 0	Tin Plates, per box	nom.	nom.
Guayaquil Arriba	95 0-98 0	95 0-97 0	Copper —per ton.		
Coffee —per cwt. duty 42½ per cwt.			English, Tough	nom.	nom.
East India ..	82 0-104 6	82 0-104 6	per ton ..	nom.	nom.
Jamaica ..	67 0-120 0	67 0-120 0	Best Selected ..	£135-131	£135-£131
Costa Rica ..	78 0-100 0	78 0-100 0	Sheets ..	£160	£160
Provisions —			Standard ..	£120-120½	£120-120½
Butter —per cwt.			Jute —per ton.		
Australian finest	nom.	nom.	Native firsts for shipment	£18 10	£18 10
Irish Creameries	206½-211½	206½-211½	f.o.b.	f.o.b.	f.o.b.
Dutch ditto ..	nom.	nom.	Oils —		
Russian finest ..	nom.	nom.	Linseed, per ton ..	£58-£63	£58-£63
Normandy basins	nom.	nom.	Rape, refined ..	£71	£71
Danish finest ..	nom.	nom.	crude ..	£66	£66
Brittany rolls ..	23½-24½	23½-24½	Cott'n Seed, crude	£60	£60
Bacon —per cwt.			Ditto, refined ..	£67-£95	£67-£95
Irish ..	160½-162½	160½-162½	Petroleum Oil, per 8 lbs.	1/8½	1/8½
Continental ..	146½-162½	146½-162½	Water White ..	1/9½	1/9½
Canadian ..	157½	157½	Oil Seeds, Linseed	—	—
American ..	152½-160½	152½-160½	Caoutchouc —per ton		
Hams —per cwt.			Calcutta .. Spot	30 0 0	29 15 0
Irish ..	184½	nom.	Rape ..	30 0 0	30 0 0
Canadian ..	146½	146½	Kane —per ton		
American ..	110½-137½	110½-137½	Cleveland Cash ..	nom.	nom.
Cheese —per cwt.			Tobacco —duty, unmanufactured, 7½ to 8½ per lb.		
Dutch ..	nom.	nom.	per lb. bond ..	nom.	nom.
Canadian ..	nom.	nom.	Virginia leaf ..	0 8-2 1	0 8-2 1
English Cheddar	132½	132½	Kentucky leaf ..	0 7-0 11	0 7-0 11
Wilts leaf ..	nom.	nom.	Latakia ..	2 0-5 0	2 0-5 0
New Zealand ..	nom.	nom.	Havana ..	1 6 6 6	1 6 6 6
Rice —per cwt.	s. d.	s. d.	Manilla ..	nom.	nom.
Japan ..	29 6	29 6	Cigars, duty 10½ per lb.	2½ upds.	2½ upds.
Rangoon 2 stars ..	26 3	26 3	Timber —Wood.		
Eggs —per 120.			Pitch Pine ..	300½-400	300½-400
English ..	28 0-30 0	29 0-31 0	Indian Oak ..	380½-700	380½-700
Irish ..	24 0-26 0	25 0-26 0	Turpentine —		
Danish ..	23 6-25 6	24 0-26 0	American Spot ..	3 1 0	3 5 6
Spelter —			Copra —per ton	46 0 0	46 0 0
G.O.B. as to position ..	£54-£50	£54-£50			
Flour —per sack.					
Country Straight	nom.	44/3			
Runs ex Mill ..	nom.	44/3			

is now showing itself in the position of manufacturers of printing cloths, especially in the better qualities. Substantial contracts have been placed in heavy materials by the British and French Governments for the purposes of the war. American yarns for home use have hardened in quotation, and a rather increased trade has been done. Stocks at some of the mills are not so formidable as a month ago, and it is believed that spinners have experienced the worst this time round. Not more than a sorting up business has been reported in shipping yarns. Inquiry in Egyptian spinings has been rather more encouraging, but business has not been at all important.

Mills' Day Dawn United Gold Mines Co., Ltd.—The liquidators cable that they are making a second distribution of assets amounting to 6d. per share, payable on October 6, 1917.

Letters to the Editor.

NEW SOUTH WALES BORROWINGS.

SIR,—Your disparaging criticism of Australian finance and New South Wales, in particular, which appear in the issue of September 1, has, owing to my absence from the City, only recently been brought to my notice; but I deem this criticism unfair to the State of New South Wales, and I trust you will allow me to place before the public another aspect of the question.

In the first place, the fact that any of the Dominions are frequent borrowers on this market is not in itself a ground for condemnation. Australia is a vast continent with a mere handful of people, and requiring immense sums of money for the purpose of development and settlement. To ask private enterprise to undertake these huge risks is unreasonable, and in consequence the whole burden of development by railway, water conservation, and land settlement rests upon the State finances. Nor, again, is it fair to draw adverse comparisons between the loan expenditure of the States themselves. Victoria, for instance, is the only State that approximates to New South Wales in population, yet Victoria is much smaller in area, and has already been thoroughly developed by a network of railways, whilst New South Wales is compelled to spend yearly large sums in opening up the interior by means of railway connection. Again, if we take any State of great area, such as Queensland, it is true that the loan expenditure of that State is less than that of New South Wales, yet the population is a great deal less than half, and the number of people is a factor in the question of loan expenditure and development work.

The real test that should govern financial criticisms is how has the money been spent, what is the security that the investor has for his loan?

The figures for New South Wales are most encouraging. The public debt at June 30, 1916, was in round figures £130,000,000, yet of that sum considerably less than £10,000,000 had been expended on works that were not wholly or partially reproductive, and I may add that the policy of erecting public buildings, &c., out of loan moneys, which in days gone was occasionally practised, has ceased for many years.

When we come to individual instances, the records show that the amount of capital sunk in the great State operations of the railways, Sydney Harbour Trust and the water and sewerage systems of Sydney and the Hunter River, is in round figures £98,000,000 of money, yet the receipts from these services for the financial year of 1915-16 were sufficient to pay for all working expenses, interest on the capital sunk, and leave a fair surplus to help the general revenue of the State.

These figures, it should be remembered, are the result of operations after dislocations of two years of war. The figures for 1914 show much greater surpluses.

It must also be remembered that every £ of loan money spent by Government agency on railways makes practicable an increased amount of settlement and adds to the wealth of the State; and if the rate of expenditure which had characterised the last few years had been continued it would still have represented a safe investment and added to the wealth of the community.

I ask, with confidence, for any evidence that New South Wales at the present time cannot with safety carry the burden of her loan expenditure. The State has recognised the paramount claims of the war, and loan expenditure has been curtailed. It was open to the Government to ignore the war, and to have raised loan moneys in the local market, but inasmuch as the Commonwealth had undertaken to bear the cost of raising and maintaining the Australian contingents, the States one and all loyally agreed to stand off the local market, and leave that field to the Commonwealth alone.

Moreover, New South Wales has reduced her loan obligations for the current year from something over £8,000,000 to a maximum of £5,000,000. The Government is the largest employer of labour in the State, and the alternative in the failure of securing supplies is widespread unemployment and serious industrial dis-

turbances. At the same time, we have been invited by the British Government to make such contribution as we can in Australia to finding homes for British soldiers after the war. New South Wales is ready and willing to provide opportunities of settlement on the land for British soldiers, but to carry that out involves the construction of railways and other loan expenditure. Yet, whilst the British Government welcome provision being made by New South Wales for ex-soldiers, THE INVESTORS' REVIEW is content to throw cheap sneers at our efforts and discourage those who might be inclined to help the State in this praiseworthy and patriotic work.

I trust this tendency to disparage the Dominions in their uphill work is not characteristic of the great body of the British public. We have made great sacrifices in men and money to the common cause of the Empire. We make no boast of it; we claim no special credit; but it is scarcely fair that these attacks, which have been repeatedly made as to the State's financial stability and never confirmed, should again be resuscitated to the damage of the State's reputation and obstruct the scheme of Imperial migration after the war.

Yours faithfully,

C. G. WADE,

Agent-General for New South Wales.

Agent-General's Office, London,
September 18, 1917.

*** Is it quite fair on the part of Australian politicians to treat every criticism made upon their financial management as "disparaging"? We have looked back at what we said in the issue of THE INVESTORS' REVIEW of the 1st inst., and cannot see why it deserves that epithet. Our attitude towards the Australasian colonies has always been friendly, much more friendly than that of many of the sycophants and flatterers who patted them on the back when they were going wrong, and urged them to continue in the primrose way. Mr. Wade tells us that the figures for New South Wales

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are most encouraging, and seems to think he proves the fact by stating the public debt to be £130,000,000. Most of it, he says, is spent upon reproductive works, but that is always a disputable matter. What are "reproductive" works? How is a community to know that any enterprise undertaken to increase its wealth is doing that when the whole position is obscured by the influence of the continuous stimulus supplied by a stream of loans? We know what the New South Wales politicians put forward as justification for their persistence in borrowing at the present highly inconvenient time, and the core of their argument is "our population has hitherto been drawn into the towns; we must disperse it again; therefore, railways and roads are needed in the rural districts, and money must be laid out on homesteading, &c., in order to create an attraction to pull the people away from the towns into the open country after the war." But what sent them originally to the towns? The attraction of the huge "wages fund," product of borrowing, by help of which the native and the immigrant were able to live much more abundantly than the toiler on the bush farm, sheep run, and so on would be, at any rate for many years after settling on the land. Will the continued spending of borrowed money reverse this influence now? We cannot see any signs that it will. Living will still be most facile, earnings largest, in towns.

But the politicians also say "there will be an enormous number of discharged soldiers wanting farms, and we by our action now are doing the best possible to provide for this want." What warrant have they for saying any such thing? Their own citizens will go back, doubtless, but will they be any more anxious to settle on the land after the war than they were before? And supposing they do turn to farming, what chance is there of immigrants pouring into the country at a speed which will take off the strain of debt charges from the people already in the country by increases in the production of exportable commodities? We shall want our men at home, remember, if our land is to be cultivated as it must be unless the United Kingdom is also going to court financial chaos, irremediable difficulties. Before the war the nett excess of arrivals in Australia of people from the United Kingdom over departures ran between 60,000 and 90,000 in the years 1911-12-13, and in the first six months of 1914 it was 10,000, but for the whole year 1914-15 the nett surplus of immigrants from the home countries was only 17,000, and for the succeeding year it was only 400. After the war it would be all altered for the better, these New South Wales gentlemen tell us, or wish us to infer; but we are not so sure, and it is in the interests of the people they guide that we have always deprecated the habit of plunging the hand into the dearly opened purse of the money-lender in order to create, sustain, or stimulate prosperity. Is that an unfriendly act? It is one at least that has cost us no small sacrifice during the last 30 years.—ED.

American Business Notes.

To what a powerful extent the war has affected the foreign trade of the United States some figures recently published by the Bureau of Foreign and Domestic Commerce in Washington will make clear. In the 12 months closed June 30 last exports totalled £1,259,000,000, which compares with £866,700,000 for the previous year ending at the same date. Going back two years, the total exports for the 12 months ended June, 1915, were valued at only £554,000,000, and the year before that the total was only £473,000,000. Last year was consequently the greatest year of exports the United States ever had. And the United Kingdom was the largest customer. It bought £409,510,000 worth, and for the year ended June 30, 1914, the last before the war broke out, the value of our imports was barely £119,000,000. Even Germany did a bigger trade with America last fiscal year than in that ended June, 1916, its total imports being valued at £440,000, which compares with barely £58,000 the year before, but the improvement merely emphasises

the contrast between now and the pre-war year 1913-14, when Germany's imports were valued at almost £69,000,000. That the total should have risen last year is due to the visit of the submarine *Deutschland*, which carried cargo to Germany of the value just mentioned on its return journey. But the performance could not be repeated. The figures are altogether so interesting and suggestive that we make room for the subjoined tables in order to preserve a full summary of the facts. It shows that our imports from the States were not so very far short of the value of all the imports of the United States itself from every quarter; that is to say, we bought £409,510,000, and the total value of the imports of the Republic was barely £532,000,000. Note that the Allies in Europe spent £11,905,100 on horses and £5,560,100 on mules last year.

Imports from—	12 Months Ended with June.			
	1916-17.	1915-16.	1914-15.	1913-14.
Austria-Hungary	225,452	1,430,935	9,794,418	20,110,834
Belgium	1,029,261	1,478,579	10,222,860	41,035,532
France	108,069,706	102,077,620	77,158,740	12,446,252
Germany	1,524,693	13,945,743	91,372,710	189,101,136
Italy	46,374,368	57,432,436	54,973,860	56,407,671
Netherlands	31,842,141	38,534,509	32,818,800	36,294,010
Norway	7,688,311	6,851,714	10,668,864	9,197,265
Russia in Europe	5,446,095	3,613,986	2,512,382	20,581,184
Spain	36,862,571	27,864,130	18,027,492	24,658,867
Sweden	23,642,433	11,846,881	11,661,337	11,599,107
Switzerland	20,251,954	21,775,413	19,335,485	25,339,699
United Kingdom	307,674,853	308,443,223	256,351,675	293,661,304
Canada	320,949,492	204,018,227	139,571,712	160,689,709
Mexico	112,138,677	97,676,544	77,612,691	92,690,566
Cuba	253,995,410	228,977,567	185,906,901	131,395,794
Argentina	152,612,411	112,512,420	73,776,258	45,123,988
Brazil	151,638,245	132,663,984	99,179,728	101,329,073
Chile	113,789,130	64,154,859	27,689,780	25,722,128
China	105,905,521	71,055,045	40,156,139	39,384,978
British East Indies	217,010,056	177,455,235	87,177,237	111,903,527
Japan	208,127,478	147,644,226	98,812,698	107,555,897
Australia and New Zealand ..	18,574,571	64,553,441	27,244,039	22,213,570
Philippine Islands	42,430,247	28,232,449	24,020,169	18,164,312
Egypt	20,718,445	33,254,943	17,371,092	13,311,233
Total	2,659,355,185	2,197,883,510	1,674,169,740	1,893,925,657
Exports to—				
Austria-Hungary	—	146,302	1,238,669	22,718,258
Belgium	37,348,319	21,848,114	20,662,315	61,219,894
Denmark	56,728,524	55,872,312	79,824,478	15,670,135
France	1,011,529,095	628,851,988	360,397,170	159,818,924
Germany	2,199,149	288,899	28,863,354	344,794,276
Greece	20,860,645	31,039,672	23,499,616	1,123,511
Italy	360,529,625	269,246,105	184,819,688	74,235,012
Netherlands	109,504,169	97,476,328	143,267,071	112,215,673
Norway	82,017,054	53,645,895	39,074,701	9,066,610
Russia in Europe	428,284,663	178,604,800	37,474,380	30,088,643
Spain	76,992,669	52,836,721	38,114,969	30,387,569
Sweden	45,116,443	51,979,745	28,273,818	14,644,226
United Kingdom	2,047,545,843	1,526,685,104	911,974,954	594,271,863
Canada	787,529,729	468,784,793	300,686,822	344,716,981
Central America	52,728,314	41,703,906	33,585,725	39,439,117
Mexico	78,659,893	47,945,519	24,164,447	38,748,793
Cuba	178,883,248	127,198,578	75,530,382	68,884,428
Argentina	82,382,884	66,378,366	32,549,606	45,179,089
Brazil	56,761,252	40,572,107	25,629,555	29,963,914
Chile	44,573,185	24,239,826	11,377,181	17,432,392
China	37,306,388	25,131,459	16,024,475	24,668,734
British East Indies	37,090,430	24,666,872	15,980,734	15,625,195
Japan	130,472,189	74,470,931	41,517,780	51,205,520
Russia in Asia	130,300,542	131,111,792	23,353,151	1,214,506
Australia and New Zealand ..	82,043,469	74,002,526	51,986,649	54,725,340
Philippine Islands	27,545,470	23,421,172	24,753,320	27,304,587
British Africa	12,615,101	28,300,377	18,271,085	18,960,770
Total	6,293,806,000	4,331,482,885	2,768,530,340	2,364,579,148

CLASSIFICATION OF COMMODITIES.

Imports.	12 Months Ended June.			
	1916-17.	1915-16.	1914-15.	1913-14.
Crude materials for use in manufacturing	1,109,665,040	948,825,500	575,143,070	632,865,860
Foodstuffs in crude condition and food animals	335,573,042	251,886,746	223,787,245	247,947,621
Foodstuffs partly or wholly manufactured	343,474,387	310,938,181	234,970,346	227,644,329
Manufactures for further use in manufacturing	475,325,346	356,857,137	237,946,316	319,275,488
Manufactures ready for consumption	379,662,329	311,870,962	336,263,458	449,318,214
Miscellaneous	15,658,041	17,501,084	10,059,305	16,875,145
Total imports	2,659,355,185	2,197,883,510	1,674,169,740	1,893,925,657
Exports.				
Crude materials for use in manufacturing	732,388,652	535,952,043	509,436,254	792,716,109
Foodstuffs in crude condition and food animals	532,017,592	380,638,102	507,064,610	137,495,121
Foodstuffs partly or wholly manufactured	739,037,884	599,039,151	452,767,729	293,218,336
Manufactures for further use in manufacturing	1,191,787,957	657,923,305	357,459,326	374,224,210
Manufactures ready for consumption	2,943,923,212	1,998,298,249	808,634,402	724,908,000
Miscellaneous	91,613,108	100,316,720	80,816,144	7,122,249
Total domestic exports	6,230,769,291	4,272,177,579	2,710,178,465	2,320,084,025
Foreign merchandise exported	63,036,705	61,305,161	52,410,875	34,808,123
Total exports	6,293,806,000	4,331,482,885	2,768,530,340	2,364,579,148

Exports of principal items under the heading "Miscellaneous" were for 12 months ended June 30, 1917:—Horses, \$59,525,329; mules, \$27,800,854; and seeds, \$3,962,605.

According to the Geological Survey, whose report on the subject was issued on August 20, 75,176,672 gross tons of iron ore were mined there in the calendar year 1916, and the shipments from the mines reached

77,870,553 gross tons, these figures being the largest ever attained. The value of the shipments came to £36,400,000, and the quantity mined exceeded that raised in 1915 by 19,600,000 tons. The average value per ton at the mines was \$2.34, as against \$1.83. Ore was found in 24 States last year, or one more than in 1915. The largest output was in Minnesota, which gave 44,585,422 tons. This was followed by Michigan with an output of 18,071,016 tons, the increase in the one case being 33, and in the other 44 per cent. on the output of 1915. Alabama also showed an increased output of 27 per cent., with 6,747,901 tons, but New York State, although its output was 34 per cent. up, only gave 1,342,507 tons, and Wisconsin, with an increase of 19 per cent. only, 1,304,518 tons. No other State in the Union produced a million tons, but Pennsylvania's production rose 54 per cent. to 559,431 tons. Such a large production of pig-iron implied a very considerable increase in the production of coal, and the coal has been rising in price to an extent which threatened to interfere with the satisfactory working of United States industries. Accordingly, after investigation, President Wilson has intervened, and fixed the prices for both bituminous and anthracite coal. It is only a provisional measure, but there can be little doubt of its necessity for a Federal Trade Commission appointed to investigate charged producers and brokers in May last with exacting extortionate profits, and blamed the present shortage of coal at consumption points on inadequate transportation facilities. There is no scarcity of coal in the ground, the Commission said. In 1916 shipments of coal from the mines amounted to about 509,000,000 tons, or some 66,000,000 tons more than in 1915, and the condition of industries warranted the increase, but none the less there is sufficient coal in the bituminous mines now being worked not only to supply the present demand but a greatly increased demand, and the figures submitted to the Commission show that most of the present prices are far in excess of costs as shown by the colliery-owners' books. Many of these owners, the report goes on, frankly take the position that they are trying to get for their coal the highest prices possible under the present demand, and are refraining, even at prices greatly increased over last year, from reducing their output to the extent of their usual custom. Accordingly they are demanding prices at the mine from 50 to several hundred per cent. above cost of output. There are also difficulties with regard to the carriage of the coal, which seem to be capable of being overcome by judicious control and regulation of the movements of barges, &c., on the water, and trucks on the railways. Now that the President has intervened to decree lower prices, it may be presumed that the inflictions will cease. If it does not, the mine-owners and miners alike may depend upon it that President Wilson will take further steps.

Insurance News.

Little is heard on this side with regard to life insurance business conditions in India, and the report of the Empire of India Life Assurance Company is of interest as furnishing some indication as to the course of events during the past year. The majority of the companies suffered a set-back in 1915-16, but since then there would seem to have been a recovery almost to the level of 1914-15. The Empire of India during the past year earned a larger premium income, which was accompanied by a reduction in the expense ratio, while death claims were lower. Depreciation of securities, however, was severe, and the dividend is lowered from 42 per cent. to 30 per cent. as a precaution, in view of existing conditions, and pending the result of the quinquennial valuation now in course of completion.

The new war insurance scheme put forward by the Japanese Government came into operation on the 20th inst. Under this scheme the Government will receive the whole of the war risk premiums and assume the whole of the liability. Hitherto the war risks have been

accepted by the insurance companies, which have been able to re-insure 80 per cent. of the risks with the Government without payment. The rates of premiums thus receivable by the companies were fixed by the Government.

Powers have been taken by the Indemnity Mutual Marine Assurance Company to carry on all kinds of insurance, except life insurance business. It will be recollected that the control of this company was acquired early this year by the Northern Assurance Company, which itself transacts all classes of insurance. A clause of the new articles of association of the Indemnity Company enables the directors to carry on the business of a salvage company.

According to the report of the Salamandra Insurance Company of Petrograd, one of the oldest, and also one of the largest, of Russian insurance enterprises, 1916 was a record year, the gross premium income from all sources amounting to 54,492,743 roubles, an increase of 9,042,752 roubles when compared with 1915. Of the income, nearly seven-tenths was derived from fire insurance operations, the second largest section of the company's business being the marine branch. The dividend, which two years ago was at the rate of 10 per cent., was increased in respect of 1915 to 16 per cent., and a further increase to 22 per cent. has now been effected, and the sum involved in the distribution was still well within the proceeds of the company's revenue-producing assets.

The preliminary figures relating to life insurance business in Canada in 1916 show a progressive condition of affairs. The new business taken up was fully two millions more than in 1915 at £46,230,000, although the number of policies fell from 482,596 in 1915 to 457,687 in 1916. The increase was due to the larger amount of business secured by the Canadian companies, as the business done by British and American offices showed a decline both in number and in aggregate amount. During the past five years the total of insurances in force has increased by about 50 per cent.

Holders of over 90 per cent. of the entire shares of the Marine Insurance Company have already accepted the offer made by the London and Lancashire Fire Insurance Co. to purchase these shares at a price which, including a bonus of £3 a share, less tax, to be paid by the Marine Company, works out at nearly £60 a share. The Marine Company will be worked in the future as it has been worked in the past, but assuming that the London and Lancashire are able to pay the same dividend in the future as they have paid in the past few years, the income which shareholders of the Marine Company will hereafter receive will be something in the neighbourhood of £3 per share, as against £2 5s. per share which they have received from the Marine Company during the last few years. There is very little doubt that the alliance between the two companies will make for increased prosperity for both; the Marine has been a most successful company, while the London and Lancashire has also been an extremely prosperous and go-ahead concern.

The Consolidated Electrical Co., Ltd., have removed to Worcester House, Walbrook, E.C. 4.

The transfer books of D. and W. Murray, Ltd., will be closed from September 21st to October 4th, inclusive, for the preparation of interest and dividend warrants for the half-year.

AUSTRALIAN MUTUAL PROVIDENT SOCIETY. 1849.

The Largest Mutual Life Office in the Empire.

Funds, £37,000,000.

Annual Income £4,700,000.

MODERATE PREMIUMS.

LIBERAL CONDITIONS.

WORLD-WIDE POLICIES.

Every Year a Bonus Year. Whole-life Policies, 20 years in force, show average increase of the sum assured by Bonus exceeding 50 per cent.

ENDOWMENT ASSURANCE RESULTS ALSO UNSURPASSED.

37, Threadneedle St., London, E.C. 2.

Tea, Oil and Rubber.

It seems a very hard job to get the price of rubber up to 3s., even in these times of huge Government demands and soaring values. This week the quotation slipped back to 2s. 9½d., although the supplies were the smallest received for a very long time past. Owing to shipping restrictions only 364 tons were landed last week, while 653 tons were delivered, but, even so, stocks are over 12,400 tons, against 9,340 tons a year ago, and there is no immediate danger of a rubber famine. But, of course, if stocks continue to be depleted as they have been during the past few weeks, it is almost certain to have a sentimental effect on the market, and we shall not be at all surprised to see considerably higher prices before the end of the year. Fortunately investors have learnt that it is on averages that the producing companies make their profits, not on sharp movements in either direction, and we hope they will not enthuse too greatly, even if the price runs well past the 3s. mark.

Cicely Rubber Estates Co., Ltd., is one of the older concerns, with a modest capital of £16,000 in 2s. shares. But it has a reserve fund of £35,000, and in the year to March 31 last it had a revenue of £61,850, an increase of £7,250 over the previous year, while its nett profits were £3,000 up at £24,570. With £2,000 more brought in, the amount available is £5,000 higher at £30,000, and the directors seem well justified in raising the dividend from 125 per cent. to 145 on the preference, and from 120 per cent. to 140 on the ordinary shares, while the carry forward is increased by £2,000 to £7,300. The planted area is 1,200 acres, of which 800 acres are in bearing, 150 acres four years old, and the balance two to three years old. Output for the year amounted to 369,750 lbs., against an estimate of 345,000 lbs. and a crop of 335,740 lbs. last year, so that the yield per acre was 460 lbs., a very good average. Gross price realised was 2s. 5½d., against 2s. 8½d., but the cost of production was only 7½d., a truly wonderful result, while the all-in cost was 11.44d., against 1s. 1.08d. For the current year the output is estimated at 400,000, or as near as possible 500 lbs. per acre, and this will doubtless be exceeded in the near future. It is evidence of the extraordinary strength of the company that it has been able to purchase the Gloucester Estate for £80,000, while increasing its capital only to £24,000 by the creation of 80,000 shares of 2s. each. Pending the consent of the Treasury, these shares have not been issued, but the estate was taken over as from April 1.

In the year to April 30 the Rubana Rubber Estates, Limited, harvested 693,350 lbs., an increase of 120,000 lbs. over the previous 12 months, and for the current year the crop is estimated at 850,000. The planted area is 3,100 acres, of which about 1,700 acres were planted in 1911 or earlier, about 500 acres being 13 years old. Last year's yield therefore averaged 400 lbs. from the area in bearing, and the current year's will reach nearly 500 lbs., a very satisfactory record. Nett profits amounted to £49,600, an increase of £13,000, and £2,000 more was brought in, so the directors raise the dividend from 12½ per cent. to 17½ per cent., and carry forward a rather larger balance of £6,240. Average price realised was 2s. 5.94d., against 2s. 5.13d., while the total cost of production was just a shade less at 1s. 0.64d., against 1s. 0.67d. Of course, the capital is relatively heavy at £250,000—the company came out during the boom—but there is a reserve fund of £35,000, and while the price is round 2s. 6d. per lb., the company shows that it can make excellent profits.

W. H. Chaplin and Co., Ltd.—The transfer books of the 5 per cent. cumulative preference shares will be closed from September 21 to October 1, 1917 (both days inclusive), for the purpose of preparing the dividend warrants payable on October 1, 1917.

Uruguay 3½ per Cent. Debt.—A telegram from the London and River Plate Bank, Ltd., Montevideo, advises that they have received \$103,024 in respect of 45 per cent. Custom duties for the first fortnight of September, all of which has been retained for local service.

The Week in Mines.

Activity in the mining markets this week has been confined to specialities, for markets generally have been dull, though towards the end of the week the tone improved on General Smuts' encouraging survey of the war situation. The advance in silver has stimulated buying of silver-producing companies' shares, notably Santa Gertrudis, Camp Birds, Mining Corporations of Canada, Burmas, and Broken Hills. Nigerian Tin shares have been supported, despite the decline in the price of the metal.

SOUTH AND WEST AFRICANS.

In the South African market business has been quieter, and the tendency dull, except as regards the Consolidated Mines Selection group, which was supported about the middle of the week, in anticipation of the results of the tenders for the new Government areas. Brakpans have risen ½ to 5½, Springs ¼ to 3½, and Consolidated Mines 6d. to 27s. On the other hand, Central Minings and Rand Mines have fallen 3.32 to 6½ and 3½ respectively, East Rands have relapsed 9d. to 38s. 9d., and Gedulds 9d. to 38s. 9d. Diamond descriptions have been supported, including Jagersfontains, which are ¼ higher at 4½. Among Rhodesian shares, Chartered have improved to 14s., and Bwana M'Kubwas have been bid up to 5s. 1½d., on the rumoured discovery of a process for treating economically the company's large copper ore deposits. Lonely Reefs have relapsed 1s. 9d. to 26s. 6d., and Rezendes have been weaker. West Africans have been quietly steady.

COPPER AND MISCELLANEOUS.

Copper shares have been supported. Rio Tintos, on French buying, have risen to 63½, and Mount Lyalls at 25s. 9d. and Mount Morgans at 32s. 3d. are also higher. Tin shares have been active, especially Nigerians, in spite of the fall in the price of the metal. Kwalls at 9s. 3d., Rayfields at 13s., and Mongus at 14s. 3d. are all higher. Renongs, on the increased dividend, were bought up to 55s., and Tronohs have spurted half a crown to 31s. 3d. Broken Hills have been supported again on the rise in silver; but the market is somewhat restrained owing to the fact that all the miners have not yet returned to work. Heavy buying of Santa Gertrudis, on dividend anticipations, has raised the price 2s. 3d. to 14s. 6d., and Camp Birds are 1s. 3d. higher at 9s. 3d. Mexico of El Oros have jumped ½ to 6½. Burma Corporations, also on the rise in silver, have spurted ¼ to 4 7-32.

There has been a strong recovery in Russian descriptions. Russo-Asiatics have risen ½ to 3½, Irtysh Corporations 5-32 to 1 25-32, Kyshtims ½ to 2, and Tanalyks ½ to 1½. Waihis have eased to 37s., but Ivanhoes, on the maintenance of the dividend, have improved to 2 3-32.

MINING NEWS.

NIGERIAN TIN CORPORATION.—The report of this company for the 18 months to December 31 states the profits amounted to only £4,416. Of this £1,442 is written off prospecting and development work, and, including the sum brought in, the balance carried forward is £4,722. During the period 207 tons of tin were won. The period under review was not favourable to the undertaking of new business, but the market value of the company's securities at December 31, 1916, showed a large appreciation as compared with the previous balance-sheet. The auditors, however, point out that the market value of such shares as are quoted is even now considerably less than the book value.

MINING CORPORATION OF CANADA.—The full report for 1916 shows that the production of silver was 4,457,440 ozs. of silver, as compared with 4,563,957 ozs. for 1915, and the nett profits, owing to the higher price realised, rose from \$1,193,395 to \$1,895,584. The price realised averaged 73.10 cents per ounce, as against an average of 52.53 cents. After paying the dividends declared, a surplus remains of \$1,280,207, making the total at credit of profit and loss \$2,447,583. During the year the total amount of exploration and development work was 14,789 feet. The development of the oil flotation process in the Cobalt camp has now reached a point where the treatment of the tailing beds can be profitably undertaken in the near future. During the year the total tonnage treated was 114,392 tons, against 131,852 tons in 1915. Reserves of ore are estimated at 64,751 tons, against 101,135 tons, containing 3,235,000 ozs. of silver, against 3,937,995 ozs. Tailing beds are estimated to contain, in addition, 1,900,000 ozs.

RENONG TIN DREDGING.—This Siamese tin-dredging company has done remarkably well during the past year. It has more than trebled its output, which amounted to 970 tons, and realised a nett profit of £43,636, an increase of £12,891. A year ago it was able to pay off the arrears of dividend on the preference shares, and to pay an ordinary dividend—the first—of 12½ per cent. This year it raises its dividend to 30 per cent., redeems the whole of its debenture debt, amounting to £10,500, and starts a reserve fund with an appropriation of £6,500. The redemption of debentures is reflected on the assets side of the balance-sheet by writing off £10,029 for depreciation on the three dredges which the company owns, bringing down the book value of them to £34,000. The carry forward is raised from £4,599 to £7,681.

What Balance Sheets Tell.

WESTERN AND HAWAIIAN INVESTMENT CO., LTD.

The revenue of this old-established and conservatively managed undertaking was slightly larger during the year ended June last at £41,860, but expenses and excess profits duty absorbed a larger sum, with the result that nett revenue, after providing for debenture interest, exhibits a shrinkage of £1,730 at £27,830. This amount, however, more than suffices to maintain the dividend at 14 per cent. and to carry £7,000, against £7,730, to reserve. The sum brought in was £2,290 larger, so that the carry forward is left £1,290 up at £5,280. Several changes have taken place in the balance-sheet. Loans on mortgage to the extent of £19,160 have been paid off, several increases have taken place in sundry asset items, and the item deposits, which figured in last year's accounts at £12,830, disappears. The reserve now amounts to £117,000, equivalent to 137 per cent. on the ordinary capital, an eloquent testimony to a prudent administration.

TENNANT BROTHERS, LTD.

As would be expected, this Sheffield firm of brewers did exceedingly well during the financial year ended June last. Profits, after providing for excess profits duty and debenture interest, came out at £22,800, an increase of £5,300. No increase is made in the rate of dividend (10 per cent.), but this time it is paid free of tax, a departure which will be very welcome to the shareholders. The reserve fund receives £5,000 as before, and the carry forward is left £1,350 up at £4,450. Sundry creditors are £5,270 up at £32,780, and sundry debtors have fallen £11,120 to £16,270, but the company has during the year been able to wipe off its bankers' loan of £15,850, a distinctly satisfactory accomplishment. The reserve fund now amounts to £82,500.

REGENT'S CANAL AND DOCK CO.

The control of this company's canals were taken over by the Government as from March 1 last, and the terms under which they are to be taken over is at the present time under the consideration of the President of the Board of Trade. In the meantime, however, it has been considered advisable to issue the accounts for the half-year ended June last in their usual form. Nett revenue exhibits a shrinkage of £1,400 at £9,340, and after adding interest and deducting amount paid away in respect of pensions, there remains a sum of £9,265, which falls short of the amount required to meet debenture interest by £1,690, leaving a debit balance of £640.

ALLIANCE AND DUBLIN CONSUMERS' GAS CO.

A considerable increase took place in the earnings of this undertaking during the half-year ended June last. Gas sales yielded some £13,000 more, and revenue comes out at £199,000. The gas cost £13,920 more to produce, but less was spent on repairs and maintenance, and profit is £7,240 larger at £41,440. After deducting interest and adding income-tax credit there is a disposable surplus of £35,350, out of which a dividend of £4 7s. 6d. per cent. is paid on the consolidated stock, leaving a surplus of £1,409. Twelve months ago a distribution of £5 2s. 6d. per cent. was forthcoming, but this involved the withdrawal of £10,500 from the reserve fund. In common with many other undertakings, the company is evidently purchasing tonnage, a new item, s.s. *Arctic* purchase account, appearing in the balance-sheet. This has entailed recourse to credit, and the bank overdraft is £21,340 larger at £74,740.

CAPE TOWN CONSOLIDATED TRAMWAYS AND LAND CO., LTD.

We should think that this holding company and its subsidiaries must be very badly managed at some point or other, for it never manages to produce anything but deficits. We have not much of an opinion about the capabilities of Mr. Robert Littlejohn, Ludwig Breitmeyer, or Dr. Frederick Rutherford Harris as tramway experts, but Mr. George Pauling ought to know something of the business, and it might be useful if he paid some particular interest to the affairs of the company, and get them licked into shape. At present the results do not redound greatly to his credit, and as he is the only man on the board with any pretence to technical knowledge, it behoves him to put the house in a bit better order. Capital expenditure amounts to £724,000, and all that was accomplished in 1916 was a revenue of £400, with the result that £630 had to be carried forward as a debit balance, and the total debit at profit and loss account is now £11,445. In addition, arrears of debenture interest amount to £146,250, and unless some vigorous action is taken soon, the position looks absolutely hopeless. The previous year's figures were very much the same—the loss then was £816, if you want to be exact—but they are not worth comparing in detail. Time to wake up; quick march!

The European Oilfields Corporation, Ltd., have removed to Worcester House, Walbrook, E.C. 4.

Bibi Eibat Oil Co., Ltd.—Production for the week ending September 16, 1917: 50,867 poods, or 821 tons.

European Oilfields Corporation, Ltd.—Production for the week ending September 16, 1917: 71,500 poods.

State of San Paulo 5 per cent. Treasury Bonds, 1913, and 5 per cent. Two-Year Treasury Notes.—Messrs. J. Henry Schröder and Co. announce that they have further received £11,179 in respect of the surtax collected weekly, for the service of the English portion of the above bonds, and a further £16,769 in respect of the surtax collected weekly as security for the above notes.

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and September 15, 1917:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Sept. 15, 1917.	Total Receipts into the Exchequer from April 1, 1916, to Sept. 16, 1916.
Balances in Exchequer on April 1—	£	£	£
Bank of England	—	25,209,947	25,111,665
Bank of Ireland	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs	70,750,000	31,863,000	29,218,000
Excise	34,950,000	15,566,000	22,130,000
Estate, &c., Duties	29,000,000	13,996,000	13,972,000
Stamps	8,000,000	3,058,000	3,331,000
Land Tax	2,600,000	330,000	320,000
House Duty			
Property and Income Tax and Super Tax	224,000,000	47,728,000	32,150,000
Excess Profits Duty (including Munitions Levy)	200,000,000	78,762,000	25,998,000
Land Value Duties	400,000	227,000	111,000
Post Office	33,700,000	15,200,000	15,200,000
Crown Lands	600,000	200,000	220,000
Receipts from Sundry Loans, &c.	7,500,000	688,899	518,087
Miscellaneous	27,100,000	22,313,359	2,695,859
Revenue	638,600,000	229,932,258	145,863,946

Total, including Balance

OTHER RECEIPTS.			
Repayment of Advances for Bullion	950,000	1,890,000	
For Treasury Bills (for supply)	1,030,194,000	910,351,000	
For 4½ per Cent. War Loan, 1925-1945	—	424	
For 5 per Cent. Exchequer Bonds, 1919	—	33,830,000	
For 5½ Exchequer Bonds, 1920	—	82,414,500	
For 5 per Cent. Exchequer Bonds, 1921	—	59,978,000	
For 5 per Cent. Exchequer Bonds, 1922	79,752,000	—	
For War Expenditure Certificates	—	20,993,500	
For War Savings Certificates	16,500,000	26,050,000	
For other Debt created under the War Loan Acts, 1914-1917	305,853,544	10,000,000	
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947	166,550,000	—	
Temporary Advances—			
Ways and Means (including Treasury Bills £345,000,000 in 1916-1917)	441,490,500	409,396,500	
Total	2,297,658,161	1,726,342,876	

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Sept. 15, 1917.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Sept. 16, 1916.
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	17,000,000	8,621,597	11,476,191
Interest, &c., on War Debt ..	194,500,000	67,821,650	52,048,225
Payments to Local Taxation Accounts, &c.	9,700,000	3,109,525	3,183,375
Other Consolidated Fund Services	1,695,000	720,287	702,468
Supply Services	2,068,826,000	1,134,174,121	751,445,156
Expenditure	2,291,721,000	1,214,447,165	818,855,415

OTHER ISSUES.			
For Advances for Bullion	1,010,000	2,190,000	
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	84,909	60,914	
Under Telegraph (Money) Act, 1913	55,000	180,000	
Under Post Office (London) Railway Act, 1913	68,000	135,000	
Under Housing Act, 1914	175,400	18,900	
For Treasury Bills for Supply	611,887,000	676,710,000	
For Exchequer Bonds under Section 61 of the Finance Act, 1916, and Section 34 of the Finance Act, 1917	302,755	—	
For other Debt under the War Loan Acts, 1914 to 1917	14,650,039	—	
For Depreciation Fund under the Finance Act, 1917	16,894,120	—	
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908	—	38,000	
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	23,160	
Temporary Advances repaid—			
Ways and Means (including Treasury Bills £165,735,000 in 1916-17)	416,326,500	202,131,500	
Total	2,275,900,889	1,700,342,889	

	1917. Sept. 15.	1916. Sept. 16.
Balances in Exchequer—	£	£
Bank of England	21,482,858	24,514,094
Bank of Ireland	274,414	1,485,893
Total	21,757,272	25,999,987
Total	2,297,658,161	1,726,342,876

MEMO.—Treasury Bills outstanding on Sept. 15, 1917, *£882,314,000.
* Includes £310,000, the proceeds of which were not carried to the Exchequer within the period of the account.

BOOKS RECEIVED.

Prices, Purchasing-Power of Money, Wages, Trade Unions, Unemployment, and General Industrial Conditions, 1916. Prepared by G. H. Knibbs, C.M.G., F.S.S., F.R.A.S., Commonwealth Statistician. (McCarron, Bird and Co., Melbourne.)

The Imperial Colonial Finance and Agency Corporation, Ltd., has removed from 275, Winchester House, to Capel House, 62, New Broad Street, E.C. 2.

Kawie Java ..	499,2004	—	32,600	+	3,500	5	220,465	+	35,465
Kepitigalla ..	640,000	—	50,238	—	5,886	5	239,727	+	17,000
Kepong ..	335,000	—	30,000	—	4,000	5	208,500	+	20,000
Kerala ..	250,000	—	28,545	—	3,105	8	150,764	+	50,668
Khota Tamp'n	202,0004	1/3.30	20,000	+	3,000	7	122,250	+	19,250
Killinghall ..	305,3594	—	26,277	—	2,320	2	49,644	+	2,693
Kimanis ..	420,000	1/9.22	32,700	—	7,700	7	232,400	+	85,600
Kinta Kellaa ..	515,0004	1/2.81	50,320	—	5,977	5	226,722	+	27,364
Klangang ..	315,000	1/4.30	24,659	—	4,157	5	201,705	+	64,959
Klanang ..	505,125	1/1.02	46,750	—	11,323	8	306,600	+	49,510
Kombok ..	594,000	1/11.88	44,120	—	2,670	8	382,200	+	49,220
Kuala Klang ..	195,000	1/10.39	15,571	—	905	11	182,957	+	10,011
" Kebu ..	158,950	—	11,381	—	705	2	24,175	—	241
" Lumpur ..	1,685,0104	1/10.64	149,490	—	4,950	5	307,990	+	30,690
" Nal ..	187,8004	1/2.36	25,000	—	4,700	8	170,000	+	52,200
" Pahi ..	200,000	—	20,000	—	4,007	8	137,454	+	38,757
" Selangor ..	650,000	1/9.3	48,807	—	6,385	8	410,237	—	1,257
Kurau ..	350,000	1/11.75	23,300	—	5,877	8	189,600	+	15,303
Labu ..	762,000	1/11.80	69,070	—	14,100	7	528,690	+	179,130
Landron ..	1,610,000	1/4.05	98,442	—	10,810	8	913,051	+	128,061
Langat River ..	800,000	—	29,820	—	4,379	8	211,976	+	42,146
Langen, Java ..	800,000	1/2.93	54,000	—	10,649	12	773,710	—	50,000
Langkat Sum ..	520,000	1/14.23	39,366	—	4,680	8	263,493	—	55,227
L'ngk'n N.Br.	249,2004	1/172	22,000	—	1,500	5	85,000	—	20,500
Ledbury ..	765,000	1/11.74	57,417	—	2,063	8	462,404	+	65,050
Lendu ..	225,000	—	15,730	—	1,850	5	83,921	—	4,871
Linggi ..	2,495,000	1/10.50	197,600	—	11,615	8	1,570,440	+	323,180
Lochnagar ..	160,000	—	12,100	—	1,381	8	93,818	—	19,788
Lon. Asiatic ..	1,431,000	1/12.24	124,841	—	8,079	8	1,033,119	+	127,083
Lumut ..	1,015,000	1/10.50	96,000	—	7,000	11	976,400	+	168,953
Madingley ..	198,000	1/2.52	15,420	—	1,261	11	100,508	+	39,529
Majedie ..	136,9404	1/11.18	10,479	—	466	2	20,044	—	346
Malahale ..	320,000	—	26,672	—	195	11	183,648	+	12,561
Malacca ..	4,000,000	1/2.12	344,700	—	46,200	8	2,553,250	+	435,450
Malayalam ..	1,345,182	1/4.67	135,339	—	23,008	8	665,750	+	219,324
Malaysia ..	400,000	1/3.48	40,117	—	2,956	8	286,323	—	61,004
Malay Pl'n't's	616,000	1/3.03	26,935	—	900	11	310,316	—	69,341
Manch' R.N.B.	488,0004	1/3	30,000	—	1,000	12	201,923	—	59,341
Membakut ..	545,000	—	26,500	—	7,500	5	159,500	+	3,500
Mergui Crown ..	1,620,000	—	106,700	—	22,116	5	878,653	—	49,676
Merlimau ..	199,9554	—	21,600	—	6,600	2	41,700	—	11,099
Monetakele ..	1,419,7154	1/4.4	192,770	—	67,616	8	852,957	+	

Company.	Current Estimate.	Last All-in Cost.	August, lbs.	(+) or (-) lbs.	Months	Aggregate lbs.	(+) or (-) lbs.
Aboyne Clyde	444,374d	1/0.50	41,578	+ 4,887	2	82,835	+ 18,517
Allagar ..	360,000	1/1.62	27,500	+ 3,500	8	229,800	+ 52,600
Alliance ..	763,716d	—	17,697	+ 2,786	8	103,871	+ 22,098
Alor Pongsu	275,000	1/0.75	24,551	+ 2,706	8	175,234	+ 12,014
Ampat ..	180,000	1/1.35	20,000	+ 5,610	10	193,300	+ 53,100
Anglo-Java ..	2,624,000	—	101,500	— 20,300	8	1,614,431	+ 571,711
Anglo - Johore	300,000	1/3.20	24,734	+ 3,021	5	118,667	+ 19,011
Anglo - Malay	1,720,000	1/11.23	120,211	— 14,250	8	1,060,480	+ 34,964
Anglo-Sum...	945,575d	1/103	74,214	— 12	3	222,763	+ 4,668
Asahan ..	428,791d	1/3.40	34,851	+ 5,981	1	34,851	+ 5,981
As. T. Ceylon	257,067d	1/11.55	24,838	+ 7,920	2	45,408	+ 13,401
Ayer Kuning	174,457d	1/0.34	62,500	— 6,500	8	512,771	+ 100,489
Bagan Serai..	421,000	1/11.82	34,000	+ 590	8	267,826	+ 49,532
Bah Lias	—	1/9.46	38,811	+ 28,173	10	138,781	+ 160,162
Bakau Kidoel.	250,986d	1/8.85	14,000	+ 3,395	5	132,000	+ 64,428
Bakap ..	274,350d	—	15,800	— 9,700	2	33,000	— 19,800
Bambakelly..	235,000	1/4.06	16,849	+ 2,645	5	96,883	+ 20,493
Bandar Sum..	395,450d	—	37,745	+ 8,625	1	37,745	+ 8,625
Bandarsarrie	250,000	1/2.48	12,640	— 2,860	8	107,219	+ 8,800
Bandarapola ..	250,000	—	26,000	+ 6,000	8	172,000	+ 62,000
Bantardawa..	308,458d	—	19,523	+ 4,223	2	22,197	— 11,283
Bantam ..	854,681d	1/1.75	66,338	+ 11,605	2	137,570	+ 9,131
Batang ..	388,750d	1/1.15	33,710	+ 3,680	4	133,180	+ 15,800
Batak Kabit..	378,970d	1/1.99	34,000	+ 4,169	2	70,500	+ 11,385
Batang Mal..	400,000	1/3	27,733	+ 2,133	8	201,817	+ 29,057
Batu Caves ..	697,819d	1/9.13	74,835	+ 10,912	8	535,709	+ 113,234
" Matang ..	164,989d	—	16,000	+ 3,435	2	29,499	+ 3,914
" Rata ..	493,930d	1/1.50	41,000	+ 2,000	2	82,000	+ 10,300
" Tiga ..	236,000	1/0.25	59,000	— 6,000	8	595,500	+ 17,930
Be'ur'rib'no	486,978d	1/5.75	18,000	— 3,500	4	66,000	+ 12,000
Bekoh ..	246,978d	1/23	47,974	+ 15,674	2	92,993	+ 27,393
Bentota ..	440,000	1/3.08	21,228	— 627	6	95,934	+ 8,220
Beranang ..	294,168d	1/5.9	28,025	+ 4,659	2	62,754	+ 11,819
Bernam-Per'k	260,000	1/2.86	23,150	+ 50	5	47,950	+ 14,500
Bidor ..	419,500d	1/1.83	41,000	+ 6,600	5	202,000	+ 37,100
Bikam ..	420,000	1/3.62	31,400	— 1,750	8	247,732	+ 8,418
Bode ..	273,000	1/5.22	25,894	+ 7,894	8	169,454	+ 51,440
Bradwall ..	480,000	1/2.58	29,177	+ 11,750	8	260,995	+ 13,463
Braunston ..	450,000	1/11.26	41,800	+ 6,800	11	413,021	+ 82,621
Brit BornPara	220,000	1/1	17,250	+ 5,550	4	62,280	+ 22,520
British Malay	750,000	—	50,000	+ 29,741	8	419,551	+ 267,855
Brooklands ..	601,310d	1/1.47	47,569	— 506	2	112,377	+ 17,633
Broome ..	382,610d	1/4.57	33,933	+ 9	2	66,911	+ 2,166
Bruas-Perak	111,000	1/6.47	9,542	+ 4,709	6	50,706	+ 31,864
Bukit Cloh ..	260,000	1/0.38	15,500	— 8,500	8	136,000	+ 10,000
" Ilok ..	340,000	1/1.57	26,000	— 2,800	8	195,500	+ 9,000
" Kajang ..	941,280d	—	80,457	+ 4,207	2	161,283	+ 2,567
" Lintang ..	274,990d	1/1.12	21,500	+ 2,120	8	41,500	+ 8,590
" Mert'jm	932,000	1/10.74	69,719	+ 11,975	5	326,794	+ 45,147
" Pan'jng	525,000	1/0.45	40,000	— 6,000	8	325,900	+ 14,400
" Rajah..	1,071,000	1/11.20	81,288	— 8,039	5	342,287	+ 43,521
" Sembu..	800,000	1/3.17	64,300	+ 799	8	505,250	+ 56,953
Carey United	340,000	—	30,623	+ 5,510	11	288,558	+ 83,451
Castlefield ..	571,322d	—	51,323	+ 5,943	2	104,030	+ 13,535
Cent. Trav..	280,000	1/2.34	17,796	+ 4,571	8	124,262	+ 17,690
Ceylon Para	970,000	—	105,945	+ 47,111	8	653,772	+ 161,740
Ceylon T.&R.	—	1/4.31	21,718	+ 1,885	8	139,462	+ 1,455
Changkat-Sal.	925,000	1/0.47	87,000	+ 12,000	8	626,000	+ 131,000
Chem' Malay	440,000	1/1.37	44,009	+ 9,325	8	286,741	+ 40,638
Cheras ...	264,000	1/5.39	24,500	+ 7,093	8	170,300	+ 68,840
Chersonese ..	750,000	1/10.58	55,738	— 9,099	8	458,260	+ 24,200
Chivot ..	610,000	1/3.24	44,310	+ 14,490	8	378,360	+ 173,630
Chimpul ..	222,641d	—	22,640	+ 8,523	5	109,615	+ 39,540
Chota ..	230,000d	—	19,029	+ 1,763	8	149,352	+ 14,310
Citely ..	400,000	1/11.44	34,997	+ 5,887	5	163,391	+ 17,960
Cluny ..	265,000	1/2.54	24,651	+ 2,045	8	161,334	+ 16,411
Cons. Malay	906,550	—	70,163	+ 3,958	8	540,712	+ 53,055
Dalkeith ..	475,900	1/4.78	46,500	+ 13,100	8	257,500	+ 51,300
Damansara ..	830,000	1/11.05	67,017	+ 5,636	8	566,486	+ 64,811
Dangan ..	227,278d	1/2	25,242	+ 5,367	2	50,062	+ 12,522
Dennistown..	656,000	—	47,150	+ 6,850	8	384,838	+ 14,933
Devitural ..	340,000	1/1.90	23,640	+ 10,040	8	202,630	+ 23,550
Dimbula ..	340,700d	1/0.36	25,000	+ 905	7	135,067	+ 22,840
Djasinga ..	433,554d	1/17.39	36,000	+ 13,988	2	78,000	+ 26,290
Djember ..	250,000	—	12,000	+ 1,500	8	152,000	+ 52,500
Doranakande.	215,000	1/4.47	18,000	— 1,900	8	115,600	+ 19,750
Duff Develop.	400,400d	1/7.40	72,000	+ 18,000	8	508,350	+ 119,350
Dusun Durian	820,000	1/10.71	67,240	— 374	8	495,378	+ 50,995
E. Ind. & Cey.	210,000	1/1.15	17,213	+ 1,955	8	179,450	+ 18,570
Edinburgh ..	465,000	1/9.14	41,200	+ 1,750	8	290,750	+ 26,750
Elphill ..	252,000	1/5.88	21,673	+ 7,004	8	100,638	+ 9,600
Emerald ..	377,700d	1/2	50,400	+ 14,800	7	292,250	+ 112,135
Bow Seng ..	185,000	—	16,030	+ 1,450	8	112,900	+ 13,222
Escot ..	245,000	1/2.32	21,700	+ 4,700	11	224,300	+ 30,460
Fed. Malay S.	1,845,000d	1/9.50	165,000	— 2,000	3	482,000	+ 8,000
Fed. Selangor	370,000	1/11.68	31,038	— 816	5	166,037	+ 23,570
Galaha ..	143,500	—	19,385	+ 1,562	8	60,633	+ 2,730
Galang Besar	400,000	1/8.91	40,900	+ 8,400	2	77,460	+ 11,960
Kan Kee ..	170,136d	—	13,454	— 979	2	25,600	+ 2,610
Garing ..	200,000	1/1.99	18,300	+ 3,800	11	177,683	+ 33,650
Gedong ..	229,000	1/1.75	27,006	+ 9,251	10	223,272	+ 73,290
Gen. Ceylon	1,012,000	1/1.27	91,610	+ 11,518	8	635,045	+ 156,780
Glen Bervie..	275,000	—	26,382	+ 3,542	11	244,409	+ 31,260
Glendon ..	270,000	—	21,219	+ 5,958	11	227,661	+ 19,070
Glenshiel ..	458,500	1/2.18	42,130	+ 8,570	8	332,130	+ 104,020
Goldonda ..	594,000	1/11.36	44,756	+ 10,011	8	405,553	+ 35,770
Golden Hope	305,000	1/1.41	34,122	+ 8,055	8	211,228	+ 52,510
Grand Cent..	4,137,861d	1/0.72	406,722	+ 15,223	8	2,950,703	+ 553,010
Gula Kal'p'g.	1,370,000	1/11.2	101,315	+ 8,685	8	882,743	+ 104,640
Harpenden ..	568,000	1/11.49	44,300	+ 7,900	8	345,701	+ 21,350
Hayoep ..	520,000	—	44,016	+ 8,052	8	314,658	+ 10,640
Heawood ..	275,000	1/1.5	21,987	+ 2,808	8	159,597	+ 38,550
Hewagum ..	646,200d	1/2.80	51,500	+ 5,000	8	361,205	+ 24,560
Hid. Streams	240,000	—	19,500	— 1,000	8	166,134	+ 23,430
Highlands ..	1,353,000	1/10.01	119,032	+ 1,087	8	885,634	+ 53,995
Inch-Kenneth	437,580d	1/3.41	36,930	+ 1,930	3	118,650	+ 17,500
Insulinde ..	268,000	—	23,500	+ 4,200	2	44,600	+ 7,840
Java Amal. ..	315,000d	—	37,400	+ 6,200	8	410,800	+ 87,900
Java R & Prod	620,000	—	14,300	+ 2,900	8	194,433	+ 25,100
Java Para ..	265,692d	1/1.20	28,000	+ 8,070	8	262,168	+ 107,810
Jeram ..	300,000	—	18,924	+ 2,931	5	86,037	+ 12,030
Johore Para..	190,362d	1/2.14	16,900	+ 900	2	34,100	+ 5,000
" Rub. Lds	1,268,000	1/33	89,066	+ 4,976	8	701,269	+ 215,260
Jong Landor	659,690d	—	52,036	— 7,000	2	108,198	+ 4,200
Jugra Estate	378,613	1/0.60	32,775	+ 1,835	5	160,317	+ 16,800
Jugra Land ..	1,398,000	1/10.02	87,325	+ 8,691	4	136,115	+ 31,230
Juru Estates..	200,000	1/1.88	15,500	+ 1,000	5	73,000	+ 10,000
Kajang ..	263,709d	1/1.95	33,450	+ 5,050	8	251,650	+ 103,810
Kali Glagah..	192,200d	—	11,100	— 2,000	5	73,700	+ 8,400
Kamp Kua't'n	360,000	1/2.07	31,000	— 700	8	241,500	+ 12,300
Kamuning ..	810,000	1/1.49	63,950	+ 8,690	2	123,080	+ 16,150
Kapar Para ..	954,000	1/10.91	90,659	+ 14,475	8	655,225	+ 162,210
Karak ..	220,000	—	19,847	+ 1,381	8	158,462	+ 37,100
Kasintoe ..	400,000	1/8.56	42,000	+ 26,298	8	397,025	+ 244,000

Taipung..	675,000	1/10.88	45,454	—	7,697	11	—	—	—
Tali Ayer	1,022,324	1/1.35	82,000	—	3,272	4	338,500	+	32,523
Tamang	700,000	—	74,112	+	21,867	11	703,856	+	216,080
Tangka Batu	180,000	1/3.59	11,891	—	3,109	7	99,870	+	18,643
Tangkah	440,000	1/6	42,712	+	11,659	11	429,543	+	96,318
Tanj. Malim.	1,227,600a	1/2.97	116,820	+	34,650	2	239,580	+	82,170
Tandjong	1,384,023a	1/0.59	111,795	—	9,308	2	220,183	—	22,406
Tangoel	284,286a	1/5.67	12,540	—	2,970	2	24,420	—	4,497
Tebrau	885,500a	1/2.65	55,690	—	36,963	2	116,522	—	54,410
Teekoy	250,000	1/5.12	25,176	+	2,264	8	25,170	+	2,264
Telogoredjo	750,000	—	49,000	+	24,200	8	546,520	+	337,344
Tenomb'rneo	690,000	1/11.98	54,800	+	4,550	8	379,100	+	21,150
Third Mile	280,000	—	17,000	—	28,324	7	97,535	—	152,994
Tremelbye	682,000a	1/0.80	47,000	—	11,000	2	94,000	—	22,000
Trolak	280,000	1/2a	26,623	+	948	11	304,223	+	61,776
Ulu Rantau.	250,000	1/1.16	21,634	—	3,623	11	181,527	+	25,265
U. SnaBetong	900,000	1/1.15	67,769	+	6,939	8	589,341	+	119,781
U. Serdang	3,865,000	1/0.60	264,338	+	21,108	12	3,265,819	+	241,365
U. Samatra.	967,500	1/0.73	88,870	+	15,980	8	632,140	+	122,320
U. Temiang.	647,220a	1/5.63	64,590	+	20,860	1	64,590	+	20,860
Uva	189,833a	—	9,686	—	2,951	8	111,856	—	4,279
Val d'Or	375,000	—	24,200	+	6,082	10	271,400	+	37,661
Victoria	179,976a	1/5.28	23,100	+	11,135	2	46,100	+	23,155
Windsor	320,000	1/4.10	37,300	+	7,386	8	262,100	+	99,390
Woodend	220,000	—	22,629	+	3,416	8	153,370	+	53,418
Yam Seng	375,000	—	39,233	—	2,660	10	342,883	+	53,645
Yatiantota	490,000	—	49,436	+	7,909	8	306,444	+	78,208

a Last year's crop.

* For July, or previous month.

DIVIDENDS ANNOUNCED.

Alliance and Dublin Consumers Gas Co.—Maximum statutory on consolidated ordinary stock, which has been reduced to the rate of £4 7s. 6d. per cent.; balance forward, £1,406.

Ayer Kuning (F.M.S.) Rubber Co.—Interim on account of the year 1917 of 5 per cent. less tax, payable on Oct. 3. Last year the interim was the same.

Barsi Light Railway Co.—The directors recommend final of 3 per cent., together with a bonus of 1 per cent. (8s. per share in all), making a total distribution of 8 per cent. for the year to March 31, 1917, the same as for the preceding year.

Batu Tiga (Selangor) Rubber Co.—First interim in respect of the year 1917 of 2s. per share, less tax. A year ago the dividend was the same.

Bombay Gas Co.—Interim of 3½ per cent. (less tax) for half-year ended June 30, against 3 per cent., payable on Nov. 1.

British Aluminium Co.—Dividend at rate of 8 per cent. per annum, less tax, on ordinary share capital, for the six months ended June 30, the same as a year ago.

City Offices Co.—Interim of 6s. per share, less tax, on ordinary shares for the half-year ended June 30, payable on Oct. 15, the same as a year ago.

Dusmo Co.—Dividend at rate of 10 per cent.

Dimbula Valley (Ceylon) Tea Co.—Interim of 12½ per cent. on ordinary shares on account of the year 1917, payable on Oct. 1, less tax. A year ago the dividend was 15 per cent.

Direct Spanish Telegraph Co.—Interim at rate of 4 per cent. per annum, tax free, on ordinary shares for half-year ended June 30, payable Oct. 1, the same as a year ago.

Eastern Extension Australasia and China Telegraph Co.—Second quarterly interim of 3s. per share, free of tax, in respect of profits for the year ending Dec. 31 next, payable on Oct. 15, the same as a year ago.

Eastman Kodak Co. of New Jersey.—Extra dividend of 7½ per cent. on common stock, payable on Dec. 1, against 5 per cent. Usual quarterly of 1½ per cent. on outstanding preferred stock and of 2½ per cent. on outstanding common stock will be paid on Jan. 2.

D. H. Evans and Co.—Interim of 3½ per cent. on ordinary shares, being at the rate of 7 per cent. per annum, payable on Oct. 23, the same as a year ago.

Eastern Telegraph Co.—Second quarterly interim of 1½ per cent. on ordinary stock, free of tax, in respect of profits for the year 1917, the same as a year ago.

Gopeng Consolidated.—Dividend of 8d. per share, less tax, payable on the 29th inst., the same as a year ago.

Harpenden (Selangor) Rubber Co.—Second interim of 20 per cent., less tax, on account of the year 1917. Warrants will be posted on Sept. 26. A year ago the dividend was at the same rate.

Hope Brothers.—Interim on ordinary shares at the rate of 4 per cent. per annum (for six months to Aug. 31), less tax, payable on Nov. 1.

Ivanhoe Gold Corporation.—A second quarterly interim in respect of the year 1917 of 2s. 6d. per share, to be paid on Oct. 25, less tax at the rate of 3s. in the £. A year ago the dividend was at the same rate.

Java United Plantations for 1916.—Dividend at rate of 8 per cent., less tax, against 5 per cent.; £19,797 forward, against £4,638.

Manila Electric Railroad and Lighting Corporation.—1½ per cent. (\$1 50 per share) for quarter ending Sept. 30 on the common capital stock, payable in New York on Oct. 1. A year ago the dividend was the same.

Meredith and Drew.—Interim of 6 per cent. per annum.

North Anantapur Gold Mines.—Preferential, less tax, on preference shares for the six months ended June 30, at the rate of 20 per cent. per annum, and also a dividend, less tax, of 6d. per share on both preference and ordinary shares, payable on Oct. 5. A year ago the distributions were the same.

Nechi Mines (Colombia).—Interim (No. 4) of 2s. 6d. per share on preference shares, less tax.

National and Foreign Securities Trust.—Final at the rate of 5 per cent. per annum, free of tax, making 5 per cent. for the year to Aug. 31, the same as for 1915-16.

Ogilvie Flour Mills Co.—Quarterly of 2½ per cent. and a bonus

of 15 per cent., both payable on Oct. 1. These distributions make a total dividend for the year to Aug. 31 last of 25 per cent. For 1915-16 the dividend was 8 per cent. and the bonus 4 per cent.

Pataling Rubber Estates Syndicate.—Second interim of 40 per cent. (actual), less tax, in respect of the year 1917, payable on Oct. 12. A year ago the dividend was the same.

Sheepbridge Coal and Iron Co.—Final of 10 per cent., making 15 per cent. for the year, free of tax, the same as for the previous year; for development of new properties, £50,000, against £70,000; forward, £42,654, against £42,633.

Steel Co. of Canada.—Dividend of 1½ per cent. on ordinary shares for the quarter ending Sept. 30, payable on Nov. 1. For the June quarter the dividend was \$1, with a bonus of \$½.

Sutton Bridge (Lincolnshire) Gas Co.—Interim of 2½ per cent., tax free.

Renong Tin Dredging Co.—A final of 17½ per cent. (actual), less tax, in respect of the year ended June 30, making 30 per cent. for the year.

Wigan Coal and Iron Co.—10 per cent. dividend and interim, free of tax, for year 1916. 8 per cent. dividend for the year 1915.

Workington Brewery.—Interim on ordinary shares at rate of 4 per cent. per annum.

OILFIELDS ITEMS.

Maikop Orient Oil Co., Ltd.—Plot 435a, well 3. Production for week ending Sept. 1, 1917, 10,500 poods. Production for week ending Sept. 8, 1917, 9,000 poods.

Answers to Correspondents.

* * A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.

Deposits against future queries may be lodged with the Publisher.

East of Suez.—Cannot say; hardly think so. The thing is too raw and unfinished.

Algiers.—Yes, the prospects are fair, though the record has not been too brilliant. Still, a small parcel might be worth picking up.

Vera Cruz.—We should say hold both the bonds and the warrants unless you are absolutely in need of some money. Here, also, victory is to those who endure to the end.

John R.—Nothing beyond what is public property. The enterprise has chances, however, and should be stuck to.

Home.—(1) The crops are good, and should increase, but the price represents a high capital value. They will give a fair yield even now, but part of dividend should be used to write down. (2) Also at a fairly high capital value, but will probably continue to pay good dividends. Both are well managed, but we do not see any reason for any important rise in price.

C. W. R.—We think you might wait.

M. L. O.—For the present they seem high enough, and you might as well take some, if not all, of your profit. There are, of course, still possibilities before the company, but the shares may slip back before these are realised.

A. V.—The rise is entirely on the proposed amalgamation. It is difficult to judge what the ultimate result will be, but the shares look very dear and we think you should sell.

The Algoma Steel Corporation, Ltd., announces that the interest coupons of the first and refunding mortgage 5 per cent. 50-year sinking fund gold bonds, maturing October 1, may now be presented between the hours of 10 and 2 o'clock (Saturdays excepted), at the Bank of Montreal, 47, Threadneedle Street, E.C. 2.

The National Provincial Bank of England, Ltd., notify that, in order to prepare the dividends due November 1 on the Province of Nova Scotia Government 4½ per cent. stock, the balances of the several accounts will be struck at the close of business on the 29th inst., after which the stock will be transferable ex dividend.

The Otis Steel Co. is prepared to re-purchase a certain number of 5 per cent. first mortgage bonds at the price of £98 nett in cash for each \$500 of bonds, with coupon due January 1, 1918, and thereafter attached. Holders desirous of taking advantage of this offer should present their bonds on or before September 30, 1917, through their bankers or brokers, to the Industrial and General Trust, Ltd., Pinners Hall, Great Winchester Street, London, E.C. 2, between the hours of 11 a.m. and 3 p.m. (Saturdays excepted).

South African Corundum.—A considerable export business in corundum has sprung up in the Transvaal since the war. The commercial value of the mineral is, of course, chiefly due to its use as an abrasive, and Canada has hitherto been the chief producer. For various reasons the price has risen considerably since the beginning of the war; and the farmers and natives of the Louis Trichard, Leydsdorp, and other districts of the Transvaal are finding the collection and sale of the ore a profitable industry. Several of the land companies of the Transvaal are now engaged in investigating the possibilities of the industry. During 1916, as may be seen from Sir William Hoy's annual report, the total value of the mineral exported from South Africa reached four figures.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.				Wks.	GROSS TRAFFIC TO DATE.	
	Week ending	Amount	In. or dec. on last year.	Amount		In. or dec. on last year.	
		Rs.		Rs.		Rs.	Rs.
Assam Bengal ..	July 14	1,16,000	—	5,123	↑	19,66,838	74,608
Barsi ..	Aug. 4	1,54,500	—	73,600	↑	3,54,900	84,500
Bengal & N.-W. ..	July 21	3,60,600	—	53,702	↑	71,20,003	56,593
Bengal Nagpur ..	Sept. 28	8,98,000	—	83,000	↑	1,80,11,732	13,05,605
Bombay, Baroda ..	Sept. 8	12,53,000	—	1,09,000	↑	3,26,03,000	16,63,000
Burma ..	July 21	3,44,419	—	30,161	↑	65,80,665	1,52,304
Delhi Umballa ..	Sept. 15	1,00,000	—	23,864	↑	18,11,373	2,22,825
East Indian ..	Sept. 15	24,44,000	—	1,14,000	↑	5,35,06,000	6,47,000
Gt. Indian Penin. ..	Sept. 15	19,12,400	—	2,96,400	↑	4,91,31,203	37,41,849
Lucknow-Bareilly ..	July 21	41,625	—	7,107	↑	7,67,956	26,031
Madras and S. ..							
Mahratta ..	Aug. 4	10,00,000	—	1,45,526	↑	1,94,06,969	10,22,337
Nizam's Gd. (Broad) ..	Aug. 4	1,63,910	—	15,586	↑	24,16,075	52,395
(Metre) ..	Aug. 4	63,585	—	2,050	↑	13,12,196	25,062
Robilkund and ..							
Kumaon ..	July 21	36,597	—	2,280	↑	7,83,033	37,477
South Indian ..	Aug. 4	6,56,235	—	98,412	↑	1,23,36,345	9,51,638

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

		£		£		£		£
Bristol ..	Sept. 14	12,498	—	1,472	400,509	—	28,204	
Dublin United ..	Aug. 14	7,269	—	466	246,406	—	24,096	
Hastings and Dist. ..	Sept. 16	1,818	—	266	46,539	—	6,821	
Isle of Thanet ..	Aug. 12	713	—	310	13,314	—	1,351	
Lancashire United ..	Sept. 12	2,966	—	946	85,964	—	19,185	
Provincial ..	Aug. 25	3,211	—	199	107,758	—	25	
Yorks. (West. Rdng.) ..	Sept. 16	2,259	—	453	78,094	—	13,187	

* From Oct. 1. † From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

		£		£		£		£
Alabama Power ..	July 8	103,551	—	30,631	103,551	—	30,631	
Anglo-Argentine ..	Sept. 16	53,807	—	1,815	1,896,334	—	19,535	
Auckland Electric ..	Aug. 24	21,812	—	1,345	42,722	—	748	
Brazilian Traction ..	July 8	M7,795,000	—	M366,000	M52,441,000	—	M383,000	
Brisbane Elec. Inv. ..	June 8	32,720	—	160	225,135	—	915	
British Columbia ..	June 8	72,729	—	9,899	1,042,130	—	244,747	
B.A. Lacroze ..	Aug. 31	39,111	—	2,680	77,174	—	2,304	
Burmah Electric ..	Sept. 15	Rs. 28,714	—	Rs. 2,301	—	—	Rs. 31,383	
Calcutta ..	Sept. 15	Rs. 72,540	—	Rs. 1,026	Rs. 237,311	—	Rs. 21,646	
Carthage and ..								
Herrerias ..	Aug. 6	4,164	—	2,083	34,099	—	13,278	
Cordoba Light ..								
P. & T. ..	July 28	14,343	—	85	56,154	—	1,165	
Hongkong ..	Aug. 6	11,660	—	5,512	400,149	—	19,979	
La Plata ..	June 8	4,075	—	283	33,095	—	532	
Lima ..	Sept. 16	16,843	—	1,977	109,160	—	5,662	
Madras Electric ..	Nov. 8	Rs. 36,217	—	Rs. 1,665	Rs. 59,193	—	Rs. 52,195	
Mexico ..	Aug. 8	Rs. 215,256	—	Rs. 108,669	Rs. 193,106	—	Rs. 197,227	
Rangoon ..	June 23	4,788	—	535	38,288	—	2,000	
Singapore Electric ..	Aug. 8	Rs. 475,408	—	Rs. 27,552	Rs. 271,393	—	Rs. 85,105	
Toronto ..	June 8	28,860	—	2,816	300,253	—	7,921	
United of Monte V. ..	June 8	52,000	—	—	302,800	—	—	
Vera Cruz ..	Sept. 15	49,664	—	37,907	435,897	—	194,611	
Winnipeg ..								

b 28 days. * From Jan. 1. § Nett. a From July 1. c Two weeks.

UNITED STATES OF AMERICA.

		£		£		£		£
Chesapeake & Ohio ..	Aug. 31	1,751,000	—	168,000	35,164,000	—	2,273,000	
Chicago G.W. ..	Sept. 21	354,000	—	26,000	11,011,000	—	1,425,000	
Colorado & South'n ..	Sept. 21	349,000	—	46,000	18,015,000	—	2,189,000	
Denver & Rio Gran. ..	Sept. 21	812,000	—	70,000	46,951,000	—	6,958,000	
Louisv'e & Nashv'e ..	Sept. 21	1,509,000	—	230,000	19,022,000	—	458,000	
Minn. S.P. (So.) ..	Sept. 21	670,000	—	37,000	26,888,000	—	4,787,000	
Missouri Kansas ..	Sept. 31	1,251,000	—	131,000	72,192,000	—	9,415,000	
Southern ..	Sept. 31	3,258,000	—	485,000	—	—	—	

§ Includes Wisconsin Central. † From Jan. 1. † From June.

FOREIGN RAILWAYS.

		£		£		£		£
Alcoy and Gandia ..	Sept. 25	Ps. 10,000	—	14,815	Ps. 410,520	—	Ps. 81,090	
Antofagasta (Chili) ..	Sept. 16	50,300	—	2,900	1,494,360	—	245,490	
Arauco ..	July 31	11,000	—	2,900	66,000	—	14,700	
Argentine N.E. ..	Sept. 15	8,200	—	1,500	94,100	—	19,498	
Bilbao R. and Canta ..	Aug. 31	3,012	—	3,445	27,665	—	8,853	
Bolivar ..	June 8	11,000	—	2,755	22,000	—	7,631	
Brazil ..	Sept. 15	M3,926,000	—	M886,822	M25,100	—	M27,402	
Brazil Gt. Southern ..	Sept. 15	M16,420,000	—	M4,100	M212,990	—	M33,700	
B. Ayres & Pacific ..	Sept. 15	66,000	—	16,000	795,000	—	143,000	
Do. Central ..	Sept. 15	24,837	—	3,475	24,837	—	3,475	
Do. Gt. South'n ..	Sept. 15	92,000	—	7,000	978,705	—	85,549	
Do. Western ..	Sept. 15	38,000	—	20,000	421,000	—	135,000	
Central Argentine ..	Sept. 15	93,000	—	24,000	900,100	—	363,000	
C. Ur'g'ay of Mte V. ..	Sept. 15	14,084	—	2,892	168,200	—	47,183	
Do. East'n Ex. ..	Sept. 15	3,363	—	185	44,013	—	4,194	
Do. North'n Ex. ..	Sept. 15	2,575	—	691	31,071	—	10,812	
Do. West'n Ex. ..	Sept. 15	1,824	—	141	17,153	—	82	
Cordoba Central ..	Sept. 15	34,500	—	3,440	389,350	—	1,205	
Costa Rica ..	Sept. 15	2,672	—	2,828	13,882	—	7,925	
Cuban Central ..	Sept. 15	11,552	—	1,931	137,372	—	33,900	
Dorada Extension ..	Sept. 15	9,500	—	—	74,400	—	10,400	
Egyptian Delta ..	Sept. 15	6,992	—	2,010	67,534	—	9,378	
Entre Rios ..	Sept. 15	15,200	—	3,900	149,500	—	16,700	
French Sante Fé ..	Sept. 8	81,752	—	1,139	1,080,727	—	156,858	
Gt. South. of Spain ..	Sept. 15	92,393	—	2,970	Ps3200,309	—	Ps624,434	
Gt. West. of Brazil ..	Sept. 15	12,500	—	2,200	448,350	—	119,750	
Havana Central ..	Sept. 15	6,903	—	918	53,912	—	6,525	
Inter. of C. Amer. ..	Sept. 15	9,042	—	5,248	208,871	—	29,351	
La Guaira and Car. ..	Sept. 15	6,750	—	750	63,000	—	2,000	
Leopoldina ..	Sept. 15	46,378	—	8,927	1,037,725	—	182,568	
Manila (N. & Sth.) ..	Sept. 15	10,389	—	1,997	10,389	—	1,997	
Midland Uruguay ..	Sept. 15	12,766	—	4,172	24,894	—	6,653	
Mogiana ..	Sept. 15	M1,656,000	—	M473,279	M7,042,000	—	M274,641	
N.W. of Uruguay ..	Sept. 15	26,000	—	560	295,778	—	26,908	
Nitrate ..	Sept. 15	31,430	—	1,390	540,354	—	69,814	
Paraguay Central ..	Sept. 15	3,350	—	2,600	34,540	—	7,200	
Paulista ..	Sept. 15	M2,188,000	—	M194,268	M9,909,000	—	M410,641	
Peruvian Corp'n ..	Sept. 15	S 979,430	—	S 83,530	S 1,954,430	—	S 223,100	
Salvador ..	Sept. 15	17,150	—	1,100	131,110	—	53,545	
S. Paulo (Brazilian) ..	Sept. 15	34,892	—	1,694	957,787	—	11,607	
Sorocabana ..	Sept. 15	M1,514,000	—	M291,530	M9,333,000	—	M115,078	
Taitai ..	Sept. 15	22,635	—	1,492	254,090	—	8,181	
United of Havana ..	Sept. 15	36,979	—	4,398	393,851	—	57,505	
West'n of Havana ..	Sept. 15	7,026	—	1,135	78,049	—	10,934	
Zafra and Huelva ..	Sept. 15	11,866	—	860	77,456	—	950	

* Months. † From Jan. 1. † From July 1. c Nett. b 15 days. a 10 days.

COLONIAL RAILWAYS.

		£		£		£		£
Beira ..	June 8	53,943	—	5,150	9	596,616	—	15,923
Canadian Northern ..	Sept. 7	£715,800	—	£6,000	7	£7,995,000	—	£269,100
Canadian Pacific ..	Sept. 7	£2,621,000	—	£37,000	1	£12,115,000	—	£179,000
Gr. Trk. Main Line ..	Sept. 7	214,566	—	8,984	1	7,400,764	—	817,628
Gr. Trk. Western ..	Sept. 7	39,067	—	4,137	1	1,390,475	—	26,078
Detroit G. H. & M. ..	Sept. 7	13,643	—	260	1	484,674	—	3,535
Gr Trk Pac Prairie Sc ..	Sept. 7	21,461	—	7,543	1	243,577	—	72,719
Mashonaland ..	Sept. 7	65,700	—	2,799	8	442,677	—	17,515
Mid. of West'n Aus. ..	Sept. 7	6,428	—	513	9	84,036	—	470
New Cape Central ..	Sept. 7	1,510	—	238	1	58,254	—	7,804
Rhodesia ..	Sept. 7	86,513	—	105	9	751,345	—	45,942

* Months. † July 1. † Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NETT EARNINGS FOR MONTH.				NETT EARNINGS TO DATE.			
NAME	Month.	Amount.	In. or Dec. on last year.	No. of Mts.	Amount.	In. or Dec. on last year.	No. of Mts.
		Dols.	Dols.		Dols.	Dols.	
Atchafson T. & S. Fé	July	4,790,000	+ 720,000	1	4,790,000	+ 720,000	
Atlantic Coast Line	"	426,000	+ 33,000	7	6,899,000	+ 151,000	
Baltimore & Ohio ..	"	3,083,000	— 4,000	7	17,530,000	+ 296,000	
Canadian Northern	"	904,900	+ 292,500	1	904,900	+ 292,500	
Canadian Pacific ..	"	4,017,000	— 257,000	7	23,619,000	+ 1,138,000	
Chesapeake & Ohio	"	978,000	— 378,000	6	7,777,000	— 780,000	
Chicago & N.W. ..	"	2,502,000	+ 54,000	6	13,772,000	— 1,544,000	
Chicago Burl. & Q. ..	June	3,570,000	+ 1,130,000	6	18,295,000	+ 1,116,000	
Chicago G.W. ..	July	298,000	— 26,000	7	1,784,000	— 447,000	
Chicago Mil. & S.P.	"	2,638,000	+ 561,000	7	13,487,000	— 1,942,000	
Chicago, Rock L. & P.	June	1,641,000	— 452,000	6	10,156,000	— 750,000	
Colorado & Southern	July	509,000	+ 127,000	7	3,250,000	+ 559,000	
Cuba ..	June	369,000	+ 52,000	12	1,922,000	+ 1,595,000	
Delaware & Hud. ..	July	674,000	+ 18,000	7	3,324,000	+ 1,975,000	
Denver & Rio Gran.	"	510,000	— 240,000	7	4,387,000	— 434,000	
Erie ..	"	1,237,000	— 499,000	7	6,086,000	— 4,302,000	
Gr. Tr. Main Line ..	"	2,249,000	— 12,600	7	11,267,800	— 1,581,950	
Grand Trunk Westn	"	611,950	— 537,450	7	2,222,950	— 2,552,950	
Detroit G. H. & Mil. ..	"	657,300	— 118,450	7	4,581,100	— 78,050	
Gt. Northern ..	"	2,649,000	+ 439,000	7	11,939,000	+ 652,000	
Illinois Central ..	"	1,351,000	+ 328,000	7	11,003,000	+ 2,734,000	
Kansas City Southn.	"	366,000	+ 1,000	7	2,544,000	+ 457,000	
Lehigh Valley ..	"	1,421,000	+ 49,000	7	9,599,000	+ 1,194,000	
Louisville & Nashvl.	"	1,772,000	+ 288,000	7	9,892,000	+ 60,000	
Min. S. P. (Soo) ..	"	1,042,000	— 469,000	7	5,307,000	— 2,049,000	
Miss. K. & Texas ..	"	697,000	+ 79,000	7	3,658,000	+ 1,953,000	
Missouri Pacific ..	"	1,874,000	+ 753,000	7	11,861,000	+ 572,000	
New York Cent. & H.	"	5,348,000	— 372	7	26,337,000	+ 4,021,000	
N. Y. N. Haven & H.	June	1,820,000	— 311,000	6	10,319,000	+ 126,000	
New York Ont. & W.	July	357,000	— 49,000	7	9,919,000	— 200,000	
Norfolk & Western.	"	1,802,000	— 314,000	7	12,016,000	— 1,974,000	
Northern Pacific ..	"	2,394,000	+ 5,000	7	16,606,000	+ 1,257,000	
Pennsylvania East and West Lines. ..	July	11,445,000	+ 213,000	7	51,050,000	— 10,449,000	
St. Louis & San F.	"	1,635,000	+ 529,000	12	16,799,000	+ 3,324,000	
Seaboard Air Line.	"	514,000	+ 47,000	6	3,990,000	+ 94,000	
Southern ..	"	1,882,000	+ 600,000	12	24,331,000	+ 2,953,000	
Southern Pacific ..	July	5,616,000	+ 767,000	7	31,191,000	+ 9,199,000	
Union Pacific ..	"	3,716,000	+ 262,000	7	22,065,000	+ 435,000	
Wabash ..	"	1,061,000	+ 45,000	7	6,819,000	+ 89,000	

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CONTENTS.

Passing Events:—Revenue—Coming French War Loan—Economy in Food Consumption—Purchase and Distribution of Tea—Mr. Lane's Indictment—Cheaper Munitions—Bank of Australasia—Commercial Bank of Australia—Ulster Bank—Royal Bank of Ireland—Bankruptcy Returns—Company Registrations—Prince Line—Associated Portland Cement—Union Cold Storage—A. M. Peebles and Son—Anglo-American Corporation (pp. 319-22).

Leading Articles:—Argentine Notes—Exports in 1916—The Sugar Commission Report—By-the-Way War Notes (pp. 322-7).

Insurance News:—Colonial Mutual Life of Australia—Commercial Union and National Provisional Agreement—London and Lancashire Fire Increase of Capital (p. 327).

Money and Credit Notes:—Money Scarcer—Bank Return—National War Bonds—High Deposit Rates and the Impending Issue—French Treasury Bills Renewal—Glasgow Corporation Bills—Brazilian Note Issue—Small Rupee Notes—Silver (pp. 328-30).

Public Income and Expenditure (p. 327).

The Week's Stock Markets (p. 330-1).

London Produce Markets (p. 332).

What Balance Sheets Tell:—Handford Greatrex and Co.—Edwin Walker and Co.—Pearson and Knowles Coal and Iron Co. (p. 332).

American Business Notes:—Cotton Production and Consumption—American Locomotive Co.—Texas Co., Houston—American Agricultural Chemical Co. (pp. 334-5).

Tea, Oil, and Rubber:—Rubber Market—Kawie (Java) Rubber Estates—Eastern International Rubber and Produce Trust (p. 335).

Mining News:—Rhodesian Mineral Output—New Vaal River Diamond—International Coal (p. 336).

Company Meetings:—The Sheepbridge Coal and Iron Co.—John Brown and Co.—Union Cold Storage—Renong Tin Dredging (pp. 338-9).

Letters to the Editor (pp. 333-4).

The Week in Mines (pp. 335-6).

Dividends Announced (p. 336).

Traffic Returns (p. 337).

Answers to Correspondents (p. 337).

Books Received (p. 337).

Oilfields Items (p. 339).

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Passing Events.

No surprise was expressed at the decision to stop the issue of Exchequer bonds. The return of Public Income and Expenditure shows that last week the sales amounted to only £2,199,000, the smallest sum received since the bonds were introduced on April 13. In the first complete week of their offer the sales reached £6,690,000, but allowing for minor fluctuations the tendency has been persistently downwards, and the final week was the smallest of the series. All told, this method of raising money has produced the comparatively trumpery sum of £81,950,000, or just about enough to provide for one fortnight's expenditure at the rate the Treasury has been larding out cash recently. And the War Savings Certificates also have almost dried up as a source to be depended on to help meet the enormous amounts which have to be spent on war and other services. It becomes more and more evident therefore that some other means must be found to fill the gap, and probably the new Exchequer bonds will not prove much more popular than the old, especially if they are not more systematically advertised. But, as we have frequently insisted, new ideas and new methods will have to be adopted sooner or later, and much valuable time is wasted while untapped reservoirs of wealth are being frittered away. At present the great bulk of the income comes from Treasury bills, and although this method of raising money has proved wonderfully successful, there are obvious limitations to the creation of floating debt. Last week sales of these bills amounted to £60,782,000, an increase of £13,680,000 over the previous seven days, but £42,340,000 matured and was cancelled, leaving the total outstanding just over £900,000,000. Ordinary revenue from taxation and State services showed a welcome improvement of £5,705,000 at £12,258,000, and with £800,000, or £50,000 more, from War Savings Certificates, £16,459,000 from other war debt, and £2,000,000 from temporary advances, the total receipts amounted to £94,497,000. On the other hand, supply services absorbed £3,610,000 more at £46,370,000, an average of £6,624,000 per day, and miscellaneous expenditure came to £951,000, while temporary advances for £2,750,000 were repaid, and £1,649,000 was set aside for depreciation fund. Altogether, the expenditure

totalled £94,067,000 and £430,000 was added to Exchequer balances, raising them to £22,188,000, as compared with £28,168,000 a year ago. It is not a very cheerful statement, but we must make the best of it.

France will shortly have to issue another War Loan for £400,000,000, and there is a good deal of discussion as to whether it should not be made in the form of premium bonds. Just as here, there seems to be considerable prejudice against this course, but when we come to examine the objections, they amount to practically no more than "a departure from tradition," and "the State has never done it before." Well, there have been many departures from tradition during this war, and there will doubtless be more before it is finished, so that the argument does not carry us very far. It is also said that an investigation into the holdings of French investors shows that the amount of premium bonds held amounts to only 6 per cent. of the total. We should like to examine the figures on which that calculation is based, but supposing it is true, it proves nothing except that the method has not been tried on a large scale, and under proper auspices. In one article on the subject we notice a sneer that premium bonds would only appeal to the small investor, but surely, whatever the conditions may be in France, here, at any rate, it is exactly the savings of the small investor that we are most anxious to get hold of. The French are a thrifty people, and for many years they have been accustomed to buy their 3 per cent. Rentes in 5 or 10 franc lots over the post office counter. British people are not thrifty—not even the Scotch, in that way—and interest at the rate of 5d. or 1s. per £ per annum on small amounts does not appeal to them very strongly. They want, not 5 per cent., but 25, 50, or 100 per cent., if possible, and consequently they fall easy victims to the allurements of bucket-shops, company sharks, and share-pushers. A large proportion of the War Savings Certificates has been subscribed by the comparatively well-to-do—20s. at the end of five years for 15s. 6d. down does not attract people who have not already learnt the saving habit, and a great many of those who are now earning far more than ever before certainly have not done so. But both France and ourselves will have to try many expedients to finance this terrible war, and a premium bond issue is likely to be one of them.

We are all perfectly convinced of the absolute necessity for economy in food consumption, and the appointment of Sir Arthur Yapp as Director of a department to continue the propaganda with this object in view is a wise and popular step. But we hope the Food Controller will not make the mistake of exaggerating difficulties by making out the position to be worse than it actually is. Here we have a controversy between him and Mr. Kennedy Jones, who conducted a food economy campaign in the first half of the year. Mr. Jones says that up till July the saving in bread consumption was 22 per cent. Quite recently we have been officially told that it was no more than $5\frac{1}{2}$ per cent., exactly one-fourth of what Mr. Jones claims, and this at a time when potatoes and other vegetables are very plentiful, which in the ordinary course would lead to less bread consumption. Of course, the lowering of the price to 9d. per quartern loaf has led to a certain increase in consumption as it was almost bound to do, but we find it very difficult to believe that it can have made all the difference between 22 per cent. and $5\frac{1}{2}$ per cent. One or other of the figures must surely be wrong, and we hope it is the latter. Considering the "dilution" of flour, the fact that "war bread" is very unpalatable to a great many people, and that rations are strictly enforced in nearly all hotels and restaurants it would surprise us greatly if a saving of no more than $5\frac{1}{2}$ per cent. had been effected. But the point ought to be definitely cleared up, or the discrepancy explained, as it will do incalculable harm if the public get the impression that they are being fooled.

It is announced that the Food Controller has under preparation a scheme for the purchase in India and Ceylon of all tea for export to the United Kingdom. Arrangements for the distribution of tea so purchased are still under consideration, but it is stated that there will be as little interference as possible with regular trade practice. This is, we suppose, an inevitable corollary of the disorganisation created in the trade by fussy and unnecessary interference at a time when prices were quite moderate and supplies coming forward freely. Even now the best solution of the threatened shortage would have been to release the trade from its shackles and provide more tonnage for tea freights, as must be done whether the Food Controller or private firms are the importers. At the best, control means another army of clerks and irritating officialism, and whether the consumer will be the smallest degree better served is extremely doubtful.

Some notable statements were made by Mr. Lane, the able Secretary of the Interior in President Wilson's Cabinet, when addressing the greatest meeting of American business men ever held. "We are determined on war," he declared, and proceeded to deliver an indictment so overwhelming and so dignified that we are constrained to give readers the chance to preserve it:—

The American people are determined to resist the aggressions of Germany—a Germany that broke her word to us; a Germany that sought to start a revolution inside our border; a Germany that sought to bring enemies upon us from the outside while we were at peace with her; a Germany that first borrowed money in this country and then grew angry because her enemies followed her lead; a Germany that grew angrier still because we sold munitions to her enemies, following the indisputable legal right she herself frequently exercised; a Germany that in violation of her own word sank the ships we sent to feed the starving Belgians; a Germany that pretended to fear Russia, that did not have one-half enough rifles to arm her troops, nor enough munitions to supply them for a month, nor enough railroads to carry the munitions they had; a Germany whose national policy was to teach each nation to distrust every other nation, whose military policy was to spread terror, whose naval policy was to prey upon neutrals; a Germany who believed that all other peoples must live only with her consent, and that she must bring all peoples into a constant state of subservience and fear.

We are against this Germany because we cannot live with her. She is our enemy because she is the world's enemy. We fight her because we cannot be friendly with her. She does not know what friendship is. She asks that her friends dishonour themselves. Those who are not for her are against her. She is an organised ambition that is hostile to the world's peace. If there is a better Germany inside her and she will show it, she can again be restored to the family of nations as a friend.

But we are determined we shall fight Germany, that revealed spying, intriguing, terrorising Germany, until the better Germany honestly says:—"We want to live upon the same conditions as our fellows. We realise that the day of another Roman Empire has passed. We are conscious that no man can play Napoleon now. We wish to play the 20th-century game under 20th-century rules. We believe, with our genius for organisation, our intense absorption in work, we can win our way to a place in the sun without spies, without intrigues, without terror." It is now 1,900 years since Cæsar defeated the Germans in France. When they came asking terms he said to them:—"Go back whence you came, repair the damage you have done, give hostages, keep the peace for the future."

This war will end when Germany knows she must give hostages to keep the peace in future. It was an ancient barbaric custom to take the princes and high men as hostages. This custom Germany followed when she entered Belgium. But the world does not ask such hostages to-day. It is the problem of the world to discover what kind of hostages Germany can give when she has been convinced that her hope of world overmastery cannot come true.

This week the United States Government has taken steps to put a stop to the persistent rise in the prices of essential war materials, which will cheapen the cost of munitions to all the Allies. The price of copper has been fixed at $23\frac{1}{2}$ cents per lb., free on board at New York to the Government, the public, and the Allies, by an agreement made between the Government and the producers. The price will be effective for four months, when it will be susceptible to revision. This figure is considered quite satisfactory by the producing interests, but in London it had been anticipated that the figure would be 25 cents per lb. Consequently the price has been lowered by £10 to £110½ per ton for standard copper, and by £7 to £128 for electrolytic. This will mean a considerable saving on copper purchases made by this country. The steel producers have agreed to the Government price for steel bars at Pittsburg and Chicago of \$2.90 per cwt., as compared with the recent price of \$5.50. For pig-iron the price has been fixed at \$33 a ton, a reduction of 43.1 per cent., while the price of steel shapes is to be \$3 per cwt., a reduction of 50 per cent., and the price of steel plates \$3.25 per cwt., a reduction of no less than 70.5 per cent. The steel prices are to be the same to the Allies as to the United States Government. There is to be no reduction in wages, and the producers have pledged themselves to maintain the maximum output so long as the war lasts. The steel prices become effective at once, but will be subject to revision on January 1.

Although the report of the Bank of Australasia for the half-year to June 30 gives indications of a considerable contraction of business in certain directions, gross profits were well maintained, being, in fact, £18,000 up at £477,000. Ordinary expenses were practically the same as in the corresponding period, but rates and taxes took £19,000 more, and the nett profit of £205,200 consequently shows a slight reduction. The usual dividend and bonus of 17 per cent. per annum, or £3 8s. per share, free of income-tax, is paid, and £5,000 more at £35,000 is placed to reserve, but the amount brought in was £7,000 larger, and the balance forward is almost identical at £122,900. Note circulation increased £30,000 to £336,000, but deposit and current accounts are £40,000 down at £20,644,000, and there is a reduction of £1,150,000 to £2,984,000 in bills payable, &c. Bullion and cash balances are £360,000 lower at £5,324,000, and British Government securities are £970,000 down at £1,003,000, but loans at call and short notice have jumped from £95,000 to £3,345,000. The most important change, however, is the reduction of £3,100,000 in discounts and advances, which now amount to £18,350,000, a clear indication of restricted general trade. As a result of these movements the balance-sheet total is £1,100,000 lower at £29,132,000, but the bank is strong and prosperous, and will be in an advantageous position to take its full share of business when more normal conditions return.

In considering the results of the Commercial Bank of Australia for the half-year to June 30, it must be borne in mind that the corresponding six months were exceptionally prosperous, the nett profits showing an in-

crease of £24,000. Consequently, it is not altogether surprising to find that there has been some reaction in the period under review. Gross profits were £9,000 less at £158,800, and the nett profit comes out £4,000 lower at £64,400. Also the amount brought in was £4,000 smaller, but £15,000 against £20,000 is set aside for reinstatement of capital, and the provident fund gets nothing, against £3,000, so that after again paying 4 per cent. on the preference shares, the carry forward is practically the same at £9,400. Progress, however, is shown in several directions. The estimated deficiency in connection with the Special Assets Trust Co., Ltd., has been reduced by £48,000, and in two years £83,000 has been written off this account. It still amounts to £678,000, so there is a long uphill road to travel, but the position is now very much better than seemed probable not so very long ago. Bills in circulation have been reduced £515,000 to £233,000, but deposit and current accounts are £945,000 higher at £8,086,000. Cash balances have increased £450,000 to £1,995,000, and money at call, &c., in London is up £1,100,000 at £1,566,000, but discounts and advances are £850,000 lower at £4,990,000, mainly owing, we presume, to Government purchases of wool and wheat. The balance-sheet totals at £10,347,000, an increase of £500,000, and although everything is not as rosy as we could wish, the position is steadily improving.

Two Irish banks make up their annual accounts to August 31, and their reports have just been issued. The Ulster Bank, Limited, has done a substantially larger business, as is indicated by an increase of £1,300,000 to £12,877,000 in the deposit and current accounts, and of £460,000 to £2,884,000 in the note circulation. Profits were only £1,000 higher at £135,200, but £7,500 more was brought in, and after repeating the dividend of 21½ per cent., £13,500 more at £36,560 is carried forward, the deduction of income-tax making the distribution £5,000 less. As on the last occasion, £30,000 is written off for depreciation of investments, £4,000 is placed to superannuation fund, and a 10 per cent. bonus to the staff absorbs £7,960. Investments have increased £40,000 to £6,524,000, cash balances £470,000 to £4,173,000, and bills discounted, short loans, &c., £1,300,000 to £6,475,000. The balance-sheet total is £1,800,000 higher at £17,173,000, and everything looks prosperous. On the other hand, the Royal Bank of Ireland has not done quite so well. Nett profits were £5,400 less at £31,190, and, with a smaller amount brought in, the balance available is down £6,600 at £44,350. The dividend of 10 per cent. is repeated, but £2,500 less at £10,000 is placed to reserve, the allocation to superannuation fund is reduced, and £4,700 less at £8,350 is carried forward. However, deposit and current accounts show an increase of £86,000 at £2,190,000, and cash balances are £55,000 higher at £320,000, but we are afraid business in Dublin has not fully recovered from the effects of last year's most unfortunate disturbances.

Returns as to bankruptcies in the United Kingdom show that the trading losses from this cause in 1916 were the lowest for many years past. The outbreak of the war caused a sharp upward movement in 1914, when the liabilities to creditors advanced over two millions to £9,880,000, while the estimated loss rose £1,800,000 to £8,155,000. In 1915 the liabilities under bankruptcy orders and deeds of arrangement dropped to £5,800,000, and the estimated loss to £3,340,000, so that there was a very notable improvement in the first complete year of war. Last year this satisfactory movement continued. The number of cases fell from 4,030 to 2,600, the estimated liabilities were reduced to £4,200,000, and the losses to £3,410,000. These figures refer only to England and Wales, while in Scotland the liabilities were reduced from £425,000 to £255,000, and in Ireland from £84,000 to £68,000. Evidently, therefore, the causes at work to produce this state of affairs were general

throughout the kingdom. No doubt the Courts (Emergency Powers) Act has had a good deal to do with the reduction in the number of cases registered, but probably a more potent reason is the fact that the State has become by far the largest purchaser of commodities of all descriptions, even from comparatively small producers or distributors, and the State is a good payer, albeit rather slow at times, we are told. Furthermore, the great bulk of the people have been making more money, and consequently better able to pay their way than ever before. Merchants and traders, therefore, have not been incurring bad debts to the same extent as in normal times, and have little excuse for defaulting on their own account. Add to these considerations the fact that ordinary trading enterprise has been checked in many directions and pure speculation largely eliminated, and there are reasons enough for the favourable bankruptcy figures.

Having regard to the Treasury's restrictions on company activities, it is rather surprising to find that there has not been a much greater decrease in registrations than is actually the case. According to the report of the Comptroller of the Companies Department, the number registered in England and Wales was 3,081 last year against 3,749 in 1915, with a nominal capital of £46,476,000, against £49,284,000. In Scotland and Ireland the numbers were practically the same in both years, but whereas the nominal capital in Scotland fell from £3,254,000 to just over £3,000,000, in Ireland there was an increase from £816,000 to £966,000. During the year 4,287 companies were struck off the list, and on April 30 last there were 66,130 companies on the register having a nominal capital of £2,737,730,000, as compared with 66,094 and £2,717,000,000 the year before. Of the new concerns registered last year, only 140, with a capital of £5,400,000, issued a prospectus, or a statement in lieu thereof. As the average capitalisation of the others is nearly £15,000, the absence of proper particulars in such a large number of cases is not very satisfactory.

Although the profits of the Prince Line for the financial year ended June last are not up to those of the preceding period, they are, nevertheless, very substantial, and if the accounts reflected present conditions shareholders would have no cause for complaint. But the report is, we are afraid, far from indicative of present earning power. The company, in common with other shipping concerns, must now be very severely handicapped by the new restrictions and exactions, and cannot be expected, unless drastic legislative changes are made, to do so well during the current year. The outlook is, however, not without a ray of hope. There is a movement on foot to obtain a revision of Blue Book rates, and war insurance premiums may be reduced as the submarine and mine losses become less. Anyway, the company's profits, after providing for depreciation and excess profits duty, for the period mentioned above, were at £430,816, within £64,500 of those of the previous year. The dividend is maintained at 30 per cent., and £250,000 is again set aside to reserve fund for protection of the company's trade, but nothing is this time set aside to general reserve, which received £50,000 a year ago. As £14,880 more was brought in from the previous year, the carry forward is left slightly higher at £50,830. It is impossible to ascertain from the meagre figures given in the balance-sheet to what extent the financial position of the company has improved during the period, but the reserves now amount to £1,135,000, and the position is evidently very strong. During the past two years several of the company's steamers have been lost, and as the amount recovered must have been considerably in excess of the book values, the difference, presumably, exists as a secret reserve under the heading of "sundry creditors and agents' balances," which figure at the enormous total of £1,387,780, an increase of £368,850 on that of the previous year. A reserve of this character could, of course, be utilised to replace steamers lost, and the board are therefore quite in order in dealing with it in

this way in the accounts. The book value of the fleet cannot be ascertained from the accounts, as investments and book value are grouped together.

The Associated Portland Cement Manufacturers had many difficulties to contend with during the 12 months ended June last. Restrictions upon building and construction work were rigorously enforced, and inadequate transport facilities prevented the expansion that was hoped for in the export markets. And with the reduction in output the cost of production went up. Fortunately, however, the company obtained a very satisfactory and initial return from the South African works in which it is interested, and it is to this circumstance, in a large measure, that the increase in earnings is due. Profit after providing for income-tax and depreciation amounted to £340,050, an increase of £6,050. The first debenture service absorbed £116,750, the second debenture service £126,900, and other interest charges £26,810. These payments left a surplus of £69,600. Of this £50,000 is allocated to reserve and depreciation account, and the balance of £19,600 added to the larger amount brought in, raising the carry forward to £183,700. During the year nett additions to the amount of £25,250 have been made to the omnibus item freehold and leasehold estates, chalk and clay lands, works, rolling stock, goodwill, &c., raising it to £7,284,050. Investments at cost and loans are £38,330 higher at £2,050,370, and stock has risen £21,200 to £363,735. Sundry debtors owe £61,290 less, however, at £362,770, and cash and bills receivable exhibit a shrinkage of £21,400 at £67,250. Creditors have fallen £97,450 to £173,500, but there is a new item, secured deposits, £95,200. Debenture debt to the amount of £71,150 has been redeemed during the year, and a reduction of £30,675 has been effected in certificates of indebtedness. While present conditions continue there is not, we fear, any prospect of a dividend on the preference shares, but the future is undoubtedly with the company, for there should be an enormous demand for cement after the war.

A year ago the Union Cold Storage Co. showed a slight falling off in business, but in 1916 the lost ground was fully recovered, and the balance of working profits comes out at £253,560, an increase of £5,000. The whole of the gain is written off for depreciation, and the nett profit of £182,750 is almost identical with last year's figure, but £7,500 more was brought in, and after repeating the dividend of 10 per cent. the carry forward is increased by that amount to £45,000. During the year debentures for £44,340 and mortgages for £8,500 were paid off, about £4,000 more than last year. In the meantime the capital has been increased by £300,000, but the accounts under review derive no benefit from the addition as its employment dates from 1917 only. Capital expenditure during the year amounted to £680,000, and now stands at £3,291,000. Debtors have increased £94,000 to £447,300, while cash has been reduced by £150,000 to £161,300. With goodwill written down to the nominal sum of £26,000, the company is in a strong position, and the recent extensions of the business may be expected to yield excellent results in the current and future years.

A year ago A. M. Peebles and Son had to pay a premium to their debenture stockholders in consideration of the extension of the date of redemption to 1926, and only one year's arrears of dividend was paid on the preference shares. This time, although profits exhibit a slight shrinkage, the preference shareholders receive two years' dividend. The profit amounted to £27,400, a decrease of £3,580, but on this occasion provision had been made for head office expenses before striking the balance, whereas last year this item figured as a deduction of £2,065. Thus, although debenture interest required £780 more at £5,200, the amount available, before providing for excess profits duty, only exhibits a decrease of £2,670, but it is to be feared that

this import will call for a considerably larger sum than last time. The two years' dividend on the preference shares required £10,000, and left a surplus of £11,100 to add to the carry forward, which is left £11,550 up at £30,250. In the balance-sheet sundry creditors have gone up £14,260 to £69,630, and bills receivable have fallen £8,300 to £5,570, but sundry debtors are £25,930 more at £95,600, cash has risen £1,290, and there is a new item, investments, £3,835. The position is certainly stronger than was the case in the pre-war days.

At last the Americans have decided to take a financial interest in Rand mining. A concern entitled the Anglo-American Corporation has been formed at Johannesburg with a capital of £1,000,000, subscribed at par, and with power to raise another £5,000,000. The immediate object of the company is to tender for the areas on the Eastern Rand, bids for which are to be opened on Tuesday next. There are four new areas to be tendered for, and the amount of capital required to develop them is estimated at nearly six millions. The directors are Mr. Ernest Oppenheimer, chairman, Mr. W. I. Honnold, formerly of the Consolidated Mines Selection group, the Hon. Hugh Crawford, the Hon. H. C. Hull, and Mr. H. Sabin, of the Guaranty Trust Co. of New York. It was nearly two years ago when the idea of enlisting American capital for the exploitation of the Far Eastern Rand was first mooted by Mr. Isaac Lewis, who made a provisional arrangement with a group headed by Messrs. Lewisohns, of New York, to develop the Lewis and Marks properties, but that scheme has been held up, and the new company just formed is the first definite arrangement for introducing dollars on the Rand. It is understood that the new company is an entirely independent concern, which should, however, prove a powerful ally of the Consolidated Mines Selection group.

Argentine Notes.

It is still a far cry to the harvest, and it is never safe to indulge in prophesy concerning the crops of a country of such climatic vagaries as the Argentine, but providing conditions continue normal a bumper yield of wheat, linseed, and oats is to be expected. No final figures as to the area put under wheat are yet available, but it is safe to assume that the amount sown will greatly exceed that of last year; for apart from the incentive of high prices cultivators have been induced by insistent propaganda on the part of the Government and the railways to sow early and on larger extensions of land. A much larger area has also been put under oats, while slightly more linseed has been sown. Up to the latest advices the incidence of frost, rain, humidity, and sun have been everything that could be wished, and the crops look most promising. If everything goes well it does not seem extravagant to expect a wheat yield of, say, 6,475,000 tons against 2,106,000 tons only in the past season and 4,698,000 tons in 1915-16. In the case of oats an estimate of 1,467,000 tons seems quite capable of realisation, barring accidents. This would compare with a production of 488,000 tons last year and a yield of 1,093,000 tons in 1915-16, while as to the linseed crop this looks like being 1,000,000 tons larger than the exceptionally poor crop of a year ago.

But this is only one side of the picture. The burning question of the moment is, Will there be a strong demand for this bumper harvest, and will there be ships to carry it away supposing that demand to exist? In some quarters a pessimistic view is taken of the fact that in spite of the shortage of wheat the British Government has so far only availed itself of the decree permitting it to take away 180,000 tons to the extent of rather less than half that figure, it being thought that increased cultivation of this cereal in the United Kingdom, economy in its use, and the pooling of the wheat resources of Canada and Australia may have possibly made the sending of a larger number of British ships to far-away Argentina a less urgent matter than

appeared at first sight. It may be, however, that the destination of a number of British ships has been determined by other considerations, and that now the German-Swedish "Post Office" in Buenos Ayres has been closed, it may be found practicable to divert a greater tonnage to the Plate. The wheat position is certainly not such that we can afford to dispense with Argentine supplies. Nor does there seem to be any likelihood of an eventuality of this character in the near future unless the shortage of tonnage grows much more acute than at present anticipated.

The British public is becoming more and more amazed at the Argentine Government's ridiculously impossible attitude towards the foreign-owned railways of the country. Here in a time of war and stress unparalleled in history, with working expenses up at unheard-of heights, and poor traffics, the Argentine Government are seeking to obtain exactions and impose conditions which even in pre-war times would have been considered utterly impracticable. A most glaring example is the projected Pensions Law recently the subject of a petition by the legal representatives of the railway companies to the Chamber of Deputies. Among the many astounding facts contained in the note as published by the *Review of the River Plate* is the statement that if this projected law be put into effect, it would reduce the net earnings of the railways by more or less than a half, making it impossible for the companies to pay even the interest on their debentures. How the Argentine Government can seek to impose a law of this character on the companies passes our comprehension. The companies, in the petition, state their case with moderation without neglecting to assert the rights which the laws and their concessions give them, and frankly express a desire to meet the governing powers more than half-way in any practicable pension scheme. It is to be hoped that the many serious statements so deliberately made are receiving from the executive and legislative powers the attention they merit.

As if to aggravate the difficulties of the situation, a perfect epidemic of labour disturbances of a most violent kind have broken out in various parts of the country, accompanied by acts of sabotage. In all the circumstances it is small wonder that the railways have at last been forced to raise their freight rates, an announcement of an increase in tariffs of 22 per cent., to take effect from December 15, having been made. This, as would be expected, has provoked much opposition and discussion. Exception is being taken to the giving of no prior notice or the application for permission, and the Ministry of Public Works has announced that it will issue a decree disallowing the projected increase. The action of the companies is apparently based upon Law 5,315, Article 9, under which rates can be increased whenever profits fall short of a fixed percentage. There always has seemed to be considerable difficulty in interpreting certain clauses of Law 5,315, but there is no doubt that the companies would not have taken the step unless they felt sure of their ground. One thing is certain, and that is that it is fatuous to attempt to govern the operations of the railways by clauses framed at a time when present conditions were not thought of, restricting the ratio of working expenses to an impossible level, and that tariffs will have to be adjusted to meet the existing situation.

To say that the progress of Argentina has been mainly due to its railways, built almost entirely with foreign capital, is to repeat a trite truism. Without this network of railway facilities the country would not be in the position it occupies to-day, and without their efficient operation and extension when required, its progress will be retarded. Unless the companies receive fair treatment, Argentina will certainly not receive the financial assistance she so urgently needs, and it is sincerely to be hoped that the prominence recently given to the various vital questions will result in a reciprocation of the present temperate and conciliating attitude of the companies and the advent of an equitable railway régime.

Exports in 1916.

A week or two ago we gave particulars of some of the more striking figures of imports in 1916 as compared with 1913, extracted from the "Annual Statement of Trade," and we now propose to follow them up with a similar survey of exports of British manufactures. The following table gives a comparison of the principal items, quantities being shown wherever possible:—

(000's omitted.)

	Quantities.		Value.	
	1913.	1916.	1913.	1916.
Apparel	—	—	£ 9,667	£ 8,704
Ammunition, &c.	—	—	4,707	9,555
Beer and ale barrels	655	704	2,135	3,134
Biscuits cwt.	481	382	1,562	1,752
Books, &c. cwt.	470	392	2,800	2,390
Boots & shoes.. doz. pairs	1,720	1,622	4,445	6,696
Motor cars and parts	—	—	4,359	3,420
Cement tons	748	410	1,273	997
Chemicals.....	—	—	10,590	14,232
Chinaware cwt.	4,042	2,119	3,400	2,614
Coal tons	73,400	38,352	50,727	46,386
Coke, &c. tons	3,288	2,806	2,932	4,284
Cocoa preparations.. cwt.	165	184	1,039	1,465
Corn and grain cwt.	8,962	2,836	3,562	2,775
Cotton, yarn lbs.	210,099	172,170	15,006	13,429
" piece goods.. yds.	7,075,252	5,254,223	97,776	88,788
" other mtrs.	—	—	12,819	14,835
Electrical goods	—	—	5,386	4,084
Fish cwt.	10,999	1,830	7,503	2,356
Glass cwt.	—	—	1,814	1,304
Hardware cwt.	1,038	477	2,449	1,688
Hats doz.	1,518	1,058	2,312	1,541
Implements and tools ..	—	—	2,797	2,290
Jute piece goods yds.	173,484	119,583	3,066	3,132
Linen yarn..... lbs.	16,306	9,585	1,216	1,069
" piece goods .. yds.	193,681	144,064	5,969	6,717
Machinery tons	746	322	37,013	20,218
Manures..... tons	704	363	5,745	4,952
Medicines	—	—	2,352	4,355
Metals—Copper tons	53	20	4,180	2,473
" Pig-iron.... tons	1,124	917	4,824	7,434
" Iron & steel tons	4,934	3,295	54,292	56,674
Oils	—	—	4,463	3,977
Oil-cloth yds.	51,919	32,058	2,632	2,072
Painters' colours .. cwt.	2,465	1,917	3,286	4,026
Paper cwt.	3,500	2,557	3,679	5,195
Ships, new	—	—	11,027	1,290
Silk manufactures	—	—	1,705	2,040
Soap..... cwt.	1,747	2,173	2,093	3,459
Spirits gals.	10,090	9,564	4,188	5,133
Stationery.....	—	—	1,986	1,949
Confectionery, &c.. cwt.	637	352	1,417	1,163
Tobacco lbs.	32,994	37,229	3,376	4,766
Wool lbs.	106,677	57,160	7,645	6,537
" yarn lbs.	80,415	33,090	8,040	6,444
" tissues..... yds.	105,884	131,762	14,467	22,710
Worsted tissues yds.	62,490	52,212	6,186	7,273

Curiously enough, the great bulk of apparel exported goes to South Africa. Cape Colony last year took £1,320,000, an increase of £200,000; Natal

LLOYDS BANK LIMITED.

HEAD OFFICE: 71, LOMBARD STREET, E.C. 3.

CAPITAL SUBSCRIBED	- £31,304,200
CAPITAL PAID UP	- 5,008,672
RESERVE FUND	- 3,600,000
DEPOSITS, &c. (June, 1917)	141,053,601
ADVANCES, &c. do.	67,573,903

FRENCH AUXILIARY:

LLOYDS BANK (FRANCE) LIMITED.

£725,000, or very nearly double; and the Transvaal £1,246,000, or £540,000 more than in 1915. Australia also is an excellent customer for this class of goods, with a record last year of nearly a million, an increase of £210,000, while New Zealand took £840,000, or £226,000 more. Among foreign countries, France, Denmark, the United States, and Argentina take quite a respectable amount between them. Most of our beer went to France (quite apart from Army supplies), exports being a million up at £1,460,000. The United States took £260,000 worth, and Egypt £250,000, both showing considerable increases over 1915. Nothing need be said about arms and ammunition, biscuits, boots and books, which show substantial increases in the aggregate, but are too widely distributed to give any particular point for comment. In the case of carriages, motor-cars, &c., the Allies have had the bulk of what we have been able to send away, but Brazil and Argentina have been our best customers for cement. Chemicals are very widely distributed. France had £950,000, Russia £336,000, and the Transvaal £415,000, all large increases as compared with pre-war times, but the rest of the trade gives nothing to write about. In the case of coal and coke, France got £19,150,000 as compared with £5,890,000 in 1912, and Italy £7,100,000, against £6,070,000. Norway and Denmark had considerably more than in 1913, the increase being £1,800,000 in one case and £1,200,000 in the other. Stated in percentages, Norway had 130 per cent. more and Denmark 160 per cent. more.

Jumping one or two unimportant items, we come to cotton, and critics of the earlier stages of our blockade are welcome to make what use they can of the figures, if they are shortsighted enough to do so. Most of the business (probably for Germany to a large extent) went through the Netherlands, and these are the details:—

	1913.	1914.	1915.	1916.
Cotton waste....lbs.	7,527,000	5,456,000	10,082,000	12,565,000
" yarn ....lbs.	39,255,000	43,147,000	59,746,000	64,232,000
" thread ..lbs.	416,000	626,000	758,000	1,694,000
" piece goods yards	84,256,000	59,329,000	48,090,000	69,820,000

It looks very suspicious at various points, but—"the fault of the Dutch," and we could not help ourselves until the United States came in, and it is certain that the cordon is now pulled very much tighter. There has been a heavy falling off in fish exports, but that is mainly because Germany was one of the principal buyers and shipments to Baltic ports have been nearly cut off, while it must be remembered that a large proportion of our fishing fleet is at present otherwise engaged. Jute manufactures mainly go to the United States and Canada, and the United States also take the bulk of our linen goods. Machinery has gone to France, Russia, Italy, Spain, and Japan in fairly large quantities, but outside exceptional demands India is our best customer, while Australia and South Africa take substantial amounts. Java has taken an enormously increased amount of manures, and Norwegian imports also show a large advance, but nothing to make a Yellow-Press stunt over. France got most of our iron and steel, the total last year being £22,740,000, against £1,575,000 in 1913, but Italy, Japan, India, and Australasia were also well to the fore with their purchases. Denmark, Holland, and France largely increased their imports of tobacco, but China and Argentina are our best regular customers. China, however, only got 8,300,000 lbs. last year, as compared with 11,500,000 lbs. in 1913. With regard to woollens, we suppose we must look at what has been going into Baltic ports and countries contiguous to Germany. Here is the list with regard to the principal items:—

	1913.	1914.	1915.	1916.
Norway.....yarn lbs.	1,553,000	981,000	818,000	1,597,000
" mfrs. yds.	174,000	223,000	309,000	2,149,000
Sweden.....yarn lbs.	1,342,000	805,000	570,000	595,000
" mfrs. yds.	238,000	199,000	247,000	1,182,000
Denmark yarn lbs.	1,979,000	1,720,000	2,288,000	3,221,000
" mfrs. yds.	697,000	734,000	1,360,000	6,265,000
Netherlands....yarn lbs.	3,163,000	1,550,000	2,271,000	1,955,000
" mfrs. yds.	4,340,000	3,102,000	2,139,000	6,279,000

Of course, there have been notable increases in several directions, but it would probably be quite wrong to assume that any large amount of the surplus went into Germany, although we have not the least doubt that a proportion found its way thither. On the other hand, it must be remembered that these countries drew on Germany largely for their supplies before the war, and if we have been able to fill the gap to a certain extent we need not worry too much about a certain amount of leakage which at the most can only have been trifling. However, there are the figures for what they are worth, and they are of value as records.

The Sugar Commission Report.

Sugar has been one of the worst domestic problems of the war, only approached by the artificial (and fortunately temporary) potato famine last spring, and therefore the operations of the Sugar Commission, which was appointed in the earliest days of the war, to be precise on August 20, 1914, will be read with exceptional interest. So far as we can judge from a perusal of the report, the Commission has done its work in an eminently satisfactory manner, and if difficulties have arisen, it is mainly due to extraneous circumstances. We are told, for instance, that the Commission had until recently only a staff of 20 persons in all, and at the date of the report this had only been increased to 26, but, as is pointed out, the main difficulty has been a question of distribution rather than of the amount of purchases available for consumption, and this presents a difficult problem which such a small staff could not possibly handle. The regulation of distribution in detail must of necessity demand a highly elaborated system of supervision and the collaboration of local organisations such as are now contemplated in connection with sugar cards; but it must be perfectly obvious that this will require an enormous clerical organisation, and whether it would not have been better to allow a certain amount of freedom under proper regulations, such as the Sugar Commission had in force until the Food Control Ministry took the matter over, is, at any rate, an open question.

What comes out clearly is that the Commission even during the period of the greatest restriction never distributed less than 24,000 tons per week (exclusive of supplies to the Allies), while on a basis of $\frac{3}{4}$ lb. consumption per head of the population, the requirements would not exceed 14,000 tons per week, thus leaving an average surplus of 10,000 tons for the supply of the naval and military forces and for manufacturing purposes. Under the voluntary ration, the consumption is supposed to be $\frac{1}{4}$ lb. per head per week, and the great grievance is, and has been, that even this has not been obtainable by the great majority of ordinary consumers. It is impossible to conceive that the Army and Navy can consume more than two to three thousand tons per week, and therefore there have been at least 7,000 tons available for manufacturing in the shape of jams, confectionery, &c. That is more than an ample supply under normal conditions, but there must have been an enormous leakage somewhere to prevent the ordinary consumer from receiving the $\frac{3}{4}$ lb. to which apparently the Sugar Commission considered him or her entitled. Until the beginning of this year it was possible for consumers to obtain all that they could reasonably require on the basis of purchasing a certain amount of other goods, and as long as that arrangement prevailed, we believe that there was no substantial grievance. Of course, while the arrangement compelled purchasers to buy, say, tea alone in order to make up 2s. or 3s. for every pound of sugar purchased, there was a difficulty, but when it was arranged and ordered that the outside purchases should not be confined to any specific article, there is good ground for believing that the arrangement worked much more satisfactorily in preventing hoarding and in allowing every household to get a legitimate proportion of the sugar available than is likely to happen under even the sugar-card system which is now being adopted.

Possibly up to a point people bought more other stores than they actually required in order to obtain a larger supply of sugar than they were entitled to; but in the course of a very few weeks it was discovered that purchasers were being kept within the reasonable limits of ordinary household requirements, and if people for any specific object desired to keep up large purchases of sugar, the goods accumulated in this way correspondingly soon brought them back to more or less normal purchases. Whether the sugar-card system, of purely bureaucratic origin, is going to create a better situation remains to be seen, but it is at least extremely doubtful, and we hope that the experience will prevent the idea of bread tickets—which certain Press expressions seem to indicate that officialdom would love for the sake of creating still another army of civil servants—from being countenanced.

Of course, the Sugar Commission had an extremely difficult task to perform after its appointment, for the simple reason that between 75 and 80 per cent. of our sugar imports came from enemy countries. Judging by the brief particulars given in the first report, with which we are dealing, the business on the whole has been conducted in an extremely able and successful manner. Of course, we have heard of cases in which the Commission seems to have been somewhat in error, but the problem is of such large dimensions, and the complications are so varied, that we are quite prepared to concede that the work has been on the whole very satisfactorily performed. Take, for instance, the question of the prices paid. During the greater portion of the period of the Commission's operations, it is the case that the selling price of sugar in this country has been below that of sugar in New York, notwithstanding the added cost of freight and war risk insurance, and the fact that America is at the base of some of the largest natural supplies. Taking the date as December, 1916, the price of sugar in the United Kingdom, exclusive of duty, was 26s. 10½d. per cwt., whereas in New York for similar quality goods the price was 28s. 2½d., or 1s. 4d. in excess of the price in this country. The cost of freight and insurance added relatively a very large percentage to the price in bond here, and, unfortunately, the marine losses amounted to 61,600 tons, but this was covered by the insurance account, which, in fact, has a balance of approximately £500,000 to its credit. The total disbursements and liabilities incurred by the Commission up to the end of November, 1916, has been £81,100,000 in respect of a total quantity of 3,951,000 tons (exclusive of purchases for the Allies), while the total sums realised in cash up to the same date have been £75,263,000. Assuming, however, that stocks in hand and in process of importation are disposed of at current rates, the transactions up to date are estimated to show a profit of about £2,000,000. This, however, represents a profit of not more than about 1-18th of a penny per lb. on the sugar supplied. The Commission, since its inauguration, has had virtually a monopoly of sugar, except in the case of low-grade stuff used for brewing or the manufacture of brewing materials, and it would have been possible for the Commission to have made a very large spectacular profit on its transactions. In the view of the Commission, however, that would have exceeded its legitimate functions. It would have converted the Commission into a taxing authority, and rendered it open to the charge of abrogating to itself a power which belongs exclusively to the House of Commons. Accordingly the Commission fixed the selling prices with a view to earning returns merely to cover all the expenses of the Commission, and to provide a reasonable margin against contingencies. Among the contingencies for which provision must be made is the cost of liquidation when the Commission is wound up, which must necessarily happen soon after peace is declared. What the effect of peace will be on prices it is impossible to predict, but there is a probability that a considerable fall in the price will have to be faced, and any such loss will fall on such stocks as the Commission will then have in hand. Having regard to this, the Commission naturally

requires to have a fair margin over and above the actual cost, to prevent loss, and that is a perfectly legitimate business proposition. This seems a thoroughly sound principle for the Commission to work upon, and we do not see any reason to quarrel with the basis which it has adopted for its operations. On the whole they seem to have been, apart from extraneous interference, eminently successful.

By-the-Way War Notes.

Germany has long ago been defeated in all forms of fair fighting. But, nevertheless, the Prussian masters of Germany have had their victories, and the latest of these is their success in driving the British people to accept ruthless war in the air as a necessity forced upon them. Goaded by these air raids on London, motiveless in any military sense, useful only as a sort of wool on which to weave romances around, with which the witless, conceited German people may be kept docile and subservient, the people of the United Kingdom are driven to conclude that the brutality can be stopped in one way only. Raids must be organised with equal energy and persistence, but with better skill, and carried out all over Germany. To this there can now be no alternative. To submit in meekness to these aerial murders has become impossible. To stop them by the devices and apparatus invented for the purpose is also so difficult as to be nearly impossible; for the air is wide, and the attacks are always sudden, as much as possible unexpected. There is but one effective way left. We must stop the raids by teaching the Germans what this species of bestiality really means. They are now treated to cunningly put together romances which hide from them the real nature of the crimes they are ordered to commit, and do commit. They think that their own airmen are merely doing what we and our French and Italian Allies do constantly in Belgium, Alsace, Lorraine, and wherever they slip over the border into Germany in quest of military depôts, fortifications, railways, bridges, &c., to destroy. Nothing is said about the slaughter of civilians here, any more than about the fiendish bomb-droppings on hospitals, but the property wrecked, or asserted to be wrecked, is gloated over, and is always public property. And the "£210,000,000 devastation" committed on London by the last raid, as the Germans compute it, is asserted to be the execution of a policy that will "discourage England from continuing the fight." And still the people read and appear to believe.

We cannot get at these besotted creatures to tell them the truth, but we may be sure that so radically are their minds perverted, they would not believe us if we could reach them. Therefore, a systematically arranged campaign of reprisals must be undertaken and carried out. "The Germans do not care twopence about what we do to the Belgians," our newspapers tell us, and that is probably true. But for that matter neither do they care twopence about what happens to themselves so far as loss of life is concerned. The lavishness with which their masters throw away their lives in the land battles proves their indifference. Probably if we sent aeroplanes to Frankfurt-on-Main, and dropped bombs there by which some thousands of the inhabitants were killed and wounded, the Prussian tyrant would remain calm. But if, with the lives, we also sacrificed the public buildings, blew up the banks and otherwise interfered with the elaborately arranged for "success" of this precious "loan," now being touted for in desperation, then, the deluded multitudes might begin to understand a little of what air raids meant, and to comprehend something of the extent to which their masters had befooled them.

Here, then, we see the latest German "victory." They have silenced the conscientious and other deprecators of indiscriminate bomb-dropping upon unoffending civilians, and literally bombed us into the conviction that we can deliver ourselves from the scourge in one way alone. We must retaliate, devoting our skill and adroitness to the most effective methods

of destroying German cities, castles, and palaces; public places and the homes of the rich above all. If in the execution of this programme lives are lost, that cannot be helped. The Germans have invited their punishment, and must reap as they have sown. Not improbably in driving us and our Allies towards this development in the art of wholesale slaughter the Prussian savage is unconsciously pointing out to us the swiftest way to end the war, and the splendid feat performed this week by the Italian aviator, Captain Lauriati, in flying without stop from Turin to London at a speed of more than a mile a minute is an emphatic indication of what is at hand. The United States, moreover, is not spending upwards of £125,000,000 on aircraft merely to promenade artistically in the air hither and thither on the frontier or over the German entrenchments. Prizes have been offered by Americans, one of them by a German, to be given to the first aviator who reaches Berlin, and these prizes are going to be won soon. When the pioneers are followed by others in thousands, and when these thousands spread devastation not only in Berlin, but also on Munich, Leipzig, and Dresden, on the ports of Hamburg and Bremen, on the "iron" cities and towns of the Rhine provinces, &c., &c., then perhaps the German people may begin to comprehend what their infamy and moral degradation have come to mean for themselves. They will be done to death as outcasts from civilisation.

Good therefore may come out of this nerve-straining aircraft plague, good, indeed, is already coming out of it, for it is awakening the Allies to the realisation and true use of their power. We have beaten the savages on land and on the sea; it must soon be in our power to destroy them from the air. After all the subduing of the derelict empires is slow by the old methods of war on land, and it has been rendered slower by modern inventiveness. We have once more thrashed the Germans this week in the battle called of the Menin Road, but as long as the German people remain submissive to the will of their tyrants and present themselves for slaughter down to the trembling youth of 17 and 18 the war can be prolonged. A nation takes a long, long time in killing, and vanitous, gullible, and ignorant races like the inhabitants of the States composing the German empire have shown themselves meek in submitting to the butchery beyond all belief. Therefore we must hasten the end by turning to the air even as the Germans thought to hasten it by falling back on the submarine. The mastery of the air is ours now, as the daily records of the Allied performances on all fronts demonstrate. We must extend that mastery until it is in our power to strike swiftly and with terrorising effect at whatever objective we may select. A steady course of this kind of discipline will probably bring the Germans to their senses sooner than years of wholesale butchery on land or of miocene piracy at sea. They have taught us one more lesson in the ways of savage warfare—how to use the air. That lesson we must apply with all the humanity possible, but also with a thoroughness and an absence of ruth such as experience has taught us to be alone effective with demented people like the Germans. A judicious aerial bombardment of Vienna, particularly in its aristocratic quarters, might work wonders in the way of converting Charles the Habsburg of the advisability of stopping the slaughter of his subjects in furtherance of interests purely selfish and personal. And there is scope almost infinite in Russia, in Bulgaria, in Turkey, and even in Magyar obsessed Hungary. The Germans deserve our gratitude for the persistence with which they have laboured to drive us to adopt supreme measures, and we shall prove that gratitude genuine by the effectiveness of our devastation.

Really the Allies must appear to be most inconsiderate to William the Weedy. He is goading his menials, all and sundry, banking and other, to harrow the empire through for subscriptions to his latest loan—secured only on its dead. These officials are throwing themselves into the hustle as if their lives depended on the results—as, indeed, they do, for it will be "no screw" for the uniformed bully, whether civil or military, when the power to borrow money fails. And evi-

dently it is failing. Subscriptions of as little as one penny—10 pfennige—are thankfully received. Now it is just when in the throes of this ragfair stramash that William the Insane is asked by the Pope to define the terms of peace which his "all highest" bedraggled majesty would deign to offer the Allies. And we, the Allies, seem disposed to complain that his answer to this request or petition is vague, full of insolent assumption, and studded all over with lies. But what could Pope and Powers expect? Is William the Sinister, or are his Junker villains and masters, going to admit to their German dupes that they have failed, that they have not the strength left to hold on to Belgium or to continue to lord it over Alsace and Lorraine, or the more-recently-grabbed-at departments of France, now kept in humiliating, sottish bondage? Dare they hope to raise a loan if they proclaim their inability to exact "indemnities" from the nations they set out to beat in order that they might plunder? It is unthinkable. It is therefore an imperative law of the Junker being that lie they must. And the loutish hauteur affected in the reply to the Pope, the defiant impudence of the falsehoods about the war, equally with the results claimed for the wholly barbarian and, from a military point of view, meaningless air raids on London, serve merely to disclose the plight into which their ingrained habit of lying has brought them. They could not to-day tell the truth if they would, this clothes-horse hero Kaiser and his gangs of thieves—most of them would not if they could. Their whole moral surroundings, the atmosphere of the soul, as one might call it, is steeped in falsehood.

But there is method and there is a purpose in these attitudinising and lyings, and there is recklessness—a growing recklessness—in their composition. Only a few days ago the Prussian high staff lie distillery circulated the falsehood that "the English offensive in the West" had been "entirely stopped," and might be considered "definitely" at an end. How far from the truth that was is made plain by the two battles our troops have fought since, the second of which is not finally concluded as we write. In these battles of the Menin Road the Germans have lost elaborately prepared and fortified positions on a wide front; we have cleared out wasp-nests of the enemy as far east as Zonnebeke, killed and wounded from 50,000 to 60,000 men, captured 5,000 or more prisoners, and spread demoralisation among the survivors. What lies the high staff can now elaborate to help the loan we cannot imagine, but their faculties, we may be sure, will be equal to the emergency, and what may not be attainable by the lie expressed may be reached by the lie of suppression.

Still, Sir Douglas Haig and his gallant men have given the Prussian were-wolf a tough proposition to blunt his wits on. And he gets help from no other quarter, not even from Russia or Rumania. The Russian troops near Riga have been forced back from the Friedrichstadt bridge head, but the weeding out of the feeble and the discontented from the Russian army is improving the quality of those who remain, and they still thrash the Germans on occasion, even near Riga. As for Rumania, the way William Hohenzollern has lately been a-cussin' and a-swearin' at his better-bred and manly kinsman, King Ferdinand, may be taken as evidence that the Prussian game is about up in that quarter. Nor is the position better for the aggressors at any other point. The enemies they have created are wearing down Habsburg and Hohenzollern alike; so we have good hope that the world will ere long be rid of their impostures, their soul-blighting oppressions.

Last week's tale of U-boat crimes was not quite so good as the previous week's. Allowing for one sunk but not counted the previous week, 12 ships of 1,600 tons and over were sent to the bottom, against 10. On the other hand, only two vessels of less than 1,600 tons disappeared, compared with 11. Two fishing boats were also sunk, and the unsuccessful attacks numbered seven. But the total of all kinds sent to the bottom in the week was only 16 against 21 the previous week, and 29 the week before that. German progress at sea seems, therefore, to resemble German progress

on land—it is progress backwards. Nor does the piracy seem to be any too prosperous against France or Italy, although last week seven French ships over and five under 1,600 tons were reported sunk. The Italians, however, lost only one ship of more than 1,500 tons, and six smaller ones. These are higher figures for France and smaller for Italy than some recently published, but the variations do not mean progress by the enemy. His only real and abiding success is the thoroughness with which the loathing of Germany and of everything German is being instilled into the minds of free peoples the world over. From this point of view the U-boat piracy is the most successful form of war the savages have thus far lighted upon. It has brought to the side of the Allies most of Europe and all North America, and probably, also all South America. Our Allies in "Latin America," as it is called, may not be able to help much in the fighting—we sincerely hope they may never be called upon to do so—but the after-the-war boycott of German trade which will ensue may do much to reduce the Teutonic tribes to their primitive condition in Europe. They are badly off for garments to hide their nudity, and victuals to line their stomachs now. But we trust that their "ferocious" professors—the adjective is from Munich—are still fed sufficiently to be able to ladle out the pan-Germanist slush with which they have for generations so fatuously indoctrinated the people.

Insurance News.

The full results of the operations of the Colonial Mutual Life Assurance Society of Australia during 1916 are now to hand. In the ordinary department 7,773 new policies were issued, assuring £1,520,361, on which the annual income was £64,981. This was an increase of over £200,000 in amounts assured as compared with 1915. Most of the Australian States contributed to this increase, and also South Africa, but there was a considerable diminution of new business in the United Kingdom. Claims in the ordinary department at £197,760 showed an increase of over £40,000; the ordinary mortality was higher than in 1915, when the claims were very light, and the company also had a larger number of war claims amounting to £29,000. An increase of £15,000 to £117,211 was shown in the industrial premium income, while the ratio of expense was reduced by 4 per cent. The ratio of claims to premiums in the accident section was 34 per cent., having varied very slightly for the last four years, and the board again announces a bonus of £2 per cent. in addition to the other benefits, both for sickness and accident in the policies of this department. A surplus of £136,031 was disclosed by the actuarial investigation in the ordinary branch, and the bonus ranges from 35s. to £1 per cent. according to the duration of the policy, the sum appropriated being £79,448, a balance of £25,479 being carried forward.

Shareholders of the National Insurance Company of Great Britain have now received a detailed statement respecting the provisional agreement for the acquisition of their shares by the Commercial Union Assurance Company. The agreement provides for the purchase of the shares at £6 2s., payable as to £6 in 5 per cent. War Loan, at the rate of £6 6s. 4d. stock for each £5 share, £1 paid, that is at the rate of 95 per cent., together with 2s. in cash. The dividend on this amount of War Loan represents over 31 per cent. on a paid-up par value of each share, as compared with the highest dividend paid by the company, namely, 17½ per cent. All interest accruing on the War Loan stock to be transferred as from June 1 last goes to the shareholders. The arrangement is conditional on its acceptance by holders of at least 42,500 shares, or such less number as the purchasing company may accept as sufficient, and the directors of the National company are urging shareholders to accept the offer.

A resolution for increasing the capital of the London and Lancashire Fire Insurance Company is to be submitted to the shareholders on October 1. It is proposed to create 5,650 new shares of £25 each, ranking

pari passu with the present capital of 120,000 shares, thus raising the total to £3,141,250. The issue is to be made in connection with the recent agreement entered into by the company for the acquisition of the business of the Marine Insurance Company, under which part of the purchase price is to be satisfied by the allotment of London and Lancashire shares of £25 each credited with £2 10s. paid up, these to be taken at a valuation of £33 per share for the purpose of the arrangement.

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and September 22, 1917:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Sept. 22, 1917.	Total Receipts into the Exchequer from April 1, 1916, to Sept. 23, 1916.
Balances in Exchequer on April 1—	£	£	£
Bank of England	—	25,209,947	25,111,065
Bank of Ireland	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs	70,750,000	33,262,000	30,939,000
Excise	34,050,000	17,230,000	24,429,000
Estate, &c., Duties	29,030,000	14,499,000	14,349,000
Stamps	8,000,000	3,138,000	3,354,000
Land Tax			
House Duty	2,600,000	330,000	320,000
Property and Income Tax and Super Tax	224,000,000	48,951,000	33,620,000
Excess Profits Duty (including Munitions Levy)	200,000,000	84,397,000	29,085,000
Land Value Duties	400,000	227,000	111,000
Post Office	33,700,000	15,950,000	15,950,000
Crown Lands	600,000	203,000	220,000
Receipts from Sundry Loans, &c.	7,500,000	688,899	518,037
Miscellaneous	27,100,000	23,317,360	2,860,860
Revenue	638,600,000	242,190,259	155,755,947
Total, including Balance		268,626,118	181,330,953

OTHER RECEIPTS.		
Repayment of Advances for Bullion	950,000	1,980,000
For Treasury Bills (for supply)	1,090,976,000	974,986,000
For 4½ per Cent. War Loan, 1925-1915	—	444
For 5 per Cent. Exchequer Bonds, 1919	—	34,159,000
For 5½ per Cent. Exchequer Bonds, 1920	—	82,804,500
For 5 per Cent. Exchequer Bonds, 1921	—	61,501,000
For 5 per Cent. Exchequer Bonds, 1922	81,951,000	—
For War Expenditure Certificates	—	21,603,200
For War Savings Certificates	17,500,000	27,050,000
For other Debt created under the War Loan Acts, 1914-1917	322,312,214	20,494,556
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947	166,550,000	—
Temporary Advances—		
Ways and Means (including Treasury Bills £345,000,000 in 1916-17)	413,490,500	409,396,500
Total	2,392,155,832	1,815,371,133

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Sept. 22, 1917.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Sept. 23, 1916.
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	17,000,000	8,621,597	11,476,191
Interest, &c., on War Debt ..	194,500,000	68,718,968	54,800,151
Payments to Local Taxation			
Accounts, &c.	9,700,000	3,109,525	3,183,375
Other Consolidated Fund			
Services	1,605,000	774,037	956,218
Supply Services	2,068,826,000	1,180,544,121	792,986,156
Expenditure	2,491,721,000	1,261,768,243	863,402,091

OTHER ISSUES.		
For Advances for Bullion	1,010,000	2,240,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1914	84,909	60,914
Under Telegraph (Money) Act, 1913	55,000	180,000
Under Post Office (London) Railway Act, 1913	68,000	135,000
Under Housing Act, 1914	175,400	18,900
For Treasury Bills for Supply	654,230,000	706,176,000
For Exchequer Bonds under Section 61 of the Finance Act, 1916, and Section 34 of the Finance Act, 1917	306,335	—
For other Debt under the War Loan Acts, 1914 to 1917	14,650,039	—
For Depreciation Fund under the Finance Act, 1917	18,543,140	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908	—	38,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	23,160
Temporary Advances repaid—		
Ways and Means (including Treasury Bills £177,032,000 in 1916-17)	419,076,500	214,928,500
Total	2,392,155,832	1,815,371,133

	1917. Sept. 22.	1916. Sept. 23.
Balances in Exchequer—	£	£
Bank of England	21,776,827	26,461,675
Bank of Ireland	411,414	1,706,893
Total	22,188,241	28,168,569

MEMO.—Treasury Bills outstanding on Sept. 22, 1917, * £900,763,000
* Includes £320,000, the proceeds of which were not carried to the Exchequer within the period of the account.

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from $5\frac{1}{2}$ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

At times there has been almost a scramble for money, especially in the early hours of the day, and it is evident that the heavy purchases of Treasury bills have greatly depleted floating supplies. Consequently the market has had to go to the Bank, and a fair business has been done in loans for a week at $5\frac{1}{2}$ per cent. In the open market borrowers paid as much as 5 per cent. for day-to-day money, but that could hardly be called the general rate, and people who were not too hard pressed could usually fill their requirements at 4 to $4\frac{1}{2}$ per cent. Weekly fixtures as a rule were done at $4\frac{1}{4}$ per cent., but lenders in some cases stood out for $4\frac{1}{2}$ per cent. Discount rates were firm, but there has been little change in quotations, and the supply of fine bills is not very large. Continental exchanges generally moved against London; otherwise there have been no developments of much interest.

As was the case last week, the Bank return shows that a gain of £373,000 in the stock of coin and bullion has been more than offset by an expansion in the note circulation, which is £516,000 up at £41,182,000. Consequently, the reserve is £143,000 lower at £32,365,000, and it is £3,102,000 below last year's level. Public deposits have increased £3,520,000, but market balances have been depleted to the extent of £6,534,000, this being mainly accounted for by the increase in public deposits already mentioned, and by the redemption of £2,868,000 "Other" securities. The reserve ratio is consequently $\frac{1}{4}$ per cent. higher at 19 $\frac{1}{2}$ per cent., but it is $3\frac{3}{8}$ per cent. below last year's figure.

The terms of the new National War Bonds which are to replace the old Exchequer bond issue have been unofficially announced, although the prospectus is not yet available. The main difference between the old and the new issue appears to be that the term for repayment extends from five to ten years, and that the price at which the bonds will be redeemed varies from 102 to 105 per cent., according to the period of the loan, a timid school-missy way of handling the formidable premium bond mouse! Moreover, there are conversion rights given to holders of the existing Exchequer bonds and to the holders of the $4\frac{1}{2}$ per cent. War Loan. Another novelty is that the 4 per cent. bonds will be offered with income-tax compounded, as in the case of the last big War Loan. The whole scheme seems to be of a somewhat unnecessarily complicated character, and the advantages as compared with the flat rate of 5 per cent. hitherto existing do not appear to be particularly alluring. However, when the full details are available, as they ought to be next week, we shall probably have something more to say on the subject.

In connection with the new bond issue it is argued by a number of members of the Money market that its

success will be determined largely by the competition of other means for the employment of money. The deposit rate is higher than it should be with Bank rate at 5 per cent., and it ought to be reduced to $3\frac{1}{2}$ per cent., for any reduction in the deposit rate must tend to force deposits into Government securities, which obviously is the direction in which money should flow. A lowering of the deposit rate would certainly make it possible to reduce the rate for the shorter dated Treasury bills, provided the yearlings were again placed on top. The only argument which is offered against the reduction of the deposit rate is that it would drive neutral balances away, but it can scarcely be argued that British credit ought to be determined by the value placed on neutral balances, which are an elusive and really small proportion of the funds employed here. Moreover, there is no apparent reason why a special rate of interest should not be allowed on foreign balances up to a point at which it pays to induce them to remain here.

Arrangements have been made to renew the £2,000,000 of French Treasury bills which fall due on October 5. The renewal is for one year, until October 7, 1918, and the discount is $5\frac{1}{8}$ per cent. These bills, which were originally sold here in October, 1914, were the first French Treasuries to be placed in London. Last year, when they fell due for the second time, they were renewed on the basis of $6\frac{1}{2}$ per cent. discount, the reason for this high rate being that at that time the Bank Rate was 6 per cent., or 1 per cent. higher than it is now.

The Glasgow Corporation arranged to pay off £150,000 of a quarter of a million bills which fell due this week, and to renew the balance for six months.

It is announced that a further 350,000 contos of reis of inconvertible notes will be sanctioned by the Brazilian Congress, of which a portion will be lent to the Bank of Brazil, free of interest. These notes the Bank will be authorised to issue in loans made, against security, on favourable terms for the purpose of encouraging industry and commerce. The Bank of Brazil has not had any note-issuing powers for many years, but this project for restoring the privilege has given satisfaction to the mercantile community in Brazil. Of course, the Bank will have to provide for the redemption of the notes.

Sir William Meyer, the Indian Finance Member, has announced that it has been decided, owing to the shortage of rupees, to issue the small notes, as had been suggested earlier in the year. The notes will be for 1 and $2\frac{1}{2}$ rupees, and will probably be issued in November. In addition to being encashable at the District Treasuries, like the larger notes, they will be payable at the post offices, probably up to Rs. 5 daily per person. At some mills five-rupee notes are already largely used in payment of wages. It is no doubt true that the greater the facilities for encashing notes, the more likely are the latter to remain in circulation, and therefore the proposal to extend the cashing of the notes to the post offices should go a long way towards popularising them. Sir William also announced that great efforts were being made to maintain the present general exchange rate between silver and gold, but in the event of silver continuing to rise, they could hardly expect the Secretary of State to sell rupees at less than their bullion value. The bullion value of the rupee is now 1s. 9d., but the price of drafts is at present 4d. less. So it is not unlikely that the latter will be raised still higher. Meanwhile the Indian Government has reduced the price at which it will pay for gold imported, from Rs. 15 in the £1 to Rs. 14 $\frac{1}{2}$.

SILVER.

With regard to the silver market, Messrs. Samuel Montagu and Co., in their weekly circular, state that the 21st instant saw a rise of 1d., which brought the price to 55d., a figure that has not been exceeded since February, 1878. This price was maintained until Wednesday, when a fairly considerable amount was offered, producing a fall of 1d., and was followed by a further fall on Thursday to 51 $\frac{1}{2}$ d. The high prices

now ruling, combined with certain vague rumours as to what America is going to do or not going to do with its large stock of coined silver dollars, has induced most of the few remaining private holders to realise the bulk of their stocks, with the result that during the last few days more silver has been on offer than for some time past, and many long-standing buying orders have been able to be filled. This, combined with an almost complete cessation of the Chinese demand, has produced the first set-back in the price of silver that has occurred since it started its phenomenal upward run just two months ago. Up to the present this set-back has been small in comparison with the great rise that has taken place, and we must also bear in mind that if the coinage and industrial demands continue on the same scale as recently there may be the same difficulty in meeting it, in view of the fact that private holders are practically cleared out. Still, for the moment there do not appear to be many unsatisfied demands.

The last three Indian currency returns received by cable give details as follows:—

(In Lacs of Rupees.)

	Sept. 7.	Sept. 15.	Sept. 22.
Notes in circulation	10,572	10,586	10,707
Reserve in silver coin and bullion	2,879	2,884	2,857
Gold coin and bullion in India	1,028	1,373	1,522
Gold in England	217	180	180

The stock in Bombay, on the 25th inst., consisted of 3,300 bars, the same as reported on the 18th inst. The stock in Shanghai, on the 22nd inst., consisted of about 23,500,000 ozs. in sycee, and \$14,900,000, as compared with about 22,000,000 ozs. in sycee and \$15,000,000 on the 15th inst.

Applications for the Rs. 90,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,06,05,000. Of these, Rs. 82,79,000 were allotted in deferred transfers, and Rs. 7,21,000 in immediate transfers. Tenders for bills and deferred transfers at rs. 4 20-32d. and for immediate transfers at rs. 5d. received about 43 per cent. The amount to be offered next Wednesday is again Rs. 90,00,000.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, September 26, 1917.

ISSUE DEPARTMENT.

	£		£
Notes Issued	71,173,485	Government Debt	11,015,100
		Other Securities	7,434,900
		Gold Coin and Bullion ..	52,723,485
		Silver Bullion	—
	£71,173,485		£71,173,485

BANKING DEPARTMENT.

	£		£
Proprietors' Capital ..	14,553,000	Government Securities ..	58,189,220
Res	3,591,065	Other Securities	93,593,721
Public Deposits (including		Notes	29,991,740
Exchequer, Savings		Gold and Silver Coin ..	2,373,116
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	44,284,907		
Other Deposits	121,702,542		
Seven Day and other Bills	16,283		
	£184,147,797		£184,147,797

Dated September 27, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. Sept. 27.		Sept. 19, 1917.	Sept. 26, 1917.	Increase.	Decrease.
	Liabilities.				
£	£	£	£	£	£
3,614,926	Rest	3,544,836	3,591,065	46,229	—
53,371,842	Pub. Deposits ..	40,764,714	44,284,907	3,520,193	—
101,433,434	Other do. .. .	128,236,171	121,702,542	—	6,533,629
17,761	7 Day Bills ..	16,245	16,283	—	38
	Assets.			Decrease.	Increase.
42,187,627	Gov. Securities.	58,145,320	58,189,220	—	43,900
95,386,643	Other do. .. .	96,461,654	93,593,721	2,867,933	—
35,466,693	Total Reserve ..	32,508,022	32,364,856	143,166	—
				6,577,529	6,577,529
				Increase.	Decrease.
£	£	£	£	£	£
36,535,553	Note Circulation	40,665,740	41,181,745	516,005	—
53,552,248	Coin and Bullion	54,723,762	55,096,601	372,839	—
22'9 p.c.	Proportion ..	19'2 p.c.	19'5 p.c.	0'3 p.c.	—
6 "	Bank Rate ..	5 "	5 "	—	—

CURRENCY NOTES.

Return of Currency Notes for the week ended September 26, 1917.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes	3,889,180	2,249,221	130,019,169
10s. notes	1,386,600	1,051,405	32,970,586
Note certificates ..	50,000	70,000	15,650,000
Previous total .. .	703,988,132	527,303,833	—
	703,314,215	530,674,460	178,639,755

Ratio of gold held against notes, this week, 17.48 p.c.; last week, 17.70 p.c.

PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended Sept. 22.)

REVENUE.	EXPENDITURE
	£
Customs	1,399,000
Excise	1,664,000
Estate, &c., Duties ..	503,000
Stamps	80,003
Land Tax and House Duty	—
Property and Income Tax	1,223,000
Excess Profits Tax ..	5,635,000
Land Values	—
Post Office	750,000
Crown Lands	—
Sundry Loans	—
Miscellaneous	1,004,001
Bullion advances repaid ..	60,782,000
For Treasury Bills for Supply	2,199,000
5% Exchequer Bonds, 1919..	—
5% Exchequer Bonds, 1922..	800,000
6% Exchequer Bonds, 1920..	—
War Expenditure Certificates	—
War Savings Certificates ..	—
4% War Loan, 1929-1942 ..	—
5% War Loan, 1929-1947 ..	—
Other Debts created under	—
War Loan Act, 1915, and	—
Finance Act, 1916	16,458,670
Telegraph Money Act, 1913	—
Under Post Office Rly. Act,	—
1913	—
Under Military Works Acts,	—
1897-1903	—
Under Public Buildings ..	—
Under Housing Act	—
Repayment of Advance for	—
Interest on Exchequer	—
Bonds, 1904	—
China Indemnity	—
East African Protectorate	—
Loan repayment	—
Suez Canal Drawn Shares ..	—
Ways and Means Advances	2,000,000
Decrease in Exchequer	—
balances	—
	£94,497,571
	£94,497,571
National Debt Service ..	897,332
Interest, etc., on War Debt	—
Development & Road Impvt	—
Payments to Local Taxation	—
Other Consolidated Fund	—
Charges	53,750
Supply Services	46,370,000
Bullion Advances	—
For Advance for Interest	—
on Exchequer Bonds under	—
Capital Expenditure	—
(Money) Act, 1904	—
For Treasury Bills	42,343,000
Expenditure Certificates	—
under War Loan Act, 1916	—
Other Debt under War Loan	—
Acts, 1914-16	—
For Exchequer Bonds under	—
Section 61 of Finance Act,	—
1916, and Section 34, 1917	3,600
Under Telegraph (Money)	—
Act, 1913	—
Under Post Office (Lon-	—
don) Railway Act, 1913 ..	—
Under Military Works Acts	—
Under Housing Act, 1914 ..	—
Public Buildings Expendi-	—
ture Act, 1903	—
Old Sinking Fund, 1907-8 ..	—
Old Sinking Fund, 1910-11 ..	—
China Indemnity	1,549,020
Depreciation Fund	2,750,000
Suez Canal Drawn Shares ..	—
Temporary Advances repaid	—
balances	430,959

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,415,416,000	363,290,000	—
June	1,486,612,000	1,147,630,000	339,182,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August	1,623,364,000	1,164,762,000	258,586,000	—
Sept. 5	352,657,000	298,577,000	54,080,000	—
" 12	343,640,000	273,357,000	70,283,000	—
" 19	321,243,000	285,301,000	35,942,000	—
" 26	330,777,000	279,355,000	51,422,000	—
Total	13,938,345,000	11,278,120,000	3,660,225,000	—

FEDERAL RESERVE BANKS (U.S.) (dollar at 48s.).

	Aug. 24, 1917.	Aug. 17, 1917.	Aug. 25, 1916.
	£	£	£
Gold coin and certificates ..	85,350,200	79,839,600	51,959,800
Gold Settlement Fund	79,413,400	82,100,400	22,190,200
Gold with foreign agencies ..	10,500,000	10,400,000	—
Total gold held by banks ..	175,263,600	172,440,000	74,150,000
Gold with Federal Res. Agent	97,707,200	100,517,600	32,766,800
Gold Redemption Fund	1,475,000	1,050,000	327,400
Total gold reserves	274,445,800	274,017,600	107,244,200
Legal tender notes, silver, &c.	10,508,000	10,581,200	2,453,000
Total reserves	284,953,800	285,497,800	109,697,200
Bills discounted—Members' ..	25,681,400	28,790,200	5,416,400
Bills bought in open market ..	31,011,400	31,065,800	16,470,200
Total bills on hand	57,592,800	59,855,000	21,885,600
U.S. Gov. long-term sec. ..	9,045,200	9,015,800	9,359,200
U.S. Gov. short term sec. ..	6,090,000	6,110,400	1,641,000
Municipal warrants	246,400	244,600	5,572,600
Loans on gold coin and bullion	—	—	—
Total earning assets	72,980,400	75,235,800	30,403,400
Due fm other Fed Res bnk—n.	48,600	2,337,600	4,330,800
Uncollected items	42,077,400	46,140,000	—
Total deducts. fm gross dep.	42,126,000	48,478,400	4,330,800
5% Red. Fund ag Fed. Res. bknts	100,000	100,000	—
All other resources	678,800	326,400	705,200
Total resources	400,228,000	400,678,400	143,244,000
Capital paid in	11,699,800	11,615,600	11,072,600
Government deposits	11,994,400	22,022,000	10,019,800
Due to members—Res. account	224,225,800	225,163,400	—
Due to non-mbrs—clearing ac.	6,556,600	2,327,400	100,484,200
Members' bank deposits—nett	—	—	—
Collection items	27,591,000	34,383,200	—
Total gross deposits	270,397,800	254,895,000	110,504,000
F.R. notes in actual circulat'n	114,609,800	111,756,400	31,269,000
F.R. bk nts in circn—nett liab.	1,094,600	991,400	338,000
All other liab. in for Gov crdts	2,420,000	435,000	61,000
Total liabilities	400,228,000	400,688,100	143,244,000
Gold res. ag nett deposit liab.	76.0%	72.9%	69.8%
Gold & lawful money reserve	80.6%	77.4%	72.1%
against nett deposit liabilities	—	—	—
Gold res ag F.R. nts in act circ	86.5%	91.7%	105.8%

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Sept. 22, 1917.	Sept. 15, 1917.	Sept. 8, 1917.	Sept. 23, 1916.
Loans	774,994,000	761,655,000	770,130,000	661,418,000
Reserve held in own Vaults ..	20,132,000	20,918,000	15,182,000	82,526,000
Reserve held in Fed. Res. Bk. ..	76,680,000	72,700,000	69,076,000	31,096,000
Cash in own Vaults	16,064,000	16,046,000	21,874,000	—
Reserve held in Other Depos. ..	17,368,000	19,468,000	15,966,000	10,828,000
Nett Demand Deposits	627,932,000	703,125,000	702,794,000	654,174,000
Nett Time Deposits	40,818,000	44,592,000	39,804,000	33,624,000
Circulation	6,356,000	6,326,000	6,266,000	6,242,000
Excess Lawful Reserve	17,664,000	15,154,000	10,010,000	20,738,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Sept. 22, 1917.	Sept. 15, 1917.	Sept. 8, 1917.	Sept. 23, 1916.
Loans	169,118,000	167,484,000	170,344,000	144,340,000
Specie	11,932,000	12,034,000	12,006,000	12,058,000
Deposits	171,660,000	171,854,000	172,784,000	133,497,000
Legal Tenders	3,088,000	3,302,000	3,128,000	1,804,000

BANK OF FRANCE (25 francs to the £).

	Sept. 20, 1917.	Sept. 13, 1917.	Sept. 6, 1917.	Sept. 21, 1916.
Gold in hand	131,117,880	131,144,280	131,070,880	193,058,000
Silver in hand	10,405,400	10,380,640	10,103,400	13,521,600
Bills discounted	22,829,160	21,878,910	22,440,500	14,851,520
Advances	41,976,640	44,254,720	44,765,800	47,001,760
Note circulation	833,242,240	833,426,800	834,289,720	666,138,040
Public deposits	224,920	594,760	1,807,720	419,760
Private deposits	103,928,040	105,171,120	106,550,000	87,224,600
Foreign Bills	104,800	75,640	65,880	89,800

Proportion between bullion and circulation 26.61 per cent., against 26.75 per cent. last week. Advances to the State £454,000,000; increase, £2,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £20,760,600, decrease £19,000, and at the branches £25,813,480, decrease £25,720.

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Sept. 15, 1917.	Sept. 7, 1917.	Aug. 31, 1917.	Sept. 15, 1916.
Total Coin & Bullion	125,410,650	125,202,950	124,953,800	124,620,100
Treasury Notes	35,720,850	35,353,100	35,567,750	14,372,200
Bills discounted	549,862,400	549,998,200	568,230,500	377,702,750
Advances	503,500	471,450	504,900	603,750
Note circulation	473,760,850	471,662,100	466,855,100	343,940,860
Deposits	275,217,650	275,723,750	294,529,150	173,340,400

Clearing House return during August, £386,111,030.

IMPERIAL BANK OF RUSSIA (10 roubles to the £).

	Sept. 21, 1917.	Sept. 14, 1917.	Sept. 5, 1917.	Sept. 21, 1916.
Notes in reserve	12,980,000	14,450,000	11,930,000	12,630,000
Gold	129,500,000	129,260,000	129,400,000	155,380,000
Gold in reserve abroad	230,890,000	230,860,000	330,810,000	205,490,000
Loans and Discounts, including Treasury Bonds	1,489,800,000	1,326,200,000	1,325,970,000	465,710,000
Circulation note issue	1,585,000,000	1,539,750,000	1,493,070,000	722,370,000
Deposits, including Treasury deposits	347,640,000	345,940,000	337,810,000	26,800,000

BANK OF ITALY (25 lire to the £).

	Aug. 20, 1917.	Aug. 10, 1917.	July 31, 1917.	Aug. 20, 1916.
Total cash	41,027,320	38,235,199	38,820,720	43,866,000
Inland Bills	24,580,320	22,939,480	23,590,700	18,980,880
Foreign Bills	832,840	832,840	833,720	833,160
Advances	12,332,280	13,645,760	12,246,120	7,518,640
Government securities	8,815,000	8,789,240	8,795,000	8,866,920
Circulation	184,004,480	185,314,120	183,801,800	135,192,360
Deposits at notice	23,658,800	22,759,280	23,083,840	13,865,680
Current accounts	13,120,840	13,187,720	13,268,920	15,514,680

BANK OF SPAIN (25 pesetas to the £).

	Sept. 15, 1917.	Sept. 8, 1917.	Sept. 1, 1917.	Sept. 16, 1916.
Gold	75,323,692	74,531,264	73,353,936	46,500,273
Silver	29,355,676	29,364,774	29,656,407	30,182,659
Foreign Bills	3,604,669	3,562,278	3,703,315	3,804,519
Discounts and Short Bills	29,205,770	29,179,933	29,476,360	24,031,086
Treasury Account, &c.	25,186,471	25,219,216	—	29,778,093
Notes in Circulation	105,293,497	105,271,673	104,253,640	89,645,053
Current Accounts, Deposits	37,720,417	37,494,173	—	30,665,857
Dividends, Interests, &c.	1,680,852	1,623,619	2,018,071	1,548,196
Government Securities	6,215,245	6,179,705	6,538,681	2,532,941

BANK OF SWEDEN.

	Sept. 1, 1917.	Aug. 25, 1917.	Aug. 18, 1917.	Sept. 2, 1916.
Gold	11,365,000	11,366,000	11,365,000	9,207,000
Balance abroad and Foreign Bills	7,760,000	7,590,000	7,367,000	9,443,300
Swedish and Foreign Govt. Securities	3,377,000	3,416,000	3,727,000	3,795,000
Discounts and Loans	10,757,000	9,734,000	9,849,000	3,746,000
Notes in circulation	26,371,000	24,138,000	24,427,000	19,650,000
Deposits at notice	7,510,000	8,216,000	8,253,000	5,258,000

NETHERLANDS BANK (12 Florins to the £).

	Sept. 22, 1917.	Sept. 15, 1917.	Sept. 8, 1917.	Sept. 22, 1916.
Gold and Silver	56,812,666	57,007,500	55,912,166	49,524,916
Bills and Advances	12,035,583	11,972,750	14,704,834	15,571,166
Note circulation	65,583,333	65,816,500	65,863,534	59,220,750
Deposits	7,046,666	6,678,833	8,279,000	11,776,083

BANK OF NORWAY.

	Sept. 7, 1917.	Aug. 31, 1917.	Aug. 22, 1917.	Sept. 7, 1916.
Gold	7,142,000	7,144,000	7,147,000	6,282,000
Balance abroad and Foreign Bills	4,177,000	4,023,000	4,316,000	6,033,000
Gov't Securities	705,000	705,000	705,000	767,000
Discounts & Loans	15,954,000	16,608,000	15,926,000	5,524,000
Notes in Circulation	16,500,000	16,533,000	16,202,000	12,292,000
Deposits at notice	8,347,000	8,736,000	8,597,000	3,743,000

SWISS NATIONAL BANK (25 francs to the £).

	Sept. 15, 1917.	Sept. 7, 1917.	Aug. 31, 1917.	Sept. 15, 1916.
Gold and silver	15,843,816	15,854,708	15,850,524	13,869,112
Bills	8,127,132	7,611,438	7,540,692	7,192,556
Note circulation	21,373,000	21,577,988	21,511,752	17,238,554
Current and deposit accounts	5,235,784	5,259,960	4,697,680	5,972,932

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Sept. 25, 1917.		Sept. 27, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam	Cable transfers	11.39	11.33	11.29	11.32
"	Three months' bills	11.45	11.50	11.43	11.48
Paris	Cable transfers	27.51	27.56	27.50	27.55
"	Three months' bills	27.93	27.98	27.90	27.95
Switzerland	Cable transfers	21.30	22.40	22.35	22.45
"	Three months' bills	22.65	22.75	22.70	22.80
Petrograd	Cable transfers	272	275	283	286
Genoa, &c.	Cable transfers	36.75	36.85	36.77	36.87
Spain	Cable transfers	20.35	20.45	20.05	20.15
"	Three months' bills	54 1/2	55 1/2	56	57
Lisbon and Oporto	Cable transfers	31 1/2	32 1/2	31	32
Copenhagen	Cable transfers	15 3/8	15.48	15.28	15.38
Christiania	Cable transfers	15.25	15.35	15.18	15.25
Stockholm	Cable transfers	13.95	14.05	13.70	13.80

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques	Francs to £1	25.22 1/2	27.57 1/2	27.53
Amsterdam, cheques	Florins to £1	12.107	11.31 1/4	11.30
Italy, sight	Lire to £1	25.22 1/2	36.85	36.87 1/2
Madrid, sight	Pesetas to £1	25.22 1/2	20.72 1/2	20.00
Lisbon, sight	Pence to milreis	53 1/2 d.	31 1/2 d.	31 1/2 d.
Switzerland, sight	Francs to £1	25.22 1/2	22.15	22.40
Christiania, sight	Kroner to £1	18.159	15.15	15.15
Stockholm, sight	Kroner to £1	18.159	13.92 1/2	13.74
Copenhagen, sight	Kroner to £1	18.159	15.44 1/2	15.31 1/2
Petrograd, sight	Roubles to £100	94.57	276	302 1/2
Alexandria, sight	Piastres to £1	97 1/2	97 1/2	97 1/2
Bombay, T.T.	Sterling to rupee	1/4	1/4 1/2	1/4 1/2
Calcutta, T.T.	Sterling to rupee	1/4	1/4 1/2	1/4 1/2
Hong Kong, T.T.	Sterling to dollar	—	3/28	3/28
Shanghai, T.T.	Sterling to tael	—	4/10 1/2	4/7
Singapore, T.T.	Sterling to dollar	—	2/4 1/2	2/4 1/2
Yokohama, T.T.	Sterling to yen	21.58 d.	21.18	21.18
New York, cable	Dollars to £1	4.86 1/2	4.70 1/2	4.70 1/2
Buenos Aires, T.T.	Pence to dollar	47.58 d.	49 1/2 d.	49 1/2 d.
Valparaiso, 90 days	Pence to peso	—	15 1/2 d.	14 1/2 d.
Montevideo, T.T.	Pence to dollar	51 d.	53 1/2 d.	53 1/2 d.
Rio de Janeiro, 90 days	Pence to milreis	16 d.	12 1/2 d.	13 1/2 d.

OPEN MARKET DISCOUNT.

	Last week.	This week
Per cent.	Per cent.	Per cent.
Thirty and sixty day remitted	4 1/2	4 1/2
Three months	4 1/2	4 1/2
Four months	4 1/2	4 1/2
Six months	4 1/2	4 1/2
Three months fine inland bills	5 1/2	5 1/2
Four months	5 1/2	5 1/2
Six months	5 1/2	5 1/2

BANK AND DEPOSIT RATES.

	Last week	This week
Per cent.	Per cent.	Per cent.
Bank of England minimum discount rate	5	5
" short loan rates	—	—
Bankers' rate on deposits	4	4
Bill brokers' deposit rate (call)	4	4
" 7 and 14 days' notice	4 1/2	4 1/2
Current rates for 7 day loans	4 1/2	4 1/2
" for call loans	4	4 1/2

The Week's Stock Markets.

Taking everything into consideration, business on the Stock Exchange has not been so bad this week. There was a fair accumulation of orders to be dealt with on Monday, but afterwards the record fell off to about the usual level of the holiday season. Gilt-edged stocks were adversely affected by the closing of the Exchequer bond sales, and until the terms of the new series were disclosed it was feared that they might tend to put existing securities of similar class on a still lower basis. However, as it turns out, there is not such a great deal of difference,

and, although certain concessions are made to purchasers, we are doubtful whether the new terms will prove sufficiently more attractive to draw in any substantial amount of the money required for immediate needs. But a great deal will depend on how the offer is presented to the public. Some of the cheap-jack systems hitherto adopted have only proved successful for a minute or two (metaphorically), and have done more harm than good in the long run, so we hope the same mistake will not be repeated on this occasion. Elsewhere there was nothing much to encourage markets except the fine progress on the Western Front, but we have become so accustomed to looking for that, it has not even the sentimental effect which might be reasonably expected. On the other hand, the continued failure of Russia to get a definite standpoint, either politically or from a military point of view, is very distressing, although only what might be expected, and the seriousness of the Argentine Railway strike has also been a very disturbing factor. This, however, has had a favourable influence on Home Rails, because in spite of the Labour and other difficulties looming ahead there is nothing much better to "go for." It is all a matter of perspective, and after all our recent troubles there are a few people left who think that the United Kingdom is not such a bad place to live in; those who believe there are better places for their investments might be asked to consider whether it would not be best to take their carcasses to the same place as they chose for the deposit of their money.

Markets were more disturbed by the prospect of the new issue of Exchequer bonds than they were encouraged by the excellent war news from the Western front. Of course, the Russian military position is still causing a great deal of anxiety, and at the other side of the world the Argentine railway strike is one of those extremely disturbing factors which affect a large class of stocks most intimately. Consequently there has been nothing to encourage business on the Stock Exchange to any appreciable extent, and Government stocks as a rule have been drooping all the week. The losses are not very pronounced, but in the aggregate they are substantial. Colonial issues were scarcely mentioned, and in only a few cases have slight variations occurred. In the Foreign market Brazilians have been good, and Cuban Ports have advanced an appreciable amount. Peruvians also have been good, but the principal movement has taken place in Spanish 4 per cents., which have shown a remarkable advance on the increasing economic strength of the country owing to war trade. Russians have been decidedly weak all the time, and even when the exchange recovered to some extent it did not help the market.

Home Railways being outside the influence of external politics and only subject to the perennial question of labour difficulties, showed up to considerable advantage. The market began with a very strong appearance, and after some hesitation in the middle of the week again advanced, and left off firm. Central London was particularly prominent, and only in a few other cases were there slight declines. Americans on the whole were good, but the market here is now so limited that prices are uninteresting except as following the lead of Wall Street, but we may mention that International Mercantile Marine has been exceptionally prominent, and has advanced substantially. Argentine Railways were naturally very depressed owing to the strike news, and they have dropped persistently right through the week. Canadian Pacific also have been unusually flat, losing as much as 5 points in the course of a day or two, and Grand Trunks have weakened in sympathy. Mexican Rails also were dull, but Brazilians showed strength, and several Havana issues were in demand.

Bank shares have been in fair demand, and foreign companies especially were favoured, Hongkong and Shanghai being particularly prominent.

Breweries have all been good, with City of London taking the lead. The shares of this company have advanced as much as 16 points, and no doubt this will be explained when the accounts are available, as has happened in several other cases. Watney Combe and Allsopps also showed to great advantage. In the Iron and Steel departments, Wm. Cory, Guest, Keen, and several others were in considerable request and advanced moderate fractions, but Dominion Steel, Canadian Car and Foundry, and some of the recent explosive favourites reacted rather sharply. Among Land shares, Hudson's Bays were weak, while Pekin Syndicates gained a trifle, but there was nothing doing otherwise worth mentioning. Nitrate shares were firm as a rule, and London and Liverpool both improved, but Alianza lost a fraction. Shipping shares were not much to the fore, and the leaders were almost neglected; but among the smaller issues Court Line, Prince, Houlder shares, Indo-European, and Khe-divial were all well supported. Telegraph shares were conspicuous by the further advance in the Marconi group, and among Tramways, Brazilians and Rio de Janeiro were conspicuous. Among Miscellaneous and Industrial, Associated Cements were rather weak, but, as a rule, the tone was firm,

and Price's Patent Candles, Welsbach, Bryant and May, Maypole Dairy, and a few others found plenty of buyers.

Oil shares have been irregular, and not very active. At the start Royal Dutch, "Shells," and Eagles were all weak, but they recovered to some extent before the close, and Burmahs also improved a fraction. On the other hand, Rumanian Consolidated, Eagle Transport, Ural Caspian, and Venezuelan Con-

	Last Week	This Week		Last Week	This Week
Consols.....	55½	54½	N.S.W. 4½ 5 yr. bds.....	90½	97
War Loan 3½.....	87½	86½	" 4½, 1922-7.....	91½	91½
" 4½.....	97½	97½	" 5%, 1921-3.....	96½	96½
" 5%, 1920-47.....	94½	94½	" 5%, 1920-2.....	98½	98½
" 4%, 1919-47.....	101½	100½	New Zealand 4%, 1929.....	86	86
India 3%.....	55½	54½	Queensland 4%.....	80x	80½
" 3%.....	64½	64½	" 4½, 1920-5.....	92x	92
Australian 5½%, 1920-22.....	99½	99½	Union of S. Africa 4½%, 1920-5.....	91½	92
Canada 4%, 1910-60.....	81	81	Victoria 4½%, 1920-5.....	92x	92
" 4½, 1920-5.....	93½	93½	Westn. Aus. 4%.....	81	81
N.S.W. 4%, 1933.....	82½	82½	French War Loan, 5%.....	79½	80
Argentine 4%, 1900.....	65	65	Japan 4½% (1st), 1905.....	96	96
Belgian 3%.....	60	60	" 5%, 1907.....	92½	92½
Brazil, 1913.....	70	73½	Mexican 5%, 1899.....	63	67½
" 5%, 1914.....	80	81	Russia 4%.....	56	55
Chinese 1896.....	94	94	" 4½, 1909.....	63½	62½
" 1912.....	81	83	" 5%, 1906.....	72	71
Egypt Unified 4%.....	84	84	London and N.-W.....	91	91½
Caledonian defd.....	88	88	London and S.-W. dfd.....	22½	23½
Gt. Central ptd.....	13	13½	Do red. pf. 1914.....	92½	92
" dfd.....	6½	6½	Metropolitan.....	23½	23½
Gt. Eastern.....	35½	35	Do 5% pf.....	77	77
Gt. Northern dfd.....	35½	35	Met. District.....	16½	16½
Gt. Western.....	35½	35	Midland dfd.....	55½	56½
Lancs. and Yorks.....	64	64	Nth. British dfd.....	13½	13½
London Brighton dfd.....	57	58	Nth.-Eastern.....	98	98
London Chatham ord.....	88	88	Sth.-Eastern dfd.....	27½	28
Canadian Pacific.....	178	170½	Chesapeake.....	60	60
E. Indian Guar. 4½ % debts.....	86	86	Erie.....	26½	25½
Grand Trunk ord.....	92	94	Southern.....	29½	29½
Do. 1st pf.....	63½	62½	Cent. Argentine ord.....	58½	59
Do. 3rd pf.....	23½	23	Leopoldina.....	38	39½
Antofagasta dfd.....	126½	126½	Mexican ord.....	20	20½
Brazil Common.....	5	5	San Paulo (Brazilian).....	186	187
B. A. & Pacific.....	40	39½	United of Havana.....	83	83½
B. A. Gt. Southern.....	73½	73½	London & S.W.....	11½	12
B. A. Western.....	7½	70	London City & Midland.....	78	78
Anglo-South American.....	78	78	London County & Westf.....	14½	14½
Bank of Australasia.....	116½	116	London Joint Stock.....	23½	24
Bank of N.S. Wales.....	34½	34½	Nat. Prov. of Eng. (£10½ pd).....	27	27
Barclay & Co. "A".....	78	78	Do. (£12 pd).....	31	31
Do. "B".....	118	118	Parr's.....	29	29
Capital & Counties.....	22½	23	Standard of S.A.....	10½	10½
Chartered of India.....	65½	66	Union Discount.....	10½	10½
Hongkong & Shanghai.....	81	81½	Union & Smiths.....	23½	23½
Lloyds.....	24	23½	Kynochs.....	36½	37½
London & Provincial.....	16	16½	Mond Nickel ord.....	3½	3½
London & Brazilian.....	23½	24	South Durham Steel.....	36½	36½
Armstrong, Whitworth.....	40½	39½	Thornycroft.....	37½	37½
Birmingham Small Arms.....	55½	54½	Vickers.....	39½	39½
Cammell-Laird.....	62	61½	Fine Cotton Spinners.....	30½	30½
Cargo Fleet.....	23½	23	Forestal Land.....	49½	49½
Dorman, Long.....	40½	40½	Furness, Withy.....	47½	49½
Associated Cement.....	38	38	Harrods Stores.....	28	28
Borax dfd.....	38½	38½	Hudson's Bay.....	7	6½
Bovril.....	19½	19½	Imperial Tobacco "C" pf.....	34½	34½
Brazil Traction.....	45½	46	Lever Bros. "C" pf.....	20½	20½
British Amer. Tobacco.....	18½	18½	Lyons, J.....	48	48
British Aluminium.....	32½	32½	Marconi.....	38½	38
British Oil & Cake.....	30½	30½	Maypole Dairy dfd.....	24½	25½
Brunner, Mond.....	48	48½	National Steam Car.....	19½	19½
Castner-Kellner.....	68	68	Pears, A. & F.....	14	14½
Coats.....	68½	68	P. & O. dfd.....	319	320
Courtaulds.....	7	6½	Royal Mail.....	113½	113½
Cunard.....	38½	38	Underground Inc. Bds.....	81½	82
Dennis Bros.....	36½	36½	Anglo-Egyptian "B".....	21½	24½
Eastern Telegraph.....	148½	148½	Baku (10s.).....	2½	2½
Eastmans.....	8½	10½	Burmah.....	68	68
English Sewing Cotton.....	50½	53½	Lobitos.....	2½	2½
Anglo-Egyptian "B".....	21½	24½	Mailop Pipeline.....	3½	3½
Baku (10s.).....	2½	2½	Mexican Eagle pf.....	3½	3½
Burmah.....	68	68	Anglo-Java Rub. (2/-).....	8½	7½
Lobitos.....	2½	2½	Anglo-Malay 2/-.....	15½	15 9x
Mailop Pipeline.....	3½	3½	Ayer Kuning £1.....	53½	53½
Mexican Eagle pf.....	3½	3½	Bukit Mertajam 2/-.....	5½	5½
Anglo-Java Rub. (2/-).....	8½	7½	Bukit Sembawang 2/-.....	3½	3½
Anglo-Malay 2/-.....	15½	15 9x	Carey United £1.....	47½	48
Ayer Kuning £1.....	53½	53½	Chersonese.....	3½	3½
Bukit Mertajam 2/-.....	5½	5½	Gula Kalumpung £1.....	36½	36½
Bukit Sembawang 2/-.....	3½	3½	Highlands £1.....	64½	64½
Carey United £1.....	47½	48	Java Para £1.....	35½	36
Chersonese.....	3½	3½	Johore Rubber Lands £1.....	37½	39
Gula Kalumpung £1.....	36½	36½	Langen Java £1.....	48½	48½
Highlands £1.....	64½	64½	Linggi 2/-.....	30½	30½
Java Para £1.....	35½	36	London Asiatic 2/-.....	9½	9½
Johore Rubber Lands £1.....	37½	39	Malacca £1.....	58	58
Langen Java £1.....	48½	48½	Malayalam £1.....	38½	38½
Linggi 2/-.....	30½	30½	Abbottiakoon (10/-).....	49	49
London Asiatic 2/-.....	9½	9½	Bechuana Land Exp.....	7½	7½
Malacca £1.....	58	58	Brakpan.....	58	58
Malayalam £1.....	38½	38½	Broken Hill Prop. (8/-).....	5½	5½
Abbottiakoon (10/-).....	49	49	Cam & Motor.....	10½	10½
Bechuana Land Exp.....	7½	7½	Central Mining (£12).....	6½	6½
Brakpan.....	58	58	Chartered.....	13½	13½
Broken Hill Prop. (8/-).....	5½	5½	City Deep.....	34½	34½
Cam & Motor.....	10½	10½	Cons. Gold Fields.....	18	18
Central Mining (£12).....	6½	6½	Cons. Langlaagte.....	22½	22½
Chartered.....	13½	13½	Crown Mines (10/-).....	28½	28
City Deep.....	34½	34½	De Beers dtd. (£2 ros.).....	138	124
Cons. Gold Fields.....	18	18	East Rand.....	6½	6½
Cons. Langlaagte.....	22½	22½	Gaduld.....	38½	38½
Crown Mines (10/-).....	28½	28	Gov. Areas Mod.....	38	38
De Beers dtd. (£2 ros.).....	138	124			
East Rand.....	6½	6½			
Gaduld.....	38½	38½			
Gov. Areas Mod.....	38	38			

* Treasury prices.

sessions were flat. The Rubber market has continued very active, and the lower-priced shares particularly have been in active demand throughout the week, in spite of the fact that the price of the raw material has not been much in favour of the bulls. Investors, however, are looking more to yield than to temporary fluctuation in price, and with a small supply of stock sellers have matters very much in their own hands.

LONDON PRODUCE MARKETS.

SUGAR.—No alteration was made in quotations this week. Cuban receipts during the week 12,000 tons.

COFFEE.—In auction a fair quantity, largely consisting of East India and Central American, aroused good support at full rates. Fair to fine bold Mysore, sold, 92s.-104s.; Coorg, 89s.-92s.; Costa, 93s.-94s.; Guatemala, 92s.-94s. The terminal market disclosed a firm but quiet state of affairs.

COCOA.—Market steady, quiet, and public sales were held this week.

TEA.—Indian auctions met with good support, but in some cases only minimum rates were secured. Ceylon sorts engaged keen support at mostly maximum values. Of the former, 6,000 packages were offered and 9,000 packages of the latter.

CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING SEPTEMBER 28, 1917.

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt., duty 14½, 98% polarisation	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'sabr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granulated, first marks f.o.b., spot	nom.	nom.	Greasy Crossbred	nom.	nom.
German Cubes f.o.b.	nom.	nom.	New Zealand	nom.	nom.
French Cubes	nom.	nom.	(scoured) Merino	nom.	nom.
Crystallised, West India ..	2 6 9	2 6 9	Greasy Crossbred	nom.	nom.
Beet, 88% f.o.b.	nom.	nom.	Cape snow white	nom.	nom.
Tea —per lb., duty 1½ lb.	£ s. d.	£ s. d.	Indiarubber p. lb.		
Indian Pekoe ..	11-1 10½	11-1 6	Plantation, Spot	0 2 9½	0 2 9
Broken ..	3-2 7	1-3 1	Crepe ..		
Orange ..	2-2 6½	1-0-2 6½	Coal —per ton		
Broken ..	2-4½-2 10½	1-6-2 9½	Durham, best ..	nom.	nom.
Pekoe Souchong	11-1 6	11-1 6	Seconds ..	nom.	nom.
Ceylon Pekoe ..	11-1 6	11-1 2	East Hartlepool ..	nom.	nom.
Broken ..	1-0-2 6	1-3-2 6½	Seconds ..	nom.	nom.
Orange ..	1-0-1 5	1-0-1 3	Stearns, best ..	30 0	30 0
Broken ..	1-3-2 9½	1-0-2 10½	Seconds ..	27 0	27 0
Pekoe Souchong	11-1 0	11-0 11½	Lead —per ton.	£ s. d.	£ s. d.
Cocoa —per cwt., duty 6d. per lb.	£ s. s.	£ s. s.	English Pig ..	nom.	nom.
Trinidad—per cwt.	85 0-90 0	85 0-90 0	Foreign soft ..	£30½-£29½	£30½-29½
Grenada ..	72 0-87 0	72 0-87 0	Quicklime —per bottle first hand	nom.	nom.
West Africa ..	55 0-67 0	58 0-67 0	Tin —per ton		
Ceylon Plantation	70 0-85 0	68 0-83 0	English Ingots ..	£241-243	£242-243
Guayaquil Arriba ..	95 0-97 0	95 0-97 0	Do. bars ..	£242-244	£243-244
Coffee —per cwt., duty 42½ per cwt.			Standard cash ..	£244 10/	£245
East India ..	82 0-104 6	82 0-124 6	Tin Plates, per box	nom.	nom.
Jamaica ..	67 0-120 0	67 0-120 0	Copper —per ton.		
Costa Rica ..	78 0-100 0	78 0-100 0	English, Tough, per ton ..	nom.	nom.
Provisions —			Best Selected ..	£135-£131	£128-124
Butter, per cwt.			Sheets ..	£160	£155
Australian finest	nom.	nom.	Standard ..	£120-120½	£110-110½
Irish Creameries	206/-211/-	206/-211/-	Jute —per ton.		
Dutch ditto ..	nom.	nom.	Native firsts for shipment	£18 10	£18 10
Russian finest ..	nom.	nom.		f.o.b.	f.o.b.
Paris baskets ..	220/-	23½/-	Oils —		
Danish finest ..	nom.	30c/ expt	Linseed, per ton ..	£58-£63	£58-£63
Brittany rolls ..	23½-24½	26½	Rape, refined ..	£71	£71
doz. lb. ..			crude ..	£66	£66
Bacon —per cwt.			Cott'n Seed, crude ..	£60	£60
Irish ..	160/-162/-	161/-162/-	Petroleum Oil, per 8 lbs.	1/8½	1/8½
Continental ..	146/-162/-	162/-	Water White ..	1/9½	1/9½
Canadian ..	157/-	162/-	Oil Seeds, Linseed ..	—	—
American ..	152/-160/-	157/-160/-	Calcium—per ton		
Hams —per cwt.			Spot ..	29 15 0	29 15 0
Irish ..	nom.	184/-	Rape ..	30 0 0	30 0 0
Canadian ..	146/-	146/-	Iron —per ton		
American ..	110/-137/-	110/-137/-	Cleveland Cash ..	nom.	nom.
Cheese —per cwt.			Tobacco —duty, unmanufactured		
Dutch ..	nom.	nom.	7½ to 8½ per lb.		
Canacton ..	nom.	nom.	Maryland & Ohio ..	nom.	nom.
English Cheddar	132/-	132/-	per lb. bend ..	0 8-2 1	0 8-2 1
Wilts loaf ..	nom.	nom.	Virginia leaf ..	0 7-0 11	0 7-0 11
New Zealand ..	nom.	nom.	Latakia ..	2 0-5 0	2 0-5 0
Rice —per cwt.			Havana ..	1 6-6 6	1 6-6 6
Japan ..	29 6	29 6	Manna ..	nom.	nom.
Rangoon a stars ..	26 3	26 3	Cigars, duty 10/6 per lb. ..	2/ upds.	2/ upds.
Eggs —per 120.			Timber —Wood.		
English ..	29 0-31 0	29 0-31 0	Pitch Pine ..	300/-400/-	300/-400/-
Irish ..	25 0-26 6	26 6-29 0	Indian Teak ..	38½/-700/-	38½/-700/-
Danish ..	24 0-26 0	26 6-29 0	Turpentine —		
Spelter —			American Spot ..	3 5 6	3 6 6
G.O.B. as to position ..	£54-£50	£54-£50	Copra —per ton	46 0 0	46 0 0
Flour —per sack.					
Country Straight	44/3	44/3			
Runs ex Mill ..					

SPICE.—Small supplies at public sales passed off slowly, though Eastern nutmegs were rather firmer in value, 82s. selling at 1s. 8d. and 96s. 1s. 5d., mace, which realised 2s. 6d. to 3s. 1d. for partly wormy parcels, being also dearer. Private market for pepper and cloves ruled steady but quiet.

RICE.—Market firm, with a fair demand. Beans and peas unaltered.

HEMP.—In auction, East India kinds met with good support, and prices realised varied from £2 to £5 per ton advance, according to quality. New Zealand grades quiet at fixed level of prices.

SHELLAC.—Market quiet, but prices firmer. T.N. orange, fair, on spot, sold, 224s. to 225s. For future delivery, October changed hands at 215s. to 220s., and December 221s. to 225s.

GAMBIER dearer, with sales of block, afloat, at 60s., ex quay terms.

RUBBER.—Market dull, and values weaker. Plantation crepe, spot, sold, 2s. 9½d., 2s. 10d., and 2s. 9½d.; October-December, 2s. 10½d., 2s. 10½d., and 2s. 10d.; January-June, 2s. 11d., 3s., and 2s. 10½d. Smoked ribbed sheet, spot, 2s. 8d. to 2s. 7½d.; October-December, 2s. 9d., 2s. 7½d. Fine hard Para, spot, 3s. 3d.; soft fine, 2s. 8½d.; and ball, 1s. 8½d., sellers.

COPRA.—Quiet, unaltered.

TALLOW.—Auctions met with fair competition, and prices marked an advance of 1s. per cwt. on medium and inferior qualities.

CORN (Mark Lane).—The amount of business transacted at market since last Monday was devoid of any importance, while prices were kept at a steady level, with sellers exercising reserve. Wheat: Home grown remains at 73s. 6d. per qr. (504 lbs.). Imported grades generally unchanged. No. 5 Manitoba, 71s.; and No. 6 ditto, 67s. Some Australian out of condition, sold at 81s. 6d., landed. Canadian feed nominal, at 77s. 6d., ex quay. Flour rules at the last regulation price of 44s. 3d. per sack, ex mill, for country straight runs. Barley: English, 62s. 9d. per qr. Canadian No. 4, 52s., ex quay, being nominal thereat. Oats: American, white clipped No. 2, 60s.; ex ship, 61s., landed. Chilean tawny, 63s. to 63s. 6d., quay terms. Maize stationary.

COTTON (from our Manchester correspondent).—The level of prices in the market has shown a distinct advance since a week ago, and business in many quarters has been checked. The general outlook, however, remains more promising, and it is believed that we are about to experience increased activity. A few weeks ago traders held rather bearish views, but since then sentiment has undergone a change, and there is less disposition to anticipate lower rates in the near future. A development of considerable importance has been the decision of the Government to allow freer dealings in raw cotton in Liverpool from the beginning of next week, and the details of the scheme have been much discussed. There has been no lack of inquiry in cloth for abroad, and there has been more wiring of prices to our customers on the other side than for a long time back. So far the response has not been very encouraging, and it is quite evident our customers are afraid to purchase freely at current rates. For India fair miscellaneous sales have occurred, but the bids in shirtings and dhooties have been too low. Comparatively few attempts have been made at transactions of importance for China, and advices from Shanghai are not altogether satisfactory. Decidedly more money has been required by manufacturers of fancy materials, and business for the minor outlets has been considerably blocked. Looms engaged on heavy goods remain very busy, and producers are receiving very profitable rates for fresh contracts. In certain fabrics there is now difficulty in arranging contracts, owing to makers not being in a position to give the delivery required. A very fair inquiry has been dealt with in home American yarns, but the higher prices have been resisted by users, and actual operations have been very irregular. Spinners all round, however, rather tend to improve their position. There has not been much doing in shipping counts. More inquiry has been reported in Egyptian spinnings, with irregular buying chiefly in the finer numbers.

What Balance Sheets Tell.

HANDFORD GREATERX AND CO.

This firm of tanners have experienced a remarkably successful year. For the period ended June last they made a profit of £11,420, an increase of £4,890 on that of the previous year. And this after providing for an increased excess profits duty for half the period. The ordinary dividend is made up to 10 per cent., against 5 per cent., and £4,500 is carried to reserve, raising that fund to £30,000. Trade debtors are up £12,680 at £23,660, sundry creditors have increased £1,930 to £31,750, and stock at £26,900, and investments and deposits at £40,940 exhibit decreases of £1,400 and £1,900 respectively.

EDWIN WALKER AND CO.

Extraordinary prosperity attended this company in the financial year ended July 31 last. Profits, after providing for depreciation, excess profits duty, and preference dividend, amounted to £10,650, against £950 in the previous year. The ordinary shareholders receive 6 per cent. compared with 2½ per cent., £5,000 in contrast to £500 is carried to reserve, and the carry forward left £2,650 up at £3,240. Book debts, bills receivable, cash investments, &c., aggregate £56,240, an increase of £21,570, the item, plant and machinery, stock-in-trade, goodwill, &c., is £29,200 up at £106,100, while sundry creditors exhibit an increase of £41,380 at £58,900. A truly remarkable record of expansion.

PEARSON AND KNOWLES COAL AND IRON CO., LTD.

As negotiations with the Treasury in regard to excess profits duty are still unsettled, the directors do not consider it advisable to publish figures until a definite adjustment is arrived at. No accounts have, therefore, been presented since 1915, but the results are sufficient to warrant the directors in again paying a dividend on the ordinary shares of 6½ per cent., less tax, and a bonus of 5s. (5 per cent.), tax free, making, with the preference dividend, a total distribution of £93,800 for the year. A balance-sheet will be published as soon as settled accounts can be submitted, and meantime it is stated that the output all round has been well maintained. We think the practice adopted by other large firms in similar circumstances of providing for disputed claims by setting aside a sufficient sum for contingencies is the more convenient from every point of view.

Letters to the Editor.

N.S.W. BORROWINGS.

SIR,—While I thank you for affording me space in your issue of the 22nd inst. with regard to New South Wales borrowing, your comment on the same calls for an answer in several particulars.

You claim that the attitude towards the Australasian colonies has always been friendly. If the nature of that friendliness is to be gauged by the tone of your comment, it is to be hoped that Australia has not many friends who are similarly constituted.

I make bold to say that your views are not widely held, and I can claim the result of the last New South Wales loan as an evidence of the stability of the State in the opinion of the investing public. On that occasion the Commonwealth first sought the loan market for a substantial amount. New South Wales had to submit to the risk of market dislocations as a result of the earlier Australian loan. Yet the State loan was floated at the same figure as the Commonwealth, and in the course of a few weeks the whole issue had been taken up by the public, and the stock substantially rose.

I desire to deal with two matters you raise specifically. You state that the city populations are increased at the expense of the rural districts. You assert that the loan moneys are required to disperse the town population to the country again, but claim that the cities have grown through the attraction of huge wages fund, the product of borrowing.

Whilst I admit the policy for the last ten years of New South Wales has been to encourage land settlement in the interior in every way, even at the cost of curtailing the growth of the city, and whilst I recognise the danger of congested cities, yet this disparity in growth is certainly not attributable to a borrowing policy. The reasons for the abnormal growth of towns in New South Wales has been owing (1) to the numbers arriving in New South Wales under a system of uncontrolled immigration. New arrivals disembark as a rule in Sydney, and are disinclined to move inland away from the comforts of the capital. Under this system there was no concerted effort to develop the interior. (2) There has been a tendency to leave country districts and add to the town policy, owing to the fact that the numbers of those seeking land were in excess of the supply available. The insufficiency of the supply of land was owing to the fact that borrowing was at a low ebb and railway construction was progressing slowly. These two causes were apparent prior to the large increase in State borrowing which has been a feature for the last six or seven years. The aim of the Government has been to increase the supply of land fit for settlement, but that cannot be accomplished without railway construction giving the settler reasonably cheap access to the markets of the seaboard. Side by side with that a State-controlled policy of immigration has been established which places every immigrant upon the land and away from the large cities. The policy, therefore, and the result of our borrowing has been to decrease city population and to increase settlement in the country.

Again, to give a further proof of your friendliness you challenge the accuracy of my statement that an enormous number of discharged soldiers will be wanting farms, and that loan moneys will be utilised to provide for this want. My warrant for saying this is twofold: Australian evidence and British. The authorities in Australia have made inquiries of all soldiers enlisting for service as to their desire after discharge, and the latest figures show that approximately 40,000 men desire to settle on the land.

The figures for Great Britain are more emphatic. It is a well-known fact that after the South African war there was an enormous exodus of men (who had been fighting) from Great Britain to foreign countries. The talk of prosperity which British soldiers hear in the trenches from the Dominion comrades has whetted the appetite of many thousands, who openly proclaim their

intention of emigrating at the end of the war. So strong is this expectation that the British Government recently appointed a committee to report upon the best means of providing for discharged soldiers at the termination of the war. That committee reported that a large flow of immigration overseas was inevitable on the termination of hostilities; and also added that so far as was practicable, owing to the limitations of finance and the prior claims of their own soldiers for repatriation, the Dominions were willing to assist in keeping the migrant British soldiers within the confines of the Empire. I quote one passage only: "There are large areas, both in that State (New South Wales) and elsewhere, which at present are without railway communication and are not ready for productive settlement. If increased facilities can be obtained for the securing of loan moneys for development purposes in the near future, the area available for settlement would be very greatly increased in the course of a few years."

We must look forward in the near future to a reduction in the volume of employment, to congestion of the labour market, industrial depression, and possibly reduction in the rate of wages. What better asset for the people of Great Britain than the assurance that a home can be found across the seas for men who otherwise would add to congestion at home. These men will be employed in producing wheat to meet the heavy consumption of the Old Country, and thus procure the twofold object of a better equalisation of supply and demand of labour in Great Britain and maintaining wages, and providing for an increased supply of food to meet the requirements.

And because, forsooth, "Australian politicians," as you in your friendly way describe them, presume to assert that New South Wales prosperity can be built up in this way, if they are allowed to secure loan money for the purpose, the State becomes the subject of caustic and unmerited disparagement for carrying out a patriotic policy.

Yours faithfully,

C. G. WADE,

Agent-General for New South Wales.

Cockspur Street, S.W., September 26.

[We have had our say with regard to the points raised by Mr. Wade, and need not traverse the same ground over again. We hope the future will prove as rosy as New South Wales seems to expect, but we are very sadly afraid that the continual piling up of debt is not the best way to secure it.—ED.]

BLINDED SOLDIERS' CHILDREN.

We have received the following letter from Sir Arthur Pearson, and, needless to say, the object of his appeal has our warmest sympathy:—

To the Editor of THE INVESTORS' REVIEW.

SIR,—I want to carry one step farther the endeavour which during nearly three years past has been made to brighten and render useful the lives of the soldiers and sailors who have been blinded in the war.

The success of the work at St. Dunstan's has exceeded my most sanguine hopes, and the system of after-care which has been organised is carrying on that work with complete satisfaction.

Now I feel that everything possible should be done to encourage the bachelor blinded soldiers to marry and surround themselves with children, and also to help those already married with the new babies who may come to them. I am thinking not only of the joy thus to be brought into their lives, but of the practical help of a wife and children to a man who is sightless.

And the Empire will want the sons and daughters of men like these.

The Government make a weekly allowance for children born before or within nine months of the soldier's discharge; but there is, of course, no allowance for the children born later on for those of the men who marry after leaving the Army because of their disablement.

There is, it seems to me, something infinitely pathetic about the idea of these children whom their fathers will never see. They will be known only by the sound of their voices and by their characters as they develop. Their little faces will become familiar by the touch of the hand that caresses them.

And they will grow up to responsibilities that other children do not know. It must often fall to the children of the blind man to be the special companion of their father, to wait on him, to guide him, to become, in a sense, the guardians of their parent.

I feel certain that those whose joy it is to look on the faces

of their children, to watch their smiles and their play, to see them grow up, will be eager to help the men from St. Dunstan's to care for the little ones, known to them so strangely, like the children we see in our dreams.

The heroism of the blinded soldier is not a matter of the battlefield alone, for to face life joyously and usefully in a world that is dark requires an enduring courage. The generous help that has come to me for these men seems to be a message from the public that they want them to live the happiest lives possible; we do not want the men who have given their sight for us to be hampered by difficulties that forethought can remove from their way. To give blind soldiers the assurance that the children who come to brighten their lives shall be provided for till they are able to make their own way in the world is the object I have at heart.

It is wonderful for the blinded soldier to have the love and constant care of a wife. And in a world of darkness what visions of light are called into existence by the laughter of children, the sound of their feet, the touch of their hands?

It is my hope to be able to raise a fund to provide an allowance of 5s. per week until the age of 16 for each of these children who are not cared for by the State.

The total required will certainly amount to—and may even exceed—£250,000. A sum so large can only be raised by an effort worthy of this cause, which will, I am sure, appeal to everyone.

May I beg the hospitality of your columns to ask for the support of your readers both for subscriptions and for help in collecting this fund.

The object is one which will, I am sure, appeal above all to the women of this country.

All requests for information and all donations should be sent to me at 224, Great Portland Street, London, W. 1, and marked "Blinded Soldiers' Children Fund."

Yours faithfully,
ARTHUR PEARSON.

American Business Notes.

In its usual annual survey of the cotton movement and crop of 1916-17, the *New York Commercial Chronicle* gives some information which, in the circumstances, is of unusual interest. The cotton year runs from August 1 to July 31, and last year the United States crop was 12,975,569 bales. Adding the stock on hand of 544,540 bales, there was available for the year ended August 1 last, 13,520,118 bales of American cotton. Exports to foreign countries account for 5,530,970 bales of this, exclusive of what was sent by rail to Canada, and after making other adjustments, including the deduction of 291,810 bales of foreign cotton imported, mainly Egyptian, the consumption by spinners in the United States was 7,491,086 bales, of which 4,378,298 bales went to Southern mills, leaving 3,112,788 bales for the consumption of the Northern mills. Taking a wider view, and coming to Europe, we are informed that the third year of the war has affected more vitally than ever the production of cotton goods throughout Europe, but the position of Germany in consequence of the British Blockade is "not generally worse." About twelve months ago the number of days of the week to be worked at any German textile factory was reduced to five, and the length of day to not more than ten hours; but many of the mills have not been in a position to work the shorter time allowed, and the shortage of supplies in raw cotton has been a very serious matter. According to one report of February last fewer than a hundred out of a total of one thousand weaving sheds were in a position to continue working. Presumably matters will be much worse in Germany now, because supplies of American cotton will be more rigorously excluded, and only what can be obtained through the Constantinople Railway and the Baghdad Railway can be depended on to provide Germany with the raw material. Desperate efforts have been made by Austria to secure supplies of raw cotton, but the British Navy has been able to limit to a considerable extent the available supply. Austria's estimated 5,000,000 spindles are, therefore, probably more idle to-day than Germany's estimated 11,000,000. Perhaps the following table will illustrate more vividly than a long story what has become of last year's crop of cotton, and below it we place another table, all extracted from the *Chronicle*, setting forth the sources of supply for the raw material. The bales are reckoned as of 500 lbs. weight each. The table relating to consumption reveals the fact that both British India and

Japan are forging ahead as manufacturers, but especially Japan; that the United States is also becoming a much more formidable rival to European spinners, and that Europe's estimated consumption last cotton year fell from 10,300,000 bales in 1913-14 to 7,000,000. The figures relating to the crops take no account of Russia's production, but the summary looks sufficiently comprehensive to be well worth study.

THE WORLD'S ANNUAL COTTON CONSUMPTION.

Countries.	1916-17.	1915-16.	1914-15.	1913-14.
	Bales.	Bales.	Bales.	Bales.
Great Britain	3,000,000	4,000,000	3,000,000	4,300,000
Continent	4,600,000	5,000,000	5,000,000	6,000,000
Total Europe	7,600,000	9,000,000	8,000,000	10,300,000
United States—North	3,193,392	3,238,748	2,768,415	2,701,479
South	4,237,296	3,870,971	3,037,280	2,978,533
Total United States	7,430,688	7,109,719	5,805,695	5,680,012
East Indies	1,764,000	1,723,011	1,648,468	1,680,210
Japan	1,850,000	1,747,382	1,538,200	1,521,582
Canada	190,915	208,040	185,287	145,978
Mexico	50,000	19,600	44,000	30,304
Total India, &c.	3,809,915	3,698,033	3,415,974	3,378,164
Other countries, &c.	1,000,000	536,000	625,000	500,000
Total world	19,240,603	20,343,752	18,746,669	19,858,176
Average weekly	370,012	391,226	359,513	381,688

WORLD'S COMMERCIAL CROPS OF COTTON.

Countries.	1916-17.	1915-16.	1914-15.	1913-14.	1912-13.
	Bales.	Bales.	Bales.	Bales.	Bales.
(Amount coming forward.)					
United States	12,670,099	12,633,960	14,766,467	14,494,782	13,943,220
East Indies &	4,100,000	3,625,034	3,337,000	4,592,149	3,410,472
Egypt	950,000	892,172	1,235,487	1,437,802	1,416,352
Brazil, &c. d.	270,000	220,000	240,000	387,947	370,000
Total	17,990,099	17,371,166	19,578,954	20,914,660	19,197,979
Consumption 52 weeks.	10,240,603	20,343,752	18,746,669	19,858,176	19,544,017
Surplus from year's crop.	8,125,004	8,272,584	832,285	1,056,484	834,028
Visible & invisible stock:					
Sept. 1 beginning year ..	5,379,682	8,351,668	7,519,383	6,462,869	6,280,927
Sept. 1 ending year	4,128,578	5,379,082	6,351,668	7,519,383	6,462,869

* Years ending August 31.

a Includes India's exports to Europe, America and Japan and mill consumption in India, increased or decreased by excess or loss of stock at Bombay.

d Receipts into Europe from Brazil, Smyrna, Peru, West Indies, &c., and Japan and China cotton used in Japanese mills.

k Deficiency in the year's new supply.

Necessarily with the war interfering so disastrously in Europe, the statistics regarding spindles in various countries can hardly be reliable, and the fact that Great Britain and the Continent are put down at the same figures for the last three years seems to show that statistics of this kind are more hazardous guessing than usual. It is otherwise, however, with the figures relating to the United States, India, Japan, China, and Canada, and all these show more or less substantial growth; but in the aggregate the changes are not so marked as one might expect. The world's total number of spindles is estimated at 146,352,825 at the present time, and in 1913 it was 142,573,934. In the interval Canada has gone up a little, and Japan has increased more than 600,000. India, too, is more than 300,000 up, and Canada, China, and Egypt have all increased slightly; but is it a fact that during all these five years Mexico has had 762,149 spindles at work? We are somewhat sceptical, although it would be most encouraging to those who are hoping for a recovery in Mexico to find this estimate true.

Another illustration of the manufacturing prosperity in the United States is afforded by the report of the American Locomotive Co., New York, for the year to June 30. Gross earnings amounted to \$82,214,000, as compared with \$59,316,000 in the previous year, and only \$9,303,000 in 1914-15, but they were \$29,987,000 in 1913-14. Owing, however, to the increase in manufacturing costs, nett earnings were \$3,700,000 less at \$7,394,000, but this compares with a loss of \$1,142,000 in 1914-15. A maiden dividend of 5 per cent. and a bonus of 1 per cent. are declared on the common stock, and after setting aside \$2,000,000, or one million less, for betterments and additions, the surplus is reduced from \$6,020,000 to \$1,952,000. It is pointed out that no provision has been made in respect of taxes under the Excess Profits Act, which was pending in Congress at the time the company's books were closed; but if, as is likely, the recent prosperity continues, the shareholders may face the future with confidence. During the year the plant and output facilities were considerably extended by new additions and the purchase of existing plants, so that a further increase in trade may be anticipated.

The Texas Co., Houston, in the year to June 30, had a gross revenue of \$54,339,000, an increase of \$16,700,000, while the nett earnings were \$7,200,000

higher at \$22,908,000. After setting aside a million for taxes (new), and paying the usual dividend of 10 per cent., which now requires \$1,200,000 more, the balance forward is \$4,500,000 higher at \$15,200,000. During the year the capital has been increased by \$18,500,000, but properties, plant, &c., have been written down by \$9,000,000, while stocks of oil, &c., have increased ten millions to \$40,200,000, and a new item of \$19,000,000 appears as subscriptions to subsidiary companies.

In the report of the American Agricultural Chemical Co. for the year to June 30 it is stated that conditions in the fertiliser industry during the past three years have been very unsettled, due to many disturbing influences contributed directly or indirectly by the great European war. The world-wide depression that immediately followed the first declarations of war brought about a rapid decline in the price of cotton, which very seriously affected collections from the south in 1914 and curtailed to a very considerable extent the demand for fertilisers in that section during the spring of 1915, which, owing to a nervous desire on the part of many manufacturers to unload their products, led to lower prices. Then followed a long period of general readjustment of business to new conditions; the export of agricultural products gradually developed to enormous proportions, which, in turn, led to a greatly increased demand for fertilisers. As it happens, several of the more important component materials of fertilisers are equally essential to the production of explosives, such as nitrate of soda, muriate of potash and sulphuric acid, all of which participated in an abnormal rise of prices. With a rigid embargo placed on potash salts by the German Government early in the war, prices for potash rose over 1,000 per cent.; nitrate of soda and sulphuric acid appreciated from 100 per cent. to 300 per cent., while fuel, labour, machinery and other supplies rose to new levels. As a result, the whole industry became disorganised, necessitating a radical readjustment of prices to the higher costs of production, as well as many changes in the composition of mixed fertilisers, especially as to their content of potash, a normal supply of which was absolutely unobtainable at any price. Not only was the market for raw materials abnormal but it was extremely unstable as well, making it difficult and even hazardous to name prices on manufactured products for future delivery. The past fiscal year has brought no relief to these exceptional conditions, but the enormous demand for food crops and cotton, brought about by the exigencies of war, has greatly stimulated the demand for fertilisers, so that there was no difficulty in selling all the manufactured fertilisers which were available last spring, though a still further rise in prices of raw materials, freights, insurance, &c., found the company's selling prices toward the end of the season out of line with the cost of production. However, the output for the year was 15½ per cent. greater than in the previous 12 months, and the nett income was \$530,000 higher at \$8,710,000. Dividend on the common stock is raised from 4 per cent. to 5 per cent., and the surplus for the year is only a trifle lower at \$2,805,000. As the undivided balance is now over \$11,000,000, the position looks very comfortable whatever complaints about business conditions the directors may have.

Tea, Oil and Rubber.

Although the price of rubber does not seem to be able to get away far from the 2s. 9d. mark, in spite of the small amount now coming in owing to shipping restrictions, there is no appreciable diminution in the demand for shares on the part of investors. Last week landings were 460 tons and deliveries 580 tons, but this small diminution in stocks does not materially affect the statistical position, and in any case the share market for the time being is quite indifferent to fluctuations in the price of the commodity. This week the run has been on low-priced shares, floriners for choice, not standing at much of a premium, but the "penny bazaar" has

found a considerable number of supporters, and the better-class properties have not received so much support. No material change of any kind has occurred in the position, and none is likely in the near future, so that intending buyers have just about as good a chance as the expert in gauging the future of the market. So long as he confines himself to respectably managed concerns, and does not pay too exorbitant a price for his shares, perhaps he cannot go farther wrong than he would in most other speculative investments.

In the year to March 31 the Kawie (Java) Rubber Estates, Ltd., increased the tapping area by 180 acres to 1,390 acres, and the average yield rose from 315 to 360½ lbs. per acre. That may be taken as a very satisfactory result seeing that the plantations are still quite young. The rubber crop amounted to 502,000 lbs., an increase of 120,000 lbs., and the average price was 2s. 5.27d., against 2s. 3.15d. Coffee yielded 6,370 cwts., an increase of 2,600 cwts., and it realised 79s. 8d., against 49s. 4d. Accordingly we find the revenue from rubber up £18,500 at £61,900, and that from coffee up £12,000 at £19,000, while the nett profit comes out £26,500 higher at £60,040. With £8,500 more brought forward, the disposable balance is £70,400, but excess profits duty for 1914-16 absorbed £15,240, and the directors cut down the dividend from 30 per cent. to 25 per cent., so as to increase the carry forward by £26,000 to £38,130 in order to provide for Dutch and British war taxes. It is an almost ultra-conservative policy as the issued capital is only £68,000, and there is a reserve fund of £12,000. However, the directors have apparently deemed it prudent to nurse the estates for the time being as the estimated output of rubber for the current year is put at only 500,000 lbs., and that of rubber at no more than 3,000 cwts. No doubt the shareholders will reap the benefit in the long run, but we are not sure that a more enterprising policy would not pay better, in spite of heavy taxation, while the war lasts.

The Eastern International Rubber and Produce Trust, Ltd., is interested in tea, coffee, and coconuts, as well as rubber, but the last-named is its sheet anchor. Investments in various estates amount to £428,000, an increase of £38,000, and while investments in producing companies have been reduced by £31,000 those in Government and other stocks have increased £73,000. Market value of quoted securities held on June 30 showed an increase of £156,000 at £550,000, while the unquoted securities had dropped £67,000 to £36,800, and the appreciation in value during the year was £52,000, raising the total to £158,600 above book value. Sales of securities yielded a profit of £31,900, which has been added to reserve for depreciation, and the balance of profit is £10,000 higher at £44,100. After placing £13,000 against £5,000 to reserve the dividend is raised from 7½ per cent. to 10 per cent., and the balance forward is £1,500 less at £7,600. The company is evidently carefully managed, and is in a strong position to face any reverses the industry may have to encounter.

The Week in Mines.

The tone of the mining markets this week has been good, and business has been moderately active. Eastern Rand shares have developed strength, partly on news that an Anglo-American company has been formed in Johannesburg, with Consolidated Mines Selection relations, to tender for Far East Rand areas. Copper shares have been buoyant, in spite of the fall in the metal, and silver and tin shares have been conspicuously firm.

SOUTH AND WEST AFRICANS.

Interest in the South African market has been confined to Far Eastern Rand descriptions. Springs have been actively bought and have risen ½ to 3½, Rand Selections ¼ to 4½, and Brakpans ¼ to 5½. Modder Leases have also been well supported, and show an advance of ¼ to 3 15-32. Kleinfonteins have risen 1s. 9d. to 23s. 6d., and New Modders at 21½, Modder B's at 8½, and City Deeps at 3½ are better. Diamond shares have been a poor market, despite the announcement of an increased dividend by the Jagersfontein Co. De Beers deferreds have fallen ¼ to 13, the preferreds ¼ to 13½, and Jagers ½ to 4½. Rhodesians have met with support, notably Chartereds, which have risen 1s. 9d. to 15s. 9d., and Tanganyikas and Zambesia Explorings. The latter, which were supported on statements that the high

level of copper prices has brought about a marked improvement in the financial position, are appreciably higher. Tanganyikas have risen $\frac{3}{8}$ to $3\frac{1}{2}$, and Zambesias 3s. 6d. to 26s. 10 $\frac{1}{2}$ d. Bwanas have been rather easier at 4s. 6d. buyers. An official statement is expected before long as to the new treatment process, regarding which a contract is about to be signed. In the West African market, Presteas have come to life again, and are now quoted at 6s.

COPPER AND MISCELLANEOUS.

Despite the lowering of the price of copper by £10 a ton, following the fixing of prices in America, copper shares have been very firm. Rio Tintos have advanced $2\frac{1}{2}$ to 66 on advices from Paris. Tin shares have been active and firm, especially low-priced Nigerians. Naragutas have risen 3-32 to 29-32, Champions 9d. to 5s., and South Croftys 1s. to 21s. 3d. There has been a further advance in Broken Hills on the high price of silver, though the miners are still out on strike. It is believed that the increased profit from silver will offset the loss occasioned by the strike, provided the latter does not last too long. British has risen 1s. 3d. to 39s., Proprietarys 2s. to 52s., Souths $\frac{1}{2}$ to 9 $\frac{1}{2}$, Norths 1-32 to 2 29-32, and Sulphides 6d. to 30s. Of the Mexicans, Santa Gertrudis has risen 1s. 6d. further to 10s., and Camp Birds, which company is a large shareholder in the Santa Gertrudis, are 1s. 3d. higher at 10s. 6d. Orovilles have spurred to 19s. on buying based on the expectation of dividends being declared next year on the company's big holding in the Nechi concern.

Russians have weakened somewhat, Russo-Asiatics being $\frac{1}{2}$ lower at 3 $\frac{1}{2}$. Indian shares have met with some support, and are slightly higher in some cases.

MINING NEWS.

RHODESIAN MINERAL OUTPUT.—The production of gold in August was £294,359, a decrease of £43,644 on the same month of last year. The following table shows the production since January, 1913:—

MONTH.	1913.	1914.	1915.	1916.	1917.
January	£ 220,776	£ 249,032	£ 293,133	£ 318,586	£ 296,113
February	2 8,744	259,888	286,789	313,769	289,734
March	257,797	273,236	299,686	335,368	300,183
April	241,098	295,907	315,541	339,386	297,977
May	242,452	290,062	318,898	323,783	299,271
June	241,303	306,421	322,473	313,070	302,195
July	249,301	320,670	336,565	322,365	288,731
August	250,576	316,972	344,493	338,001	294,359
September	250,429	309,398	321,085	322,035	—
October	247,068	337,241	339,967	325,608	—
November	239,036	311,711	313,160	317,135	—
December	254,687	309,669	331,376	306,205	—
Totals..	2,903,267	3,580,207	3,823,166	3,895,311	2,367,563

The number of producers was 220, or 1 less than in July; and the output of other metals was 17,768 ounces of silver, 47,214 tons of coal, 341 tons of copper, 1,120 tons of chrome ore, 921 tons of asbestos, 72 carats of diamonds, and 2 tons of wolframite.

NEW VAAL RIVER DIAMOND.—At the meeting of this company the chairman drew attention to the exceptional quality of the stones found on the company's estates. For the first six months of the financial year the diamonds had averaged £6 6s. 4d. per carat, and during the second half £7 10s. 2d. per carat. As the result of this the company would be the last to suffer by any depreciation in market values, and the first to benefit by any subsequent revival. The profits amounted to £10,771, the nett profit being £9,000, out of which a dividend of 5 per cent. has been paid.

INTERNATIONAL COAL.—The accounts for the year ended June 30 show a profit of £10,112, after providing for excess profits duty and income-tax, which compares with £17,256 for 1915-16. A final dividend of $7\frac{1}{2}$ per cent. is declared, making 15 per cent. for the year, less tax, the same as for 1915-16, but the carry forward is reduced from £4,994 to £2,356. During the year the shareholders confirmed the agreement provisionally entered into between the directors and Lysberg, Ltd., for the sale of the company's output, and this arrangement is working satisfactorily and to the advantage of the company. The ordinary shares of £5 each are being split into five shares of £1 each.

DIVIDENDS ANNOUNCED.

Assam Oil Co.—Interim for half-year ended June 30 at rate of 7 per cent. per annum on the preference shares.

Alliance Trust Co.—Interim for half-year ended July 31 on the ordinary stock at rate of 19 per cent., less tax. A year ago was the same. Warrants will be posted Oct. 10.

Anglo-Continental Guano Works.—Quarterly at the rate of 25 per cent. per annum on the ordinary shares, payable Oct. 1.

Anaconda Copper Mining Co.—£2 per share, payable Nov. 26.

Bukit Rajah Rubber Co.—First interim of 10 per cent., less tax, for year ending March 31, 1918, payable Oct. 18, same as a year ago.

Birmingham Small Arms Co.—Final for the year ending July 31 last on ordinary shares at rate of 5 per cent., together with a bonus of 2s. per share, free of tax, the same as that paid last year.

Bilbao River and Cantabrian Railway Co.—Interim of 3s. per share, less tax, for half-year to June 30, payable on 27th inst. on the preference and ordinary shares, the same as a year ago.

Bell's United Asbestos Co.—Interim of 1s. per share, less tax, payable on Oct. 16, the same as a year ago.

Cockshutt Plow Co.—1 per cent. on the preference shares, payable Nov. 1.

Canada Co.—Interim of 1s. per share, clear of income-tax, for half-year ended June 30, payable Oct. 15.

Coltress Iron Co.—8 per cent. per annum on the ordinary shares, together with a bonus of 5 per cent., making 13 per cent. for the year, against 15 per cent.

Commercial Bank of London.—Interim at the rate of 6 per cent per annum on the cumulative participating preference shares.

Colchester Brewing Co.—5 per cent. on ordinary shares, the same as last year; £1,500, against £1,250 to property reserve, £2,292, against £2,031 forward.

Caamano Tengel Estate.—Interim of 4 per cent., payable on Oct. 4, on the preference shares, the same as a year ago.

Dalmellington Iron Co.—Final on the ordinary shares of 5 per cent. and a bonus of 5s. per share, free of tax, the same as a year ago.

Ferreira Deep.—11 $\frac{1}{2}$ per cent. (2s. 3d. per share) for period ending Sept. 30, against 16 $\frac{1}{2}$ per cent. a year ago.

Grand Central (Ceylon) Rubber Estates.—Interim of 5 per cent. (actual), less tax.

H. and C. Grayson.—A quarterly interim computed from July 1, 1917, will be paid on the forty per cent. cumulative preference shares on October 10.

Harrisons and Crossfield.—Dividend on the cumulative preference shares, at the rate of 5 $\frac{1}{2}$ per cent. per annum, less tax, for three months ending Oct. 15. Warrants will be posted on Oct. 13.

Hope Bros.—Interim at the rate of 4 per cent. on the ordinary, the same as a year ago.

Jabez Johnson, Hodgkinson, and Pearson.—12 $\frac{1}{2}$ per cent. (actual) on deferred ordinary shares for the year.

Kalgoorlie Electric Power and Lighting Corporation.—At the rate of 4 per cent. per annum on the pref. shares for the six months ending Sept. 30, payable Oct. 20.

Kelani Valley Tea Association.—Interim of 15 per cent., less tax, on the ordinary shares, against 10 per cent. a year ago.

Kawie (Java) Rubber Estates.—Final 10 per cent., making 25 per cent. for the past year; forward £38,130. An interim of 5 per cent. (actual) is declared in respect of the year ending March 31 next.

Kali Glagah (Java) Rubber and Produce Co.—Final 12 $\frac{1}{2}$ per cent., less tax, making 17 $\frac{1}{2}$ per cent. for year, against 15 per cent.; forward, £7,077, against £2,405.

Low Moor Co.—Interim at the rate of 5 per cent. per annum, less tax, for the half-year ended June 30.

Leach's Argentine Estates.—Final 5 per cent. (making 8 per cent. for the year) on the preference shares and 7 per cent. (making 10 per cent. for the year) on the ordinary shares, and 2d. per share on the deferred shares. For the previous year 6 per cent. was paid on the ordinary and preference shares.

Mount Morgan Gold Mining Co.—No. 270 of 1s. per share, less tax, payable on Oct. 31, the same as a year ago.

Mexican Petroleum Co. of Delaware.—\$1.50 per share on the common stock, payable Oct. 15.

New Jagersfontein Mining and Exploration Co.—4s. per share for half-year ending Sept. 30 (interim for the year ending March 31, 1918, equal to 40 per cent. per annum), against 3s. a year ago.

New England Breweries Co.—Usual half-yearly 4 per cent. on the preference shares.

Phoenix Assurance Co.—Interim of 3s. 6d. per share (less tax) for year 1917, payable on Nov. 1, the same as last year.

Pryce Jones.—Interim on ordinary shares at the rate of 4 per cent. per annum for the half-year to July 31, the same as a year ago.

Parambe Rubber and Tea Co.—Interim of 7 per cent., less tax, payable Oct. 15.

Panagula Rubber Co.—Interim on account of the current year's working of 4 per cent., less tax, payable on Oct. 10, against 3 per cent.

Shawinigan Water and Power Co.—1 $\frac{1}{2}$ per cent., or at the rate of 7 per cent. per annum, for quarter ending Sept. 30 on the common shares, payable on Oct. 10.

Selaba Rubber Estates.—Interim of 8 per cent. (actual), less tax, for 1917, payable Oct. 10; a year ago the dividend was the same.

Samana and Santiago Railway Co.—Interim for half-year to June 30 at the rate of 9 per cent. per annum on the ordinary shares, against 7 per cent.

Sungei Kruit Rubber Estate.—Interim of 7 $\frac{1}{2}$ per cent. (1s. 6d. per share), less tax, for current year, the same as a year ago.

Tronoh Mines.—Interim of 1s. per share, less tax, payable on Oct. 12, the same as a year ago.

Union Castle Mail Steamship Co.—Interim for half-year ended June 30 at the rate of 6 per cent. per annum, tax free, on the ordinary stock, the same as a year ago.

Yataderia Rubber and Tea Co.—Interim of 2 $\frac{1}{2}$ per cent., less tax, in respect of crop season, 1917, payable on Oct. 13, the same as a year ago.

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McGill St., Montreal.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.				GROSS TRAFFIC TO DATE.			
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.	
		Rs.	Rs.		Rs.	Rs.		
Assam Bengal ..	Aug. 11	1,24,000	—	1,503	24,58,838	+	79,580	
Barsi ..	" 25	33,600	—	6,300	3,88,500	—	90,800	
Bengal & N.W. ..	" 11	2,91,950	—	73,156	81,34,753	+	64,647	
Bengal Nagpur ..	" 18	8,77,000	+	78,000	2,05,66,732	+	14,36,114	
Bombay, Baroda ..	Sept. 15	12,04,000	+	59,000	3,42,08,000	+	21,23,000	
Burma ..	Aug. 11	3,13,285	—	52,368	75,81,142	+	79,933	
Delhi Umballa ..	Sept. 22	1,00,000	—	39,133	19,14,373	+	2,64,158	
East Indian ..	" 22	23,08,000	+	2,53,000	5,58,14,000	+	9,00,000	
Gt. Indian Penin. ..	" 15	19,12,400	+	2,96,400	4,91,31,203	+	37,41,849	
Lucknow-Bareilly ..	Aug. 11	35,690	—	5,228	8,85,948	+	26,137	
Madras and S. ..								
Maharatta ..	" 18	9,50,000	+	21,324	2,17,31,313	+	15,41,144	
Nizam's Gd. (Broad) ..	" 4	1,63,910	—	15,586	24,16,075	—	52,395	
" (Metre) ..	" 4	63,585	—	2,050	13,12,190	—	25,062	
Rehilkund and ..								
Kumaon ..	" 11	38,239	—	3,727	8,93,399	+	37,870	
South Indian ..	" 18	619,162	—	12,791	135,76,733	+	10,46,280	

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.
		£	£		£	£	
Bristol ..	Sept. 21	12,279	+	1,763	413,187	+	29,567
Dublin United ..	" 21	7,367	+	1,098	253,774	+	25,175
Hastings and Dist. ..	" 23	1,553	+	224	48,093	+	7,046
Isle of Thanet ..	Aug. 11	713	—	310	13,314	—	1,351
Lancashire United ..	Sept. 19	2,605	+	707	88,572	+	19,875
Provincial ..	Aug. 25	3,211	—	199	107,758	—	25
Yorks. (Wst. Rdng.) ..	Sept. 23	2,209	+	315	80,304	+	13,502

* From Oct. 1.

† From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.
		£	£		£	£	
Alabama Power ..	Aug. 5	101,868	+	20,192	2,08,419	+	50,823
Anglo-Argentine ..	Sept. 23	53,200	+	3,113	1,949,534	+	22,648
Auckland Electric ..	Aug. 24	21,812	+	1,345	4,722	+	748
Brazilian Traction ..	July	M7,795,000	+	M366,000	M52,44,100	+	M383,300
Edinburgh Elec. Inv. ..		32,720	—	160	7,225,315	—	915
British Columbia ..	June 5	72,729	+	9,899	1,042,130	+	244,747
B. A. Lacroze ..	Aug. 3	39,111	—	2,682	77,174	—	2,304
Burmah Electric ..	31 b	Rs. 26,714	+	Rs. 2,301	—	+	Rs. 31,383
Calcutta ..	Sept. 22	Rs. 70,885	+	Rs. 1,148	—	+	Rs. 244,096
Carthage and ..							
Herrerias ..	Aug. b	4,164	+	2,083	34,099	+	13,278
Cordoba Light ..							
P. & T. ..	July	14,343	+	85	56,154	—	1,165
Hongkong ..	Aug. 4	15,109	—	4,608	415,258	—	24,587
La Plata ..	" b	4,075	—	283	33,095	—	532
Lima ..	June	16,843	+	1,977	100,160	+	5,662
Madras Electric ..	Sept. 16c	Rs. 36,217	+	Rs. 1,665	Rs. 590,193	+	Rs. 52,195
Mexico ..	Nov. 5	215,256	—	108,666	3,193,106	—	197,227
Rangoon ..	Aug. 5	4,788	—	535	38,288	—	2,000
Singapore Electric ..	June 23	173,455	—	287	326,593	—	16,598
Toronto ..	" 5	475,408	+	27,552	27,1393	+	55,105
United of Monte V. ..	Aug. 5	28,860	+	2,816	300,253	+	7,921
Vera Cruz ..	June 5	52,000	—	5	302,800	—	—
Winnipeg ..	" 5	49,664	—	37,907	435,897	—	194,611

b 28 days. * From Jan. 1. § Nett. a From July 1. c Two weeks.

UNITED STATES OF AMERICA.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.
		£	£		£	£	
Chesapeake & Ohio ..	Sept. 14	1,038,000	+	34,000	37,143,000	+	2,477,000
Chicago G.W. ..	" 7	321,000	+	4,000	11,994,000	+	1,616,000
Colorado & South'n ..	" 14	318,000	+	23,000	19,146,000	+	2,241,000
Denver & Rio Gran. ..	" 14	588,000	+	46,000	50,662,000	+	7,750,000
Louisv' & Nashv' ..	" 7	1,449,000	+	34,000	20,593,000	+	447,000
Minn. S.P. (Soo) ..	Aug. 14	591,000	—	11,000	28,561,000	—	4,962,000
Missouri Kansas ..	Sept. 14	877,000	+	128,000	76,794,000	+	10,269,000
Southern ..	" 14	2,446,000	+	526,000	—	—	—

§ Includes Wisconsin Central. † From Jan. 1. † From June.

FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.
		£	£		£	£	
Alooy and Gandia ..	Sept. 22	Ps. 10,000	—	Ps. 2,500	Ps. 420,520	—	Ps. 78,580
Antofagasta (Chili) ..	" 23	41,180	—	12,795	1,535,540	—	258,285
Arauco ..	Aug. 31	10,000	—	1,000	76,000	—	13,700
Argentine N.E. ..	Sept. 22	8,800	—	1,100	102,900	—	20,598
Bilbao R. and Canta ..	Aug. 5	3,012	—	3,445	27,665	—	8,853
Bolivar ..	" 5	11,000	—	2,755	22,000	—	7,683
Brazil ..	June *	M3,926,000	—	M886,822	M2365,100	—	M2740,277
Brazil Gt. Southern ..	" 5	Mis. 42,000	—	M4,100	M212,990	—	M33,700
B. Ayres & Pacific ..	Sept. 22	64,000	—	13,000	860,000	—	156,000
Do. Central ..	Aug. 5	26,365	—	1,371	50,775	—	1,677
Do. Gt. South'n ..	Sept. 15	92,000	—	7,000	978,705	—	85,549
Do. Western ..	" 23	36,000	—	21,000	457,000	—	156,000
Central Argentine ..	" 22	90,900	—	15,100	991,000	—	378,100
C. Ur'g'ay of Mte V. ..	" 22	14,896	—	4,359	183,096	—	51,542
Do. East'n Ex. ..	" 22	3,409	—	34	47,422	—	4,228
Do. North'n Ex. ..	" 22	2,863	—	1,068	33,934	—	11,890
Do. West'n Ex. ..	" 22	1,779	—	106	18,932	—	24
Cordoba Central ..	" 22	7,000	—	19,690	396,350	—	20,895
Costa Rica ..	July 28	2,672	—	2,628	13,882	—	7,925
Cuban Central ..	Sept. 22	11,737	—	1,173	149,109	—	35,073
Dorada Extension ..	Aug. 5	9,500	—	—	74,400	—	10,400
Egyptian Delta ..	" 31	6,938	—	1,429	88,309	—	14,308
Entre Rios ..	Sept. 22	15,300	—	4,200	164,800	—	20,900
French Sante Fé ..	Dec. 5	81,752	—	1,139	1,080,727	—	156,858
Gt. South. of Spain ..	Sept. 15	Ps. 84,923	—	31,375	Ps. 2365,035	—	Ps. 593,035
Gt. West. of Brazil ..	" 22	13,900	—	2,200	462,250	—	121,950
Havana Central ..	" 22	76,993	—	1,028	83,423	—	9,800
Inter. of C. Amer. ..	Aug. c*	9,042	—	5,248	208,871	—	29,151
La Guaira and Car. ..	" 5	6,750	—	750	63,000	—	2,000
Leopoldina ..	Sept. 22	41,491	—	9,068	1,079,216	—	191,636
Manila (N. & Sth.) ..	Apl. 6	10,380	—	1,997	109,380	—	1,997
Midland Uruguay ..	Aug. 5	12,766	—	4,172	24,891	—	6,653
Mogana ..	June	M1,656,000	—	M473,279	M7,042,000	—	M274,641
N.W. of Uruguay ..	" 5	26,000	—	560	291,778	—	26,908
Nitrato ..	Sept. 31b	31,430	—	1,390	540,354	—	69,814
Paraguay Central ..	" 22	2,660	—	920	37,200	—	8,120
Paulista ..	June *	M2,188,000	—	M494,263	M9,909,000	—	M410,641
Peruvian Corp'n ..	Aug. 5	S 979,430	—	S 83,530	S 1,954,430	—	S 223,100
Salvador ..	Sept. 15	10,000	—	1,550	175,000	—	50,795
S. Paulo (Brazilian) ..	" 16	38,531	—	3,365	996,118	—	14,972
Sorocabana ..	June *	M1,514,000	—	M291,539	M9,333,000	—	M115,078
Taitai ..	Sept. 22	21,105	—	1,417	240,815	—	1,597
United of Havana ..	Aug. 22	36,743	—	6,482	430,594	—	63,987
West'n of Havana ..	" 22	7,058	—	1,491	85,107	—	12,425
Zafra and Huelva ..	Aug. *	12,809	—	290	90,265	—	940

* Months. † From Jan. 1. † From July 1. c Nett. b 15 days. a to days.

COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.
		£	£		£	£	
Beira ..	July *c	54,645	—	7,933	651,261	—	7,990
Canadian Northern ..	Sept. 21	\$770,200	+	\$44,200	\$9,487,400	—	\$131,600
Canadian Pacific ..	" 21	\$2,964,000	+	\$185,000	\$105,079,000	—	\$8,364,000
Gr. Trk. Main Line ..	" 21	227,011	+	3,647	7,627,775	+	851,275
Gr. Trk. Western ..	" 21	34,753	+	1,465	1,425,251	+	28,443
Detroit G. H. & M. ..	" 21	12,821	+	157	497,495	+	3,692
Gr Trk Pac Prairie Sc ..	" 21	21,371	+	7,388	268,058	+	80,107
Mashonaland ..	May *	65,700	—	2,798	442,673	—	17,515
Mid. of Westn. Aus. ..	" *	6,428	—	513	84,036	—	870
New Cape Central ..	Aug. 18	1,441	—	36	59,695	—	7,840
Rhodesia ..	July *c	89,593	—	105	840,938	—	43,602

* Months. † July 1. † Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year	No. of Mths.	Amount.	In. or Dec. on last year
		Dols.	Dols.		Dols.	Dols.
Atchafson T. & S. Fé	July	4,790,000	+ 720,000	1	4,790,000	+ 720,000
Atlantic Coast Line	"	426,000	— 33,000	7	6,899,000	+ 181,000
Baltimore & Ohio ..	"	3,083,000	— 4,000	7	17,530,000	+ 296,000
Canadian Northern	"	904,900	+ 292,500	1	904,900	+ 292,500
Canadian Pacific ..	"	4,017,000	— 257,000	7	23,619,000	+ 1,138,000
Chesapeake & Ohio	"	978,000	— 378,000	6	7,777,000	— 789,000
Chicago & N.W. ..	"	2,502,000	+ 54,000	6	13,772,000	— 1,544,000
Chicago Burl. & Q. ..	June	3,570,000	+ 1,130,000	6	18,295,000	— 1,436,000
Chicago G.W. ..	July	298,000	— 26,000	7	1,784,000	— 447,000
Chicago Mil. & S.P.	"	2,638,000	+ 561,000	7	13,487,000	— 1,942,000
Chicago, Rock I. & P.	June	1,641,000	— 452,000	6	10,156,000	— 750,000
Colorado & Southern	July	509,000	+ 127,000	7	3,250,000	+ 659,000
Cuba ..	June	369,000	+ 52,000	12	1,922,000	— 1,595,000
Delaware & Hud. ..	July	674,000	+ 18,000	7	3,324,000	— 1,935,000
Denver & Rio Gran.	"	570,000	— 246,000	7	4,837,000	— 434,000
Erie ..	"	1,237,000	— 499,000	7	6,086,000	— 4,302,000
Gr. Tr. Main Line. ..	"	£ 2,49,600	— £ 12,680	7	£ 1,267,800	— £ 158,030
Grand Trunk Westn	"	£ 11,950	— £ 37,450	7	£ 2,22,950	— £ 25,050
Detroit G. H. & Mil.	"	£ 67,300	— £ 18,450	7	£ 458,100	— £ 278,050
Et. Northern ..	"	2,649,000	— 439,000	7	11,939,000	— 652,000
Illinois Central ..	"	1,351,000	+ 328,000	7	11,003,000	+ 2,732,000
Kansas City Southn.	"	366,000	+ 1,000	7	4,544,000	+ 457,000
Lehigh Valley ..	"	1,271,000	+ 49,000	7	5,959,000	+ 1,800,000
Louisville & Nashvl.	"	1,772,000	+ 289,000	7	9,982,000	+ 60,000
Minn. S.P. (Seo) § ..	"	1,042,000	+ 49,000	7	5,307,000	+ 2,049,000
Miss. K. & Texas ..	"	697,000	+ 79,000	7	3,658,000	+ 1,958,000
Missouri Pacific ..	"	1,874,000	+ 753,000	7	11,861,000	+ 5,721,000
New York Cent. & H.	"	5,348,000	— 372	7	26,337,000	— 4,021,000
N. Y. N. Haven & H.	June	1,820,000	— 311,000	6	10,319,000	+ 126,000
New York Ont. & W.	"	357,000	— 49,000	7	919,000	— 200,000
Norfolk & Western	"	1,802,000	— 314,000	7	12,016,000	— 1,674,000
Pennsylvania East	"	2,394,000	+ 5,000	7	16,606,000	+ 1,257,000
and West Lines ..	July	11,445,000	+ 213,000	7	51,050,000	— 10,449,000
St. Louis & San F.	"	1,635,000	+ 529,000	12	16,759,000	+ 3,323,000
Seaboard Air Line.	"	514,000	+ 47,000	6	3,090,000	+ 94,000
Southern ..	"	1,882,000	+ 600,000	12	24,331,000	+ 2,953,000
Southern Pacific ..	July	5,616,000	+ 767,000	7	31,491,000	+ 9,198,000
Union Pacific ..	"	3,776,000	+ 462,000	7	22,566,000	+ 435,000
Wabash ..	"	1,061,000	+ 45,000	7	6,819,600	+ 89,000

COMPANY MEETINGS.

THE SHEEPBRIDGE COAL AND IRON CO., LTD.

The annual meeting of this company was held in Sheffield on the 24th instant. In the absence of the chairman, Mr. F. Fowler, who had recently met with an accident, the chair was taken by Lord Aberconway, the other directors present being Sir Henry Norman, Bart., M.P., Mr. M. Deacon, and Mr. W. B. M. Jackson, with the secretary, Mr. T. E. Haslam.

Lord Aberconway, after remarking that Mr. Fowler had not missed the company's annual meeting for nearly 50 years, expressed pleasure that although a large number of their men had joined the forces, they continued to maintain a fair output of coal. The output of the Sheepbridge Collieries and their connected concerns now amounted to about two and three-quarter million tons per annum, and when the new collieries they were developing were completed, the total would be perhaps the largest output of any colliery company in the kingdom. That, however, was a somewhat distant prospect, because at present the exigencies of the war prevented them commencing operations at Firbeck and Finningley. Another thing which retarded the development was the want of houses. It was very difficult to obtain permission from the Ministry of Munitions to build more houses, but until they were able to do so they could not expect the output at Maltby and Rossington to be anything like normal. They were hoping to get the authority of the Ministry to develop in that direction.

Of course, their costs had very largely increased. Wages went up periodically, and were now more than double the 1888 standard. He was sorry to have to repeat what he said last year, that the higher the wages the less work was done.

He did wish that their men would really take this matter into their consideration, and feel that they were working not for what they called capitalists, but for the country, and that the men who were fighting for them at the front ought to be supported in every possible way. There was no support that the workmen who stayed at home could give with greater advantage than that of increasing the output of coal, iron and steel.

The cost of material had increased, timber costing 400 per cent. more than it did before the war, and other materials from 80 to 125 per cent. more. Notwithstanding this, owing to the Coal Limitation of Prices Act they were not able to charge more than 4s. per ton for coal over the pre-war price. Everything, therefore, pointed to a diminution of coal profits. He did not say that at the present moment there was no profit in coal, but if this condition of things went on, which was very likely to be the case, they must be prepared, taking the country as a whole, for a considerable diminution. Companies like theirs, whose finances were of the best, could stand these difficulties better than weaker collieries, and he hoped that they would still be able to show the shareholders a reasonable return for their money.

Since they last met the Coal Control had been established—one of those numerous ministries which took charge of the business of the country with more or less success. The Coal Controller had only recently taken his seat, and since the end of February the collieries were practically under a beneficent despot who sometimes appeared to know more about mining than experts of great experience such as they were accustomed to. He did not say it was a bad principle, because in these war days everything was upset. As long as the Coal Controller was advised by wise and competent people he had no doubt it would work out for the good of the country, and without much injury to their interests.

They were only allowed 5 per cent. over the standard profits. 80 per cent. of the excess profits went to the Government as excess profits duty, which was quite right, and 15 per cent. went to the Coal Controller to provide for the interests of the weaker collieries. He did not think they need complain of that. As long as the Coal Controller did not interfere with the management of the collieries, he did not think they ought to complain, but he did say most seriously that if they were to be interfered with in any way by Government officials in the management of the pits most disastrous consequences would happen. He had every confidence in the discretion of those in high quarters that they would not attempt anything of the kind.

Very drastic regulations had been issued with regard to the transport of coal. The country was mapped out into districts, and the coal produced in certain districts could only be sent to specified markets, the object being to save haulage of wagons, and make people supply themselves from the nearest collieries. As far as theory went, that was a sound principle. He did not know how it was working out. He did not fancy it had made a very great difference, but the principle was a good one, and they were anxious to fall in with the views of the Government on the subject. He was glad to say that district committees had been appointed. In South Yorkshire and Derbyshire, for instance, there were district committees composed of practical coalowners who understood the trade, and directed coal to the markets where they thought it could be disposed of most advantageously from the point of view of cost of transport.

As far as the trading side of the collieries was concerned, they were now entirely under the Coal Controller, who had declared all contracts cancelled. Of course, they were allowed to go on selling, with certain exceptions, to their old customers, but every contract was liable to be broken at any moment, and the coal diverted elsewhere.

Coal which they had sold for export at a high price may be

ordered to go to some inland place, where they were obliged to take the coal limitation price, perhaps 5s. or 6s. per ton less. To that extent the control interfered with their trade in a rather unfortunate manner.

The Sheepbridge Company were now making basic pig-iron to a very large extent, and they were going into the steel trade on a small scale for the first time, having just finished a steel furnace. The wages paid last year were £522,000, and the profits divided amongst the shareholders, £150,000. While the men were very properly getting increases in wages, there were no war bonuses for the shareholders, whose 15 per cent., in view of the higher income-tax and the lessened purchasing power of the pound sterling, was only worth about 12½ per cent. On the whole, he thought the miners might be congratulated on the fact that they were comparatively better off than those who found the money for working the pits.

Early in the year the company took up £268,000 worth of 5 per cent. War Loan. They had at June 30 £399,000 in that loan, and £120,000 in war expenditure certificates. He reviewed various features of the balance-sheet, and said that from a financial point of view the company was never in a better position. He concluded with a further appeal to the workmen for their co-operation. Both coalowners and men ought to consider that they were both in the same boat at present; all working together for the good of the country in order that they might win the war. He proposed the adoption of the report.

Mr. M. Deacon seconded the resolution, which was carried. A final dividend of 10 per cent., making 15 per cent. for the year, was approved. Lord Aberconway and Mr. W. H. McConnel were re-elected directors, and Messrs. Alfred Tongue and Co. were re-appointed auditors.

Mr. R. H. Dunbar, in proposing a vote of thanks to the directors, referred to their heavy bereavements in the war. Lord Aberconway, Mr. McConnel, and Mr. W. B. M. Jackson have all lost sons, and Mr. Deacon a son-in-law.

Mr. J. J. Hounsfield seconded the resolution, which was carried, all standing as a mark of sympathy with the directors.

JOHN BROWN AND CO.

The annual meeting of the shareholders of John Brown and Co. was held on Thursday at the Royal Victoria Hotel, Sheffield, under the presidency of the chairman of the company (Lord Aberconway).

Lord Aberconway, in moving the adoption of the report and balance-sheet, said he was afraid that, owing to the fact that the war is continuing, he would not be able to give the shareholders more information about the affairs of the company than he was able to give a year ago, when he reminded them that the whole of the operations of their great concern and its allied concerns were being undertaken for the benefit of Government for the production of supplies necessary to carry on the war. They would easily understand it was impossible to give publicity to many details which would have interested them very much if he could have told them, and which were really in themselves of enormous magnitude. The output of the company and its allied concerns was perfectly amazing. With regard to the Sheffield works, there had been no slackening of effort either on the part of the officials or men. They were very glad to be able to maintain the dividend, but he must emphasise the fact that, although it was nominally the same, it was of less value to the shareholders. The value of the pound sterling had very much decreased during the war. The constant creation of credit by the country in the shape of War Loans and other means had, of course, depreciated the value of currency. That accounted very largely for the increased price of commodities. He had heard it stated that the value of the pound sterling was only 12s. to-day. If that were so, it was obvious that their dividend had fallen considerably below 10 per cent. They felt that they must not think of spending any revenue on increased dividends until the war was over. They had got to retain the company's earning power to the fullest capacity, and that could only be done by judicious handling of the reserves. They had to think of the future, and consider themselves as a great national arsenal that required the greatest skill in its direction. The shareholders had to make sacrifices, and they expected the workmen to make sacrifices too. They must have regard to the common object: to increase the supply of munitions of war to the greatest possible extent, and in that way win the war. With regard to coal, the country was producing within 10 per cent. of its pre-war production, although many miners had gone to the front. Although they all regretted that in many cases the miners were not working all their time, the output per man was greater than before the war. Pig iron output had increased enormously, and they were turning out 20 per cent. more steel than the pre-war standard. When we remembered that our chemists and technical experts were making us independent of foreigners, he thought we might feel that the war was doing great good in many directions where we wanted stirring up. He wished he could give the shareholders the real facts about shipbuilding. He did not see why the Government could not have them published. When we had achieved the results which had been achieved, it would discourage and not encourage the enemy if he heard of them. They were preparing for a very large steel and shipbuilding output. They had doubled and trebled the shipbuilding facilities, and he was quite certain that this would become almost the dominant trade after the war, and from this the shareholders of John Brown and Co. would reap the benefit. Although the balance-sheet was much the same as a year ago, they had had to consider the future. The carry forward had increased by about £29,000.

With regard to the War Loan, the company had very largely supported the country in the last issue. They did not complain of their shareholders doing the same, but they considered the maintenance of their debenture issue was really of almost equal importance as subscribing to the Government issue. If they balanced the two sides of the balance-sheet, they would find the balance was in favour of the assets as compared with last year. He would remind them that, like most other firms in the Sheffield district, the balance-sheet by no means represented the actual value in properties, owing to the changing conditions in the iron and steel trades, which made it almost impossible to compute the value of their actual plant. They also needed a large margin of capital in order to avail themselves of inventions; they did not hesitate to provide themselves with funds for that purpose. They were contemplating moving some of their minor branches to other sites convenient for administration from Sheffield. The departments for heavy castings and forgings had been largely increased, and must be developed to meet the increased demands of the shipyards. They found that their space in Sheffield was too limited for this, and he thought they might have early to take steps to move some part of the works to some other locality. Lord Aberconway referred to Sir Charles Ellis's arduous work at the Ministry of Munitions, and to the honour of knighthood conferred upon Sir Thomas Bell for his important work in the development of the turbine. Their managing director, Mr. William H. Ellis, would in the next few days have the distinction of being elected Master Cutler for the fourth time. Their shipbuilding companies had all done well, thanks to the great services rendered by Lord Pirrie. As to Coventry, great things had been done, the old debit balance had been entirely written off, resources had been created to meet post-war conditions, and the output of munitions was simply enormous. Great extensions had been made at Thomas Firth and Sons to meet Government requirements, and the firm stood at the very top of the firms in its own line. The firm and its allied concerns had in their employ between 70,000 and 80,000 men, women, and boys, and great improvements were being made in the conditions under which they worked. In return, the firm hoped they would play the game, and continue to produce the munitions for our soldiers suffering and dying at the front.

The report and accounts were passed, the resolution being seconded by Mr. Bernard A. Firth.

UNION COLD STORAGE.

The 20th ordinary general meeting of the Union Cold Storage Co., Ltd., was held yesterday at Winchester House, Old Broad Street, E.C., Mr. Roger P. Sing, chairman of the company, presiding.

The secretary (Mr. Edward Hinchliff) having read the notice convening the meeting, and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: In presenting to you our 20th annual report and balance-sheet, I should like, first of all to congratulate the shareholders in the company on our continued prosperity during the time of stress and anxiety through which we are going. The results before you are satisfying and gratifying, and I think you will agree with me that credit is reflected on the management of our various stores, when the extraordinary increase in the cost of labour and materials is considered. You will notice that the results show an increase on the previous year, and that we shall carry forward into the year 1917 an amount in excess of the figure brought into the accounts from 1915. You will see that after paying interest on our debenture stock, and dividends on both issues of preference shares, and setting aside £59,459 for depreciation, we are able to write off altogether the balance of capital issue expenses accounts, eliminating that account from our balance-sheet, and to reduce specific mortgages by £8,500, leaving £150,473 of such mortgages outstanding; there then remains £75,014 to be dealt with, and your directors now recommend the payment of the usual dividend of 10 per cent. per annum on the ordinary shares for the year 1916. The balance to be carried forward to 1917 will thus be £45,014, compared with £37,627 brought in from 1915. The increase of capital made in December, 1916, as explained in the report, does not affect the accounts I have been reviewing, as the benefits to be derived from it only began in 1917; but I might remind you that the terms on which this capital is employed are such that it will fully pull its weight. I am glad to have the opportunity of reporting to you that two of the steamers in respect of which this new capital was issued have already been launched, and will shortly be ready for service. As for general conditions, I need hardly state that everything is dominated by the war. We have passed through a very strenuous period, brought about by difficulties of transport and insufficient labour, and, taking these difficulties into consideration, the results obtained are very gratifying. We have worked under great difficulty, but the secret of our continued success lies in the fact that we specialise in the cold storage business, and make a constant, and hitherto, we believe, successful, study of what is necessary for the keeping in good condition of the varied and different classes of products that are entrusted to our care by our customers. When one considers the enormous value of the goods that our customers leave with us, it will be understood how necessary it is that they should have the utmost confidence in the company that is storing their goods. We are here to-day to give an account of our stewardship for the year 1916, and not to prophesy as to the future; but you will like to hear something of our prospects, and I have pleasure in stating that earnings in the year 1917 seem likely to be well maintained,

so far as profits are concerned, and in addition we shall have the revenue from our new capital. We continue to lose the services of a further number of employees who join the forces, and I think we have reason to be proud of our record in this respect. The total number of men previously in our service in Great Britain and now with His Majesty's Forces is 360. The absence of these men has naturally thrown a great strain on those who remain, and ladies and gentlemen, we have not achieved the results placed before you to-day without a great deal of hard work. We directors and you shareholders owe a great debt of gratitude to our staff in all departments who, one and all, have worked untiringly and unsparingly in the interests of the company and for its welfare; hours have been long, holidays reduced in some cases to almost vanishing point, and the work to be got through at times has been overwhelming, yet personally I have never heard a single complaint, and I ask you all to join with me in recording our appreciation of what our staff has accomplished.

Mr. T. B. Norsfield seconded the motion, which was carried unanimously.

The retiring directors, Mr. R. P. Sing and Mr. Wm. G. Bunday, were re-elected, and the auditors, Messrs. Deloitte, Plender, Griffiths and Co., were re-appointed.

A vote of thanks to the chairman, directors, and staff terminated the proceedings.

RENONG TIN DREDGING.

The fourth annual general meeting of the Renong Tin Dredging Co., Ltd., was held on Friday at the registered office, No. 5, Whittington Avenue, Leadenhall Street, E.C., Major Francis Bernard Lawson (chairman of the company) presiding.

Mr. J. H. Jennings, F.C.I.S., representing the secretaries and agents (Messrs. Guthrie and Co., Ltd.), having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—It is again my pleasant task to point to a successful year's working of your property, and to place before you a balance-sheet which shows the company to be in a strong and satisfactory position. The issued capital now stands at £112,267, divided into 25,000 preference shares and 87,267 ordinary shares, the latter having been increased during the year under review by the taking up of the 10,500 shares which were held under option, as stated in last year's balance-sheet. All debentures have been paid off, and the cash position is strong. You will see that at the close of the accounts we had liquid assets of more than £53,000. A reserve fund is being built up, and already stands at £11,000. Notwithstanding difficulties in obtaining supplies from manufacturers and freight, we have been enabled to keep up our stock of spare parts, which at the time of closing the accounts stood at £17,674 7s. 6d., and you may easily understand that that represents a far larger sum at present prices. The nett profit for the year's working comes to £39,511 16s. 7d., as against £30,863 15s. 6d. last year, whilst the working expenses are practically the same. The increase in the duty paid to the Siamese Government is accounted for by higher prices having been received for the ore, the duty being assessed on a sliding scale. The expenses over all amount to 8.98d. per cubic yard—not quite a penny more than last year—but when the increase in prices generally is taken into consideration, the difference cannot be called excessive. On the other hand, the value of the ground treated during the year was 13.29d., which is rather more than a penny better than last year, so that the nett profit per cubic yard does not show much difference—just a fraction in favour of the present accounts. The amount of tin ore produced during the year amounted to 970.41 tons, against 827.50 tons obtained last year. The average price per ton of ore was £128.85, against £111.58, and the average assay value of the tin remained about 70 per cent. During the year we have expended the sum of £1,020 7s. 5d. in prospecting the 1,000-acre block, for which we hold a special prospecting licence. The results show that the lead has become split up as it approaches the sea, and it is doubtful whether much of this particular area will be worth dredging. The board have, however, secured prospecting rights over other areas in the neighbourhood, which it is proposed to test as soon as the rainy season is over. You will no doubt be interested to hear that the company incurs no liability for excess profits duty for the year under review, and although it is impossible to definitely state now what the position will be for the current year, it is possible that we may not be liable for this year also. We have had a good year, and I do not think I am unduly optimistic in anticipating that the current year will be equally profitable. At any rate, we have begun well, as the amount of ore won for the first 2½ months is 195 tons. All three dredges are now in good working order, and the board are looking well ahead in the provision of spare parts, so that we hope to avoid any undue stoppage caused by failure of supplies.

Mr. A. F. Nicol seconded the motion, which was carried unanimously.

OILFIELDS ITEMS.

Bibi Eibat.—Production week ended Sept. 6, 16,821 tons.

Cheleken.—Production fortnight ended Aug. 11, 209 tons; fortnight ended Aug. 26, 178 tons; and fortnight ended Sept. 8, 214 tons.

European.—Production week ended Sept. 16, 821 poods.

THE COMMERCIAL BANKING CO. OF SYDNEY, LTD.

(INCORPORATED IN NEW SOUTH WALES.)

ESTABLISHED 1834.

CAPITAL PAID UP	£2,000,000
RESERVE FUND	£1,940,000
RESERVE CAPITAL	£2,000,000
	£5,940,000

ONE HUNDRED AND THIRTY-EIGHTH HALF-YEARLY REPORT.

Presented to the Shareholders at an Ordinary General Meeting held at the Head Banking House, George Street, Sydney, on Tuesday, 24th July, 1917.

The Directors submit to the Shareholders a Balance-sheet showing the Liabilities and Assets of the Bank on the 30th June, 1917, and present the following Report:—

The balance at credit of Profit and Loss, after adding the amount brought forward, and deducting rebate on current bills and accrued interest on fixed deposits, reducing premises account, paying Land, Income and other taxes, and providing for bad and doubtful debts as well as granting to the Officers a bonus on their salaries, and making additions of £5,000 each to the Officers' Provident Fund and the T.A.D.B.S. Officers' Relief Fund, amounts to £199,093 13 10

Out of which the Directors recommend the following appropriations:—

To payment of a Dividend for the half-year at the rate of 10 per cent. per annum out of the Half-year's Profits, £100,000; to Transfer to Reserve Fund, £40,000; to Balance carried forward, £59,093 13s. 10d. £199,093 13 10

This meeting is called upon to elect a Director, consequent on the retirement, in terms of the Articles of Association, of the Honourable Sir Thomas Hughes, M.L.C., who is eligible for re-election, and has given the requisite notice that he is a candidate for the office. It also rests with the meeting to appoint Auditors for the ensuing year.

GEORGE J. COHEN, Chairman.

Dr.		LIABILITIES AND ASSETS.—(Including London Branch to 30th June, by Cable.)		Cr.						
Capital	£2,000,000 0 0	£	s	d	By Coin, Bullion, Australian Commonwealth	£7,669,739 0 5	£	s	d	
Reserve Fund	1,900,000 0 0				Notes and Cash at Bankers	1,590,000 0 0				
Reserve Capital	2,000,000 0 0				Money at short call in London					
	£5,900,000 0 0				British and Australian War Loan Stocks and					
					Government, Municipal and other Securities	4,529,300 0 0				
					Bills receivable in London and Remittances					
					in transit	2,116,479 2 10				
					Notes and Bills of other banks	67,797 13 8				
To Capital Paid up	£2,000,000 0 0								15,973,315 16 11	
Reserve Fund	1,900,000 0 0								14,558,144 13 12	
		3,900,000	0	0					600,343 0 0	
Notes in circulation		12,711	0	0	Bills discounted, and other debts due to the Bank					
Bills in circulation		1,462,580	17	3	Bank premises, furniture, &c.					
Deposits and other liabilities		25,557,417	19	9						
Profit and Loss Account		199,093	13	10						
		£31,131,803	10	10					£31,131,803 10 10	
Dr.					PROFIT AND LOSS.					Cr.
					£	s	d			
To Dividend Account for payment of a Dividend for past half-year					By Amount from last half-year					£2,758 2 1
at the rate of 10 per cent. per annum out of the Half-year's					Profit for half-year ended 30th June, 1917					146,335 11 9
Profits					100,000	0	0			
Reserve Fund					40,000	0	0			
Balance carried forward					59,093	13	10			
					£199,093	13	10			£199,093 13 10

Dr.	PROFIT AND LOSS.			Cr.			
	£	s	d	£	s	d	
To Dividend Account for payment of a Dividend for past half-year at the rate of 10 per cent. per annum out of the Half-year's Profits	100,000	0	0	By Amount from last half-year	52,758	2	1
Reserve Fund	40,000	0	0	Profit for half-year ended 30th June, 1917	146,335	11	9
Balance carried forward.....	59,093	13	10				
	£199,093	13	10		£199,093	13	10

1917—30th June	£1,900,000 0 0
By Transfer from Profit and Loss	40,000 0 0
	£1,940,000 0 0

GEORGE J. COHEN, Chairman.

H. H. MASSIE, General Manager.

L. A. PARKER, Accountant.

Sydney, 16th July, 1917.

We hereby certify that we have examined the bills, compared the balances and counted the coin in the Head Office of The Commercial Banking Company of Sydney, Limited, and have compared the returns of the Branches, and have found the same as specified in the foregoing Balance-sheet.

J. J. BRENAN and F. W. HIXSON, Auditors.

JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LTD.

(Incorporated in the Transvaal.)

REPORT OF DIRECTORS to be submitted to the Shareholders at a Meeting to be held in the Board Room, Johannesburg Consolidated Investment Company, Limited, Consolidated Building, Fox Street, Johannesburg, on Tuesday, the 27th day of November, 1917, at 11.30 a.m.

ACCOUNTS.

1. The Company's Balance Sheet and Profit and Loss Accounts for the financial year ended the 30th June, 1917, are submitted herewith.

PROFITS.

2. After providing for depreciation, English and Colonial Income Tax, and other charges, the profit for the year amounts to £194,712 12s. 3d., which, together with £161,343 18s. 3d. brought forward, makes a total available balance of £356,056 10s. 6d.

DIVIDEND.

3. On the 25th June the Directors declared a dividend of 5 per cent. (free of Income Tax) as against a similar rate of dividend subject to Tax in previous years. This absorbs the sum of £197,500, leaving a balance of £158,556 10s. 6d. to be carried forward.

VALUATION OF SHARE HOLDINGS.

4. As usual the Company has where necessary written down its share-holdings to their market value as at the 30th June last.

FINANCIAL POSITION.

5. As indicated in the following paragraph, the Company has devoted part of its resources to the acquisition of new Mining interests, but retains a very substantial liquid balance in cash and Government securities.

MINES IN WHICH THE COMPANY IS LARGELY INTERESTED.

6. During the year your Company has acquired a controlling interest in the Randfontein Estates Gold Mining Company, the Randfontein Central Gold Mining Company, and the Langlaagte Estate and Gold Mining Company, and the administration of these properties has now passed into the Company's hands.

In this connection it may be mentioned that shareholders of the Randfontein Central Gold Mining Company, Limited, have been notified that, for reasons given, their new Board has considered it necessary to effect somewhat drastic changes in the previous mining policy of the Company. These changes will result in a temporary reduction in the Company's monthly profits, but it is confidently anticipated that the new policy will be to the ultimate benefit of all concerned.

The position of the other Gold Mines under the Company's control is clearly set forth in their respective Annual Reports, which have been recently issued.

In so far as the younger Mines are concerned, it will be seen that the returns and developments of the Government Gold Mining Areas (Modderfontein) Consolidated, Limited, have shown marked progress during the year under review. The ore reserves exceed 5,500,000 tons, the estimated value of which is about 7-2 dwts. per ton over 75 inches. The new reduction plant is in full commission, and is capable of dealing with 120,000 tons monthly. A satisfactory arrangement has just been concluded with the Government as regards certain anomalies under the original lease, and a very prosperous career for this Company is assured.

Similarly the Van Ryn Deep, Limited, has shown excellent results, both as regards returns and development. The ore reserves of the Company now stand at well over 2,300,000 tons, the value of which has improved from 8-4 dwts. to 8-7 dwts. per ton.

The profits of all South African Mining Companies have naturally been adversely affected by the large increase in the cost of mining stores. Further, in view of the restrictions and difficulties attending the shipment of material required for mining purposes, it has been necessary to take prudent measures to guard against any shortage of supplies.

GOLD PRODUCTION.

7. The Company's Group of Mines, for the year ended 30th June last, produced gold to the value of £4,724,234. This amount does not include the

production of the Randfontein Central and Langlaagte Estate Gold Mining Companies. It is anticipated that the value of gold which will be produced by the Company's Group of Mines next year will approximate £10,000,000.

NEW AREAS.

8. During the year the Government offered two areas in the Far East Rand for public tender, and your Company made very substantial offers for both of them on the basis of their being worked as independent propositions. Certain Companies owning developed ground immediately adjoining made offers on the basis of amalgamation with their existing mines, and their proposals proved to be more acceptable to the Government Engineers.

DIAMOND MINES.

9. In view of the Company's considerable interest in all the leading South African Diamond Companies, it is of special interest to record that during the period under review, on the initiation of your Chairman, very important and far-reaching arrangements have been made materially affecting the future prosperity of these properties.

For the first time in the history of these mines an effective control of the quantity of diamonds to be annually produced and marketed has been established which, even under present conditions, has resulted in a very large advance in the price of the stones. This limitation of production effecting as it does large savings in their annual expenditure, but owing to the enhanced prices not diminishing their revenue, will in normal times vastly enlarge the profits of these Companies and very materially extend the period during which their Mines can be profitably worked. The arrangements in question have been cordially approved and supported by the Union Government, who from a Revenue point of view are largely interested.

ESTATES AND TOWN PROPERTIES.

10. There is little or no improvement to be recorded in the Company's revenue from this class of investment, but energetic efforts are being made to develop and popularise for residential purposes certain of the Company's suburban estates, with considerable prospects of success.

CHAIRMAN'S VISIT TO SOUTH AFRICA.

11. During the year your Permanent Chairman, Mr. S. B. Joel, and your Consulting Engineer, Professor Lawn, paid a lengthy visit to South Africa. It will be seen from the Chairman's speech to the Shareholders at the Annual General Meeting that all matters affecting the Company's interests were carefully reviewed, and it is therefore unnecessary to refer to them in detail in this report.

Speaking generally, however, Mr. Joel dwelt upon the steps he had taken to broaden the basis upon which the future earnings of the Company rest, and your board feel confident that the continued prosperity of the Company is fully assured.

ELECTION OF DIRECTORS.

12. In terms of the Articles of Association four of the Directors, viz.: Sir John S. Purcell, K.O.B., and Messrs. J. Emrys Evans, C.M.G., J. Friedlander, and Isaac Lewis, retire by rotation and offer themselves for re-election.

ELECTION OF AUDITORS.

13. Messrs. Henry Hains and S. Thomson, the Auditors of the Company in Johannesburg, and Messrs. Chatteris, Nichols & Co., the Auditors in London, retire from office and offer themselves for re-election.

By Order of the Board,

THOMAS HONEY, } Secretaries.
W. H. MARDALL, }

27th September, 1917.

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

[Price 6d.]

JOHN MacLENNAN, Sub-Manager.
W. M. BLACKIE, Accountant

BANKS.

STANDARD BANK OF SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province, to the Imperial Government in South Africa, and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL	£6,194,100
PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

BOARD OF DIRECTORS.

Wm. Referson Arbuthnot, Esq.	Horace Peel, Esq.
Sir David Miller Barbour, K.C.S.I.,	William Smart, Esq.
K.C.M.G.	Right Hon. Lord Sydenham, G.C.S.I.,
Robert E. Dickinson, Esq.	G.C.M.G., G.C.I.E., G.B.E.
James Fairbairn Finlay, Esq., C.S.I.	H. L. M. Tritton, Esq.

HEAD OFFICE: 10, CLEMENTS LANE, LOMBARD ST., LONDON, E.C. 4.

New York Agency: 68, WALL STREET.

OVER 250 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, South-West Africa Protectorate and the Belgian Congo, and with the Bank's Agencies in New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED AND COLLECTED.

MAIL AND TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT AND DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK issues CIRCULAR LETTERS OF CREDIT available in all parts of the world.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE and SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, Etc., received.

EXECUTOR and TRUSTEE BUSINESS undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

FRANCIS SHIPTON, London Manager.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	Yen 48,000,000
Capital Paid Up	Yen 36,000,000
Reserve Fund	Yen 21,300,000

Head Office: YOKOHAMA.

Branches and Agencies at

Anjung-Hsien.	Harbin.	Nagasaki.	Shanghai.
Bombay.	Honolulu.	Newchang.	Singapore.
Calcutta.	Hong Kong.	New York.	Sydney.
Changchun.	Kobe.	Osaka.	Tientsin.
Dairen (Dalny).	Liaoyang.	Peking.	Tokyo.
Fengtien (Mukden).	Los Angeles.	Ryojun (Port Arthur).	Tsinanfu.
Hankow.	Lyons.	San Francisco.	Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital	£4,000,000
Paid-up Capital	1,800,000
Reserve Fund	2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Cordoba, Tucuman, Parana, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fe (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaos (Agency). CHILI—Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,980,000; together	£3,980,000
Reserve Liability of Proprietors	4,000,000
Total Capital and Reserves	£7,980,000

HEAD OFFICE: 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

THE WESTERN AUSTRALIAN BANK.

Established 1841.

Paid-up Capital .. £250,000 0 0 25,000 Shares of £10 each.

Reserve Fund .. £280,000 0 0 | Reserve Profits .. £29,979

Reserved Liability of Shareholders £280,000.

Drafts issued, Remittances cabled, Bills negotiated or collected, Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents. The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

BANKS.

BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital	£3,394,980
Reserve Fund	2,800,000
Reserve Liability of Proprietors	3,394,980
	£10,589,960

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.

H. L. M. TRITTON, Esq.

WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager.

J. S. CAMPBELL, Secretary.

HALKERSTONE MELDEUM,

DAVID GEDDIE,

Assistant Manager.

Accountant.

The Bank has 337 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	£1,500,000
Capital Issued	1,125,000
Capital Paid Up	562,500
Reserve Fund	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS, CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

CAPITAL PAID UP	£2,000,000
REST & UNDIVIDED PROFITS	£800,986

Head Office: ST. ANDREW SQUARE, EDINBURGH.

A. K. WRIGHT, Cashier and General Manager

J. B. ADSHEAD, Secretary.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager.

166 Branch Offices throughout Scotland.

Banking Business of every description transacted. Accounts opened for Foreign and Colonial Correspondents. Bills, Cheques, and other documents collected. Deposit received at interest repayable at call or at notice.

THE COMMERCIAL BANK OF LONDON, LIMITED.

Chairman—The Right Hon. SIR CHARLES HOBHOUSE, BART., P.C., M.P.

CURRENT ACCOUNTS opened, and every description of Banking business transacted. Bills discounted, and advances made to customers on approved security.

SPECIAL FACILITIES GRANTED TO COMMERCIAL AND INDUSTRIAL UNDERTAKINGS.

THE PURCHASE AND SALE OF SECURITIES undertaken, also the receipt of dividends.

COUPONS AND DRAWN BONDS negotiated.

DEPOSITS received at call, or for fixed periods, at rates which may be ascertained on application.

6, Austin Friars, London, E.C. 2.

ARTHUR H. KING, Manager

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital .. £1,000,000.	Subscribed Capital .. £250,000
Paid-up Capital	£500,000
Reserve Fund	£400,000
	£1,000,000
Uncalled Capital	£250,000
Reserve Liability of Shareholders	£625,000
	£1,790,000

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

The Investors' Review.

Vol. XL.—No. 1,031.
New Series.

SATURDAY, OCT. 6, 1917.

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The *Investors' Review* is a Subscription Journal, and will be delivered to subscribers in London by the first post, or sent to the country and abroad by the first mail, on Saturday Morning, on the following terms:—

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The Editor cannot undertake to return rejected communications.

Letters from correspondents must, in every case, be authenticated by the name and address of the writer.

The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and they cannot accept responsibility for statements made therein.

ANSWERS TO QUERIES.

One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

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Private Letters in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

Passing Events.

Elsewhere we deal with the revenue returns for the half-year ended last Saturday, but the figures for the final week are not without interest. Ordinary revenue amounted to £13,032,000, but that was only a fleabite compared with the total receipts, which were no less than £206,914,000. Treasury bills brought in £66,111,000, other war debt £24,857,000, and a bagatelle of £101,955,000 was borrowed temporarily. War Savings Certificates—the Cinderella of the Treasury family—yielded just three-quarters of a million, equal to a good two and a-half hours' expenditure at the rate the money is now being ladled out. Supply Services required £63,216,000, interest £1,924,000, and miscellaneous expenses £1,144,000, making the total outgoings against income £66,284,000. Treasury bills for £17,928,000 were redeemed, and temporary advances for £123,082,000 were repaid, with the result that Exchequer balances were reduced by £483,300, the total issues being £207,397,000. At the end of a quarter there are always large adjustments of accounts, and it would be wrong to draw any special inferences from the figures given. But expenditure continues to mount at a rate which would be terrifying if we could pause to consider it.

German mentality, as we have repeatedly discovered in the past three years, is something that no outsider can hope to understand. There has been some sort of International Trade Union and Socialist Conference going on in Berne, attended by German and neutral, but not by Allied delegates, and in the absence of the latter, a letter was read from Mr. Appleton, on behalf of the Federation of British Trade Unions. From the reports we gather that Mr. Appleton, in extremely moderate language, explained that British workers refused to meet the Germans while they countenanced such barbarities as the sinking of hospital ships and other abominations. Thereupon, we are told, the German delegates flew into a great rage, and their spokesman, a creature called Bauer, head of the Transport Union, in a voice "choking with anger," denounced Mr. Appleton's letter as jingoistic. "We Germans are not angels, but why don't people protest against English brutalities? The truth is that the French and English working classes are supporting their Jingo Governments. We hold out the hand of friendship and they

won't take it. Germany is fighting a defensive war, and there will be no revolution with us. The German soldier will do his duty to the end." And much more to the same effect. Germany is fighting "a defensive war" against Belgium and Serbia, for instance! What are you to do with besotted maniacs of that description? Apparently nothing, except allow them to "do their duty"—to come on in masses to be mown down by French and British guns. They are doing their best to get the race exterminated, and so far as the outside world can judge, there is only the merest remnant of it worth preserving. It may be quite true that the great majority of the German peoples are kept in densest ignorance about the actualities of the situation, but only a race of debased savages would gloat over such horrible outrages as have been committed during the war. They are possessed of a "daemon" which will have to be exorcised before they can again mix with civilised people; it will prove a long and painful process, but there is no human possibility of living on friendly terms with a mad dog.

In the half-year to June 30 the National Bank of India, Ltd., did very well. Gross profits amounted to £288,300, an increase of £17,000, but expenses were higher, and the nett profit is £2,500 up at £143,770. With £3,500 more brought in, the available balance is £6,000 larger at £250,460, and the directors pay the usual dividend of 16 per cent. per annum, free of income-tax, leaving £170,460, or £6,000 more, to be carried forward. The reserve fund has been increased by £50,000 since last year, and now amounts to £1,250,000, or a quarter of a million more than the paid-up capital. Current and deposit accounts have increased £2,600,000 to £20,212,000, and bills payable are up £260,000 at £1,251,000. Cash in hand and at call has risen £430,000 to £4,540,000, bills of exchange, including Treasury bills, are up a million at £9,850,000, and advances, &c., have increased £1,500,000 to £7,464,000, but investments are slightly lower. The balance-sheet totals at £24,790,000, an increase of £3,060,000, and everything looks very flourishing.

Comparatively small changes are shown in the report of the Bank of Victoria, Ltd., for the half-year to June 30. Gross profits were £2,000 larger at £109,000, but the nett profit comes out only a trifle

higher at £53,140, and there is £6,750 less for disposal, owing to the smaller amount brought in. The dividend of 6 per cent. per annum is repeated, and the balance forward is reduced by the sum mentioned to £23,960. Government deposits have fallen £355,000 to £930,000, but other deposits and current accounts are £170,000 higher at £5,940,000. Cash has increased £314,000 to £1,655,000, and a new item of money at short call in London appears for £450,000. Discounts and advances are £555,000 lower at £5,922,000, and the other movements are unimportant. The balance-sheet total is £330,000 higher at £9,527,000, but it looks as though business conditions had been somewhat difficult.

Not much need be said about the report of the Belfast Banking Co., Ltd., for the year to July 31, as the business is to be merged in the London City and Midland Bank, according to the resolution passed three months ago. Nett profits, after providing a war bonus of £6,985 to the staff, amounted to £68,870, an increase of £4,300. The usual dividends of 20 per cent. on the old and 8 per cent. on the new shares, together with two bonuses of 5d. and 2d. respectively, are declared, and the balance forward is £49,150, against £24,970 brought in, £25,000 having been set aside last year for depreciation of investments. Notes in circulation show an increase of £285,000 at £1,665,000, and deposit, &c., accounts are £1,150,000 higher at £9,260,000. Cash in hand is £250,000 lower at £2,946,000, and investments are practically unchanged. Advances against War Loan amount to £1,380,000, and other advances are £145,000 higher at £4,948,000. The balance-sheet totals at £12,200,000, an increase of £1,266,000, and the London City and Midland has certainly secured a sound, flourishing business.

It is evident that under anything like normal conditions the results of the Russian and English Bank in 1916 would have been entirely satisfactory. Gross profits amounted to £492,520, an increase of £253,000, and the nett profit is £145,000 higher at £327,675. Exchange, however, is taken at the par value of 94½, so that the figures in sterling are somewhat illusory, and the directors very prudently refrain from recommending a dividend, as against 8 per cent. paid last year. During the year the capital was increased by £529,000, and it now stands at £1,587,300. The premium received on the new shares has been added to the reserve fund, which has been further augmented by Rs. 1,400,000 from the profits of the year, making the total £531,000. Current and deposit accounts have increased £1,835,000 to £7,505,000, and bills for collection are £443,000 higher at £610,700, but an amount of £888,000 owing to correspondents has disappeared. Cash is £330,000 higher at £1,036,000, and investments have increased £1,950,000 to £2,790,000, but discounts and advances are £1,820,000 lower at £5,955,000. The total of the balance-sheet is Rs. 98,421,000, an increase of Rs. 30,000,000, or, converted into sterling at the normal rate, £10,415,000, an increase of £3,150,000. A brief statement by the directors about the position would have been welcome.

Great disappointment was felt in the market at the decision of the Grand Trunk Railway board not to pay any interim dividend on the guaranteed and preference stocks. It is true that the monthly statements showed that while gross receipts were substantially larger, the gain was more than swallowed up by increased expenses, but dealers were not prepared for the drastic step of passing the dividend altogether, and prices of the junior stocks slumped heavily, as will be seen from the following list:—

	Highest.		Sept. 28	Oct. 3.
	1916.	1917.		
Grand Trunk Ord.	12 ³ / ₁₆	11 ³ / ₈	9 ³ / ₈	8 ³ / ₈
" 4 p.c. Guar.	68	63 ³ / ₄	58	51 ³ / ₄
" 5 p.c. 1st Pref. ...	73 ³ / ₄	71 ³ / ₄	62	58
" 5 p.c. 2nd Pref. ...	59 ³ / ₄	61 ³ / ₄	52	48
" 4 p.c. 3rd Pref. ...	20 ³ / ₄	20 ³ / ₁₆	23	21 ³ / ₄

The directors state that they have been doing everything possible to obtain permission from the Railway Commissioners to raise rates in order to meet the increased working costs, but so far without success, and the question of dividends is therefore postponed until the end of the year. In the meantime it might not be a bad thing if the present troubles compel the enforcement of greater economy in working, as the Grand Trunk has always had a reputation for somewhat extravagant methods.

That business in Canada generally is steadily improving may be gathered from the experience of the Hudson's Bay Co. with regard to land sales. In the six months to September 30 these amounted to 164,935 acres, against 85,426 acres in the corresponding period, and the price realised was £609,800, against £275,400. It will be seen that while the acreage disposed of increased by about 90 per cent., the value rose over 120 per cent., so that there is evidently a keen demand for farm lands that are favourably situated as regards railway and other facilities. On the other hand, town lots show up very indifferently, the sales in the half-year amounting to only £220, against £5,800, and even the latter is a poor figure compared with what was usual a few years back. Total receipts amounted to £227,300, against £135,300, and that is a good indication of general conditions as purchases are mostly paid for on the instalment system, and payments invariably fall off when times are bad. But with half the world clamouring for more bread, the farmers of the North-West ought to have a very good time for the next few years.

That well-managed and enterprising undertaking, the Assam Railways and Trading Co., did somewhat better during the financial year ended March last, and although it has not been able to restore the dividend on the "B" stock to the old rate of 7 per cent., the results will be regarded as being distinctly satisfactory. The net earnings from railway operations are only £225 more at £37,520, but profit on general trading account is £6,140 larger at £68,900, and the increase in receipts from miscellaneous sources more than offsetting the decrease of £950 from investments, due apparently to higher income-tax, the total nett earnings display an increase of £7,000 at £119,300. But the Indian income-tax takes £3,230 more, and after providing for other sundry charges and debenture interest, absorbing £27,500, the amount available comes out at £82,710, an increase of £3,510. The preference dividend requires £15,400, and the 8 per cent. on the "A" stock £50,400, and after providing for these disbursements the distribution on the "B" stock is made up to 5 per cent.; but this time it requires £4,050 more at £15,000, so that after writing £1,440 off new issue expenses, extinguishing that item from the balance-sheet, there remains a surplus of only £470 to be added to the sum of £3,000 brought in. The new tea garden is not yet being worked on revenue account, but in the period under review nett receipts amounted to £12,090. This has been deducted from the capital expenditure, and this item now appears in the balance-sheet at £39,760. The company's share interests in the River Steam Navigation Co., the Makum (Assam) Tea Co., and the Assam Oil Co. are unchanged at £152,530, but £13,000 has during the year been spent on railway capital account, and £30,000 of 5 per cent. War Loan has been acquired, on which, at the date of the accounts, £10,500 had been paid up. Stocks are, however, £57,300 down, and whereas at the date of the previous year's accounts current liabilities, including dividend disbursements, exceeded liquid assets by £26,230, this time liquid assets exceed current liabilities by £33,480.

In the annual report of the Consolidated Gas Light and Power Co. of Baltimore for 1916, it was pointed out that the estimated increase in the cost of gas oil alone would add \$2,400,000 to the gas manufacturing costs of the company, and, with general all-round increases evident in other directions, and the reduction in

the maximum price for electric current, many people looked for a falling off in nett earnings during 1916. But, far from disclosing a development of this character, the annual exhibit now to hand records a substantial improvement. The explanation is the unique position the company occupies in having available large sources of hydro-electric energy and by-product coke-oven gas, which to a great extent relieves it of the increased operating costs imposed on many companies by the rising cost of coal and oil, and the increase in consumption, which has more than offset the reduction in the maximum price for electric current. Sales of gas went up \$235,675 to \$3,695,500, the gross income from the sale of electricity amounted to \$4,763,000, an increase of \$881,400, appliance and merchandise sales yielded \$595,619 more at \$1,571,500, and gross income at \$8,498,800 displays an increase of \$1,067,000, or 14.3 per cent., on that of the previous fiscal year. Operating expenses and taxes only absorb \$632,000 more at \$4,480,160, with the result that nett earnings show an improvement of \$434,950, or 12.1 per cent., at \$4,018,600. Fixed charges are \$92,160 higher at \$1,672,200, but the payment of these leaves a substantial increase in nett income of \$342,780 at \$2,346,400. In April last the capital stock dividend was increased from 7 to 8 per cent. per annum, coincident with the reduction in the primary electric rate, and in April and July dividends were paid on this higher basis. The amount required for dividends paid and payable is \$1,305,740, and leaves a surplus of \$1,040,675. Of this, \$600,000 is set aside as a reserve for depreciation, &c., and \$300,000 as reserve for contingencies. After these allocations have been made, there remains a nett surplus of \$140,675. During the year the financial structure of the company has been simplified by the retirement of the preferred stock, the removal of which should be of distinct advantage in future financing. The retirement of the issue was effected through the sale of \$8,500,000 5 per cent. five-year notes, convertible into capital stock on and after November 15, 1918. There has also been sold during the year \$4,800,000 general mortgage 4½ per cent. bonds, due 1935. The funded debt now totals \$37,827,500, and capital stock in issue \$14,385,800. Current assets, \$4,934,300, are well in excess of current liabilities, \$2,764,700; there is a reserve for depreciation, amortisation, &c., of \$1,187,650, and the accumulated surplus appears at \$1,562,240. As many industrial developments are taking place in the district served by the company and its associated enterprises, it looks as if the current year may witness a further increase in sales in all departments.

The strong and sustained demand for rubber witnessed during the last year or so has brought about an appreciable recovery in the trade of the Amazon Valley and the Manáos Tramways and Light Co., Ltd., are able to report substantially improved earnings for the 12 months ended April last. In their report the directors state that this year's result indicates a gradual return of prosperity to the district, which is satisfactory, but it would be as well not to pin too great faith in the future. In the Amazonas endeavour is being made to cultivate a greater diversity of products. Cocoa, cotton, and tobacco growing are receiving a considerable amount of attention, and new industries are being started, but, after all is said and done, the rubber industry remains the basic factor in the prosperity of this part of Brazil, and after the war the demand for and prices of hard Para may not be so satisfactory as at the present time. The trouble is, of course, the competition of the plantation article from the Middle East, which has, under normal conditions, been gradually forcing the Brazilian product into the background. Some people wonder why the Brazilians do not embark on a plantation industry and successfully compete with the eastern product. As a matter of fact, since the financial crisis in New York, rubber-growing in the Amazonas has been developed as a plantation industry, and at the present time 50 per cent. of Brazilian rubber consists of the plantation product. The difficulty is

labour and the cost of living, which place the Brazilian planter at a great disadvantage with his Malayan competitor. Prior to the war, the Brazilian industry was in a very unsatisfactory condition, and we do not see anything in the situation which justifies the assumption that an entirely different complexion will come over the position when normal conditions once more have full play. To return to the result of the Manáos Tramways and Light Co., Ltd., revenue expanded £9,890 to £120,560, while net income displays an increase of £3,610 at £36,460. The loss on exchange was £860 less at £12,230, and after meeting interest charges, which absorb £17,600, the reserve fund receives £3,000 and the contingencies reserve a similar sum. There then remains £6,300 to go forward. Cash is £10,950 less at £3,590, and £10,000 has been paid off loans, and £4,000 debentures have been redeemed. Other changes are of no moment.

If the two reports to hand are any criterion, cable companies must be making large profits. The exhibit of the Halifax and Bermudas Cable Co., which covers the 12 months ended June last, discloses an increase in gross revenue of £7,000 at £27,030, and, as expenses were only £130 higher, the net revenue at £19,650 is no less than £6,900 up. A slightly larger sum was expended in repairing cables, but there is no writing off corresponding to the £11,300 charged against last year's profits in respect of loss on sale of investments, with the result that there is £16,785 more available at £17,450, subject to excess profits duty. Evidently the directors of the undertaking, however, deem it advisable to proceed very cautiously, for no increase is made in the rate of distribution. This is simply repeated at 6 per cent., free of tax, the balance of profit going to augment the carry forward, which now amounts to £22,150. The expansion in business is naturally reflected in the balance-sheet. Cash on deposit is £13,500 up at £16,950, traffic debit balances exhibit an increase of £5,800, while traffic credit balances are £4,600 larger. In the case of the Direct West India Cable Co., gross revenue has gone up £11,300 to £38,380, expenses are £1,370 down, expenditure on repairs has called for £980 less, and the amount available exhibits an increase of £13,650 at £20,980. But here the dividend is restricted to 6 per cent., free of tax, the greater part of the profit going into the carry forward, which now amounts to £71,680. There are several movements in the balance-sheet indicative of increased prosperity. Sundry creditors have been reduced £5,790 to £1,300, cash is £4,800 up at £22,400, and traffic debit balances account for £2,580 more at £5,260. The profits of this undertaking are

THE LONDON CITY & MIDLAND BANK LIMITED.

Head Office : 5, THREADNEEDLE ST., LONDON, E.C.2.

Foreign Branch Office : 8, Finch Lane, London, E.C. 3.

Subscribed Capital -	-	£22,947,804
Paid-up Capital -	-	4,780,792
Reserve Fund -	-	4,000,000

Deposits -	-	£193,222,087
Reserves -	-	48,290,936
Bills of Exchange -	-	22,352,037

The Belfast Banking Company, Ltd., is now affiliated with this Bank, but their figures are not included in the above.

also subject to excess profits duty. This import is in both cases likely to absorb a fairly large sum, but there is no doubt that the companies will be left with a substantial addition to net revenue.

The report of Ohlsson's Cape Breweries must have given rise to no little disappointment. Profits have fallen, the dividend is reduced, and since March 31 last, the date to which the accounts are made up, a serious fire occurred at the pneumatic maltings adjoining the breweries at Cape Town, which not only caused extensive damage to the buildings and machinery, but also rendered nearly the whole of the barley and malt stored there unfit for use. The loss was covered by insurance, but the export of barley and malt from this country being prohibited, the provision of supplies for the requirements of the breweries has been a matter of no little difficulty. It is satisfactory to note that the directors are now assured that the requisite supply of malt is secured, and that the work of restoring and re-equipping the maltings is being proceeded with, but it would be too much to expect the unfortunate circumstance not to leave its mark on the current year's results. The profit on trading for the period covered by the accounts amounted to £67,170, a decrease of £7,960. London office expenses and income-tax absorbed £1,150 more, and interest charges being £1,470 larger, the amount available exhibits a shrinkage of £10,600 at £24,450. After providing for the preference dividend, the distribution on the ordinary shares is made up to 4 per cent., as compared with 6 per cent. in the previous period. There then remains £950, which, added to the amount brought in, raises the carry forward to £30,970. During the year £8,430 has been spent on additions to property, and larger sums being required to finance stocks, which are £15,000 up at £176,250, the company has had recourse to credit. Loans are £18,500 higher at £37,500, and creditors exhibit an increase of £16,000 at £67,130. The liquid position is, however, still quite strong, and there is a reserve fund of £600,000.

When the directors of the Royal Brewery, Brentford, made up their accounts a year ago, the outlook was very uncertain, and the distribution on the ordinary shares was restricted to 5 per cent. This time a dividend of 10 per cent. is forthcoming, a sure indication of hope in the future. The company has not been so fortunate as many other brewing undertakings during the financial year ended June last, a rise of £4,420 in expenses reducing the gain of £8,400 in profit to £4,000, but the dividend paid has been well earned. Depreciation receives £2,500 more at £7,500, and, after providing for debenture interest, which absorbed £1,245 less, there is £28,300 available. The sum of £30,000 is allocated to general contingencies, and the carry forward left at £12,460. In the balance-sheet creditors have been reduced £10,250 to £21,660, and the investment in War Loan has gone up £15,550 to £30,020. The payment of the increased dividend should not strain the company's cash position.

In the report of Leach's Argentine Estates, Ltd., which is very largely interested in the sugar industry, it is stated that frosts of exceptional severity caused heavy damage in the main sugar districts. The total crop of the Republic for 1916 was consequently extremely small, aggregating only about 84,000 tons, compared with 146,000 tons in 1915 and 335,000 tons in 1914. However, the company was fortunate in being more favourably situated than most of its neighbours, and its canefields, although appreciably affected, did not suffer to the same extent as those located further south, the company's production of sugar being 17,490 tons, against 19,560 tons in 1915 and 26,460 tons in 1914. The loss in quantity, however, was fully compensated for by the high prices realised, and the total nett profit for the year to March 31 was £331,000, an increase of £127,000 as compared with the previous 12 months. Expenses were higher, but the nett profit comes out at £213,800, an increase of £109,000, out of which £50,000, against nil, is transferred to reserve for contingencies and £64,400, or £51,000 more, is

placed to general reserve. The balance allows the directors to pay an additional 2 per cent. on the preference shares, making 8 per cent. for the year, and an additional 4 per cent. on the ordinary, making 10 per cent. for the year (against 6 per cent. last time in both cases), while the deferred for the first time receive a dividend of 2d. on each 1s. share. There is nothing in the balance-sheet that calls for comment, but the company appears to be steadily strengthening its position.

Although on the face of them the results of the Johannesburg Consolidated Investment Co. for the year to June 30 last appear slightly less favourable than in 1915-16, they are actually better, for allowance is now made for income-tax before arriving at the profits. The receipts were £224,093, against £229,106 in 1915-16, and £224,911 in 1914-15, but, owing to a further reduction in administration expenses, the nett profit comes out at £194,713, against £195,826 in 1915-16 and £189,992 in 1914-15. The dividend is maintained at 5 per cent., tax free, which absorbs a little more than the amount of the nett profit, and the carry-forward is reduced from £161,344 to £158,557. Acquisition of a controlling interest in the Robinson companies is reflected in an expansion of £632,000 in stocks and shares, which amount to £5,540,330. Pre-war loans against securities have been reduced from £297,338 to £120,445. Cash credits show a drop of a quarter of a million. Treasury bills have declined from £387,300 to less than £30,000, and there is an appreciable shrinkage in sundry debtors and dividends accrued. Reference is made to the arrangements relating to the diamond industry, which, under the present conditions, have resulted in a large advance in the price of stones, and will, under normal conditions, greatly increase profits. Now that the Government Areas (Modderfontein) Co. is about to reach the dividend-paying stage, the results of the Johannesburg Consolidated in the current year should show an appreciable expansion, which will become greater when the Randfontein properties are reorganised and working restored to an economical basis. The company's group of mines last year produced £4,724,234, exclusive of the Robinson outputs. This year the production is expected to reach about £10,000,000.

The last day for the receipt of tenders for the four big new Government leases on the Far Eastern Rand was Tuesday, and it is understood that over 20 offers were received. Competition is expected to be unusually keen for the 2,050 claims on the Springs Farm and south of the Geduld, eight tenders having been submitted, three being to amalgamate the claims with adjoining properties. The amount required to develop and equip this area is officially estimated at £1,500,000, and it is expected that the Consolidated Mines Selection interests will prove the successful tenderers owing to their favourable geographical situation. The 2,526 claims on the eastern portion of the Geduld Farm is expected to go to the Geduld Co., which some time ago increased its authorised capital. The amount of money required for this area is put at £1,700,000. Seven bids have been put forward for the 2,236 claims on the south-eastern part of the De Rietfontein Farm, estimated to require a capital outlay of £1,700,000, and six for the same number of claims on the western portion of the De Rietfontein Farm. This area is expected, also, to require £1,700,000 for development and equipment. The result of the tenders is not expected to be announced for six weeks. With the exhaustion of the older areas, the production of gold on the Rand will diminish considerably within the next few years, and it is in order to counteract this tendency that the Government is leasing these areas now instead of waiting till after the war.

Although the event was not entirely unexpected, the resumption of dividends by the El Oro Mining and Railway Co. is an encouraging sign of the improvement—at present very slow—which is going on in Mexico. The distribution of 1s. per share, tax free, is the same as the previous dividend which was paid in the

middle of 1913, prior to the revolutionary chaos. The Santa Gertrudis Co. is also expected to declare another dividend shortly after about a year's interval. The El Oro derives most of its profit from gold, but its ore yields some proportion of silver—about 3 ozs. per ton—and the high price which is now being paid for the metal has, of course, been very beneficial to it. The Santa Gertrudis derives a greater proportion of its profits from silver. An excellent opportunity is afforded Mexico for rehabilitating her finances by the present high price of silver. Mexico is the greatest silver-producing country in the world. Before the revolution she produced about 80 million ounces per annum, or more than one-third of the total output, but the production last year dropped to 35 million ounces. If she could restore her production to its old level, she would very quickly be able to resume payment of her debts and create credits in foreign markets, and her friends hope that she may see the wisdom of doing this. The directors of the El Oro Co., however, state that owing mainly to the enforced payment of excessive wages to workmen, and to the provisions of the constitution recently enacted, the company at the present time is not making any appreciable profits, and they indicate that some modification of the present position is inevitable.

Six Months' Revenue and Expenditure.

Although it is rather in the nature of putting the cart before the horse, we shall deal first with the expenditure for the past half-year, because it is the essential problem that we have to face. The money has to be found by some means or other; it is not a case of cutting the coat according to your cloth, at any rate for the present. Admittedly, only a comparatively small proportion of the huge expenditure which we have to incur can come from the ordinary sources of revenue. These are more productive than would have been believed possible a few years ago, but they leave a tremendous gap which has to be filled by borrowing, and it seems to be quite impossible to secure any practicable check on the rate at which expenditure increases. We may hope and pray that the committees now set up to overhaul the accounts of the various spending departments will ultimately do some useful work, and restrain the extravagance which is at present rampant, but there are no signs of improvement visible at the moment, and we are afraid nothing very useful will be accomplished while the war lasts. It will be a case of bolting the stable door after the steed is stolen, as it always has been in the haphazard way in which the nation's affairs are conducted. But on this occasion the liabilities we are incurring are so stupendous that the most ordinary prudence might have suggested the creation of advisory and supervisory committees drawn from the best brains in the House of Commons, or outside, at the very beginning of the war, when the nature of the problem we were up against was realised. Instead of that, we have had an ever-growing expenditure going on, without any serious check, and the result is appalling. War always encourages waste, and the

plea that you must not haggle over expense when the lives of men are at stake is irresistible. But the country would shoulder its huge burdens more cheerfully if it were persuaded that it was getting reasonable value for its money; and there is a deep-rooted conviction that it does not. In the past quarter the expenditure chargeable against revenue amounted to £657,765,000, and we may derive some slight consolation from the fact that in the previous three months it was £671,287,000. On Supply Services alone, however, the outgoings amounted to £633,000,000, an increase of £22,000,000, and we are afraid there is more chance of the figures continuing to mount up than of their beginning to show some reduction. For the six months the total expenditure on Supply came to £1,243,760,000, an increase of £412,000,000 over the corresponding period, and although a portion of this may be attributed to higher prices and increased wages, it is difficult to avoid the conviction that a good deal of the increase might have been saved without any impairment of efficiency. Including interest and one or two minor items, the Exchequer has altogether spent £1,328,052,000 in the half-year, an increase of £423,000,000 over 1916, and for the whole period the expenditure has averaged fully £7,000,000 a day. For the whole year the outgoings were estimated at £2,290,000,000, whereas on the basis of the past six months it would amount to £2,656,000,000, a margin of error for which it is difficult to find any excuse. Including repayments of temporary and floating debt, the total issues of the Treasury amounted to the incredible total of £2,557,365,000, or £635,000,000 more than in the corresponding period, and the nett result is that Exchequer balances, which on April 1 stood at £26,436,000, have been reduced to £21,705,000.

Turning to the revenue side of the account, we find a rather more comforting state of affairs. The complete figures, both for the quarter and half-year, are set out elsewhere, but here we need only deal with those for the six months. In the following statement we show how the actual results of the principal items compare with the Budget estimates:—

	Estimated Inc. or Dec. for Year.	Actual Inc. or Dec. for Six Months.
	£	£
Customs	+ 189,000	+ 2,539,000
Excise	— 21,430,000	— 7,330,000
Income-tax	+ 18,967,000	+ 15,712,000
Excess profits duty	+ 60,080,000	+ 55,949,000
Miscellaneous revenue	+ 10,583,235	+ 25,435,238

Here, also, it will be seen that the estimates have been very wide of the mark, fortunately on the right side, but they do not reflect any great credit on the officials who compiled them. We see that Customs were expected to give an increase of £189,000, and already they are up £2,539,000, but, with the restrictions on tea imports, it is quite probable that the second half of the year will not be so good as the first. Excise has not been so bad, so far, as expected, but the returns from this source will probably be worse as

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time goes on, and the full year may approximate to the figure shown. On the other hand, we find it difficult to justify the discrepancy in income-tax. Excess Profits Duty is, we admit, extremely difficult to gauge, but the Treasury has information which should not allow an estimated increase of £60,000,000 for the year to be turned into a gain of £55,000,000 for the six months, especially when we know from individual reports of several very important companies that they have not yet settled the amount payable in respect even of 1914-15. Miscellaneous receipts may be partly in respect of the wonderful gain on silver transactions and partly to the Indian loan guarantee, but we are not allowed to penetrate secrets of that sort too closely. In the six months £1,157,087,000 Treasury bills have been sold, but £672,158,000 have been paid off, and, as against £545,446,000 received on credit of Ways and Means, we find £542,158,000 refunded. Exchequer bonds produced £82,110,000, against £180,000,000 in the corresponding period, and War Savings Certificates almost 10½ millions less at £18,050,000. That ought to have given the Chancellor a good lead as to the necessity for finding other sources of income, but there is either a sad lack of imagination or great timidity in dealing with a problem which is of the most-supreme importance for the future of the country.

National War Bonds.

The problem which the Treasury had to face in issuing a new loan was the fact that the floating debt, mainly represented by Treasury bills, had got to an unwieldy amount. Also it ought to have been discovered by the responsible authorities how to attract the small investor, even if it were only in 10s., £1, or £5 notes. The wages fund of the country has never been so large as at the present time, and it is common knowledge, confirmed by every trader, both in London and the provinces, that the people, who have never had so much money to spend, are squandering it on more or less useless extravagances. There must be, in the circumstances, an enormous fund which could be drawn into useful national channels if only sufficient inducement were held out to the wage-earners to put it to good purpose; but, unfortunately, most of the people who are now earning these large wages—far more than they ever dreamed of obtaining prior to the war—have never acquired the habit of saving. It is no use to people of that sort to offer them a shilling in the £ per annum interest on their money. It is far too insignificant from their immediate point of view, unless they realise, which only a minority do, what interest actually means. They can be easily led astray by company share-pushers and bucket-shops, who promise enormous gains on the investment of sums ranging from, say, £1 to £10, and if they are not hooked by allurements of that kind, they probably prefer to put whatever spare shillings or pounds they have on horse races and football matches. But that there must be an enormous fund available for genuine investment is sufficiently indicated by the fact that we are at present spending over £7,000,000 per day, nearly £50,000,000 per week, and a very large proportion of that huge fund is expended in the form of wages. Statisticians differ as to the exact proportion of wages to the finished output, but whether it is 25 or 45 per cent. makes little difference when the total distributed is on such a large scale as at present. We are, therefore, very strongly convinced that something must and ought to be done to secure the bulk of the surplus which so many workers, especially in the Midlands and the North, have at their disposal. They do not understand investment in the ordinary sense of the term. They may put a little balance into the Post Office Savings Bank as a nest-egg against a rainy day, but the essential factor which induces them to do so is that they can get back the money at a day or two's notice. When you ask them to lock it up indefinitely for a—to them—paltry shilling a year, with the possibility of capital depreciation, the question is not worth discussing. Many of the more saving of them

have had experience in the case of Consols, bought through the Post Office Savings Bank, where they have suffered a depreciation of 50 per cent. on their hard-earned savings, and it is not surprising that neither War Savings Certificates nor Exchequer bonds have appealed to them in a way that would give the result desired, both from national and economic points of view.

Having regard to these obvious considerations, it seems to us rather unfortunate that something more could not have been done to get hold of the surplus earnings which are at present being frittered away. The National War Bonds are as fine a security as any one could desire who understands the business. You have the choice of 5 per cent. bonds repayable in five years at 102 per cent., similar bonds repayable in seven years at 103 per cent., and still others repayable in ten years at 105 per cent. Also, if you are subject to the highest rates of income-tax, you can have it compounded during the life of the bond on a 4 per cent. basis repayable at par in ten years. Interest is payable half-yearly, and there are many privileges offered in the way of the bonds being accepted in payment on account of death duties, excess profits duty, munition levies, and so on. Moreover, if any further long-dated loan has got to be issued, the bonds will be accepted at the par value or equivalent to cash in exchange for such new issue. The bonds will be issued in denominations of from £50 to £5,000, and they can be either taken in bearer scrip or registered at the Bank of England. In the case of registered bonds no deduction will be made for income-tax from the half-yearly interest, but naturally the income-tax will have to be paid on such interest relative to the appropriate income. A list of over 60 banks, with innumerable branches, is given at which subscriptions may be lodged, and all members of recognised Stock Exchanges will accept orders and see them carried through. Holders of the 4½ per cent. War Loan (1925-1945) and 5 per cent. Exchequer bonds (1919-1921) have the option of converting at what practically amounts to face value, and there is an obvious advantage in converting very short-dated paper into longer investments on such good terms. As was indicated by Mr. Bonar Law when the big 5 per cent. War Loan was issued early this year, the terms are no better than those then offered; indeed, they are, if anything, just a fraction less favourable, but for people with money to invest it is unquestionable that the security is a most desirable one from every point of view, and if, as we all hope and many believe, the war is not going to be the interminable struggle that the German Hun would like us to think, there may not be many more opportunities of securing such a gilt-edged security on equally good terms. All the same, we cannot see that by re-labelling the bonds they will prove much more attractive to the wage-earner and small investor than the old Exchequer bonds or the War Savings Certificates, and it is deplorable that the essential problem of securing the surplus earnings of the multitude has not been attacked in a broad-minded fashion. And a study of the national expenditure in the past half-year, dealt with elsewhere, indicates clearly that a solution will have to be found before very long.

King George's Fund for Sailors.—On the eve of the fourth winter of war the *Daily Telegraph* makes an earnest appeal to the nation on behalf of British sailors. They have stood, with undaunted heroism, in the forefront of the conflict by sea, opposing with their lives an enemy who has developed piracy into a fine art, exhibiting a degree of cunning and inhumanity unknown even in the dark ages preceding the dawn of the Christian era. Some months ago steps were taken to establish King George's Fund for Sailors, of which his Majesty graciously became patron, in the hope of reminding the nation of its deep obligation of obtaining larger and more consistent support for the benevolent marine institutions throughout the country, and of extending and co-ordinating the beneficent work which is carried on by such organisations. It is felt by the proprietors of the *Daily Telegraph* that the fund provides a fitting channel through which the nation can discharge its debt to its heroic seamen. Accordingly they will make a contribution of £500 to the first list of subscriptions.

The coupons falling due on November 1st on the City of Saskatoon 4½ per cent. debentures may be presented between the hours of 10 and 2 o'clock (Saturdays excepted) at the Bank of Montreal, 47, Threadneedle Street, E.C. 2.

By-the-Way War Notes.

In all the tense darkness which surrounds the war atrocities, we can see but one point whence a faint light shines. The abandoned scoundrels who have brought the meek Germans to their present abyss of ruin, moral and material, are afraid to tell their victims the truth about the raids they have organised against London. The attacks of their aeroplanes—furious, persistent, reckless—are represented as successful assaults upon military works, ammunition stores, and so forth, in the centre of London. They know, these fiends, that London is not a military centre; they know that the hurt they inflict by these attacks of theirs falls upon the civil population—mostly on the poor and lowly—but we infer that there must still be a proportion of the German people who would be shocked were it told the truth. Therefore the lie purposeful is concocted and put into circulation, so that the people may continue to gloat in ignorance over inhuman crimes represented as feats of military skill.

There is some consolation in that thought. We should be disposed to despair of humanity's future were it true that all Germans had sunk to the depths of heartless brutality their Prussian masters have exhibited in ever-growing heartlessness to a horror-consumed world. A remnant may be saved. But assuredly there must be an extension of our war activities to air war on Germany. The *Daily Mail* is responsible for giving prominence to words it says Mr. Lloyd George used under the sway of an excitement induced by the sights he witnessed when passing through raided South-West London on Monday: "We'll give it them all back. We'll give them hell, and we'll give it them soon. We shall bomb Germany with compound interest." In a common man language of that kind would be natural and excusable, provoked, as he would be, out of his self-restraint by the sights he saw. And probably the intentions announced are those the Allies mean to carry out. Yet, given his responsible position, it is regrettable that the outburst took place, and that the Prime Minister's excited words should have been proclaimed to the world. For obviously, although the Germans have acted so as to force the hands of the Allies, and bring down retribution upon themselves, it does not follow that these Allies will organise and pursue the war of retaliation and retribution, in mere revenge, with the German ruthlessness, after the examples given them on the raids on London, and the south-east coast, and at Dunkirk and elsewhere on the Continent. Because the Germans have destroyed Louvain and Rheims, spitefully used Nancy and other places, we are not going to batter down the Cathedral

of Cologne, or lay old Nuremberg in ruins. Our object must be peace, and in seeking to teach the German people by illustrative examples what their "successful" air incursions have meant to the civil populations attacked by their machines, we shall hope to awaken them to some perception of the enormity of their crimes.

Already the French are showing us the way. Retaliatory air attacks have been made by them this week on Stuttgart, Treves, Coblenz, and Frankfort-on-the-Main. These attacks must go on and extend until all the important centres of life within the German Empire have been given a lesson in what air warfare really means. Berlin especially and the leading university towns, together with Munich, Dresden, Dusseldorf, the factories in the Ruhr basin, Essen, and surrounding towns, together with Hamburg, Bremen, and Leipzig must all be visited and punished. And as the winter puts its icy grip on the land, fires ought to be raised at as many vantage points as possible in the Black Forest to give the people an opportunity to keep themselves warm by their forest fires. In this way, indeed, it seems most probable that the Allies would best prepare the way for a democratic peace by goading them to the pitch of desperation from which might spring courage enough to enable them to defy their masters. These masters are increasingly anxious to end the war, but their pride dominates them still and forbids them to yield up any of their claims. Rather are they willing that the whole slave populations of Germany should perish than that they themselves should be proved wrong. Therefore the meaning of their war infamies must be brought home to the betrayed German democracy, and we have no doubt it will be so now swiftly and thoroughly.

From another point of view there is ground for hope even in the very intensity and persistence of these attacks on London. They are a confession that the last hope of the *Junkers* and their Kaiser—the U-boat ruffianism—has failed. London, hate-at-command "England," is now to be destroyed from the air, it having been found impossible to starve it into submission to Prussian rapacity by piracy and murder at sea. The "high general staff" of the German armies know that they lie in even hinting at this hope; but what would you?—there is a loan to raise, and a hoax of some sort must be elaborated, no matter how great its cruelty, to help if possible to stave off the hour of retribution. Because the extremity of the danger is so extreme the German leaders have diverted the best of their aircraft from the front of active warfare, and sent their machines away to kill civilians in London, although by doing that they have made it easier for Sir Douglas Haig's air squadrons to work real war

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havoc on German depots, lines of communication, and aerodromes in Flanders. People who grumble and clamour for more effective defence from attacks here should try to remember that our airmen in France and Belgium have now the undisputable mastery of the enemy, and are day and night busy in destroying that enemy's capacity for mischief. The infuriated wolf from beyond the Rhine is, indeed, giving away his last chance of averting complete discomfiture by the tactics he is following alike on land, at sea, and in the air. By the time America is ready with her thousands of new and improved aircraft exhaustion will render the Germans an easy prey.

And they are clearing the way for a democratic peace. How would it be possible for the Allies to enter into negotiations with the classes still dominant in the two criminal empires? The aristocrat, the land monopolist, the well-drilled functionary with their kings and princes, fountains of sham honour, their robberies, pretences of "sacred right and privilege," their mummeries and falsehoods, all must stand aside, disappear, and the people come together face to face to set to work to build anew the foundations of civilisation. The agony of blood and fire through which mankind is now passing must open the way to a new life and a new relationship between man and his fellow else the world might as well perish. Where are the men who give promise of the self-abnegating heroism and statesmanlike capacities to act as guides towards the new world, whose vistas will open to the eyes of mankind as the mists of the strife gather themselves and disappear?

With the change in the weather and the waning of the moon comes an abatement of the "Gotha" pest. But the enemy has done enough in the eight-days' chance the high barometer gave him to insure his punishment, and it needs no assurance of a Cabinet's change of mind to know that the fate he has provoked will be his henceforth, sternly, without fail. Those masters of theirs have willed it that the German tribes they have ruined shall be victims of the measure they have meted and be ostracised from among civilised mankind, to become a byword and a reproach. So near is the hour of their punishment now that we must be on our guard against their attempts to "organise sympathy" for them in the midst of their degradation. In our very anxiety to make allowances for their enslaved, degraded ignorance danger may lie. By trying to distinguish between the bestial oppressor and the sacrificed peoples we open the way to wails of pity which might prompt to concessions hurtful to the future well-being of Europe, to the world's peace.

Happily from this danger the clumsy play-acting of the Germans themselves may help to save us. Could anything, for example, be more calculated to excite amused derision—perfect scepticism also—than such elaborately staged displays as that "celebration" of the great Hindenburg's birthday, of which an account was prepared for transmission to foreign lands in order once more to impress the world with the notion that blood-drained Germany is full of joyous consciousness of approaching victory, and that Hindenburg, the hided, is the most brilliantly successful of commanders. It was "official," this show, and bears all the marks of its origin—congratulatory addresses, a troop-lined route, cascades of flowers and laurel leaves from above, carpets of flowers below, flags everywhere, speeches, a marble bust of the "All-Highest War Lord" as a matter of course, and that sorry histrion's own customary piece of windy rhodomontade to wind up. "Future centuries," bawled the deformed biped—pausing a moment, as it were, on his way to the grave—"future centuries will leave legends around the beloved and honoured personality of the Field Marshal. May God preserve him for further deeds until a victorious end to the war, out of which a strong, healthy, and respected Germany will arise." The comic touch came in when Ludendorff—who is credited with the possession of brains and with being the real director of the forces now daily sent to their death on the Flanders battle-line—hailed his wooden-wilted chief as

"the personification of the glorious development of the Prussian and German fatherland." Can it really be possible that mumming like this deceives the German people? Here it might, perhaps, take in fascinated enthusiasts, like Roden Buxton, who love to be hoaxed, but surely not calculating pacifists like Ramsay MacDonald. Let us do nothing, therefore, to discourage the Prussian leaders of the butchery from indulgence in this sort of amusement. Play up, and send the dupes to the shambles!

But we hope the weather is not going to interfere much or long with the progress of our offensive, with the ousting of the Germans, *i.e.*, from Belgium. It is the toughest of tough jobs, but the progress we have been making is excellent, and not least so in the success with which we goad the enemy into counter-attacks that use up his men. Soon neither Germany nor Austria will be able to make the show they now do of power to resist to the uttermost. In vain do they stir up the Pope to make sketchy, amateur-benevolent suggestions about a peace which would be wholly in the interests of the property of Church and the privileges of Empire in Austria and Germany. The Allies have no time for dalliance with phantoms of any kind. They are going on with their task, and America, grim in resolved purpose, shows the rest of us a good example. Her citizens are in no mood for vain chattering, but the energy of their action is already being felt with telling effect on the sea, and will soon be so in the air.

We think the help of the United States is distinctly to be seen in the now evident success of the anti-U-boat tactics. Last week, making allowance for 1 sunk in the week ended July 29, and 1 in that ended August 12, but not until now reported, only 9 ships of 1,600 tons and upwards were sent to the bottom. Of smaller vessels, only 2 were destroyed, and 9 were unsuccessfully attacked, this number also making allowance for 3 attacked in the second and 4 in the third week of September.

The increased effectiveness of our defence is, however, made most conspicuous by the monthly summary. During the four weeks of September, 21,932 ships entered or left our ports—10,894 in, 11,038 out—and of these, 41 of 1,600 tons and over were sunk, as also 29 ships of smaller tonnage. The totals for August—5 weeks—were respectively 88 and 16; for July—4 weeks—68 and 13; for June, 101 and 29; and for April, the deadliest month of the pest, a 5-week month, 133 and 52. Well may the mad Teutons hide their shame and expend the fury of their discomfiture in furious efforts to injure and frighten us by attacks at random from the air. By lying about these, as they have lied about U-boats, about all their enterprises everywhere, they may contrive a little while longer to still the discontent now growing acute among their own befooled serfs at home, but that cannot help them. It only makes their own discomfiture the more complete.

Their lie distilleries have been busy over the tremendous feats the reinvigorated, reorganised, rearmed, &c., &c. Turk is going to perform in Asia. They are preparing to drive us out of Mesopotamia, and most certainly out of Baghdad. The derision of this brag is found in General Maude's victory, whereby the rallying point of the Turkish hosts has been seized, their army dispersed or made prisoners, and many guns and much of their material made spoils of war. The Turks can be demons in fighting, but performance of miracles is beyond them, and we should not be too despairing in mood about the failure of Russia to assist. The failure is only partial, has never been more than that, and the resisting power many of the Russian armies continue to display should make us wary in accepting as true all the tales of anarchy at the centre of authority. Confusion there undoubtedly is, and an overabundance of speech, but those who work are at their posts still, and their hands are not folded.

But it begins to look as if the first complete breakdown and collapse may come on the Austrian front in Italy.

American Business Notes.

Exports from the United States are beginning to show the influence of the restrictions imposed on the trade of neutral countries, and possibly also, to some extent, they are affected by the shortage of available tonnage. For instance, in July the export of commodities was not only smaller than in any recent month, but actually less than in any month since January, 1916, when the great expansion in foreign trade had not much more than started. The total was only \$374,000,000, or \$70,700,000 less than in July, 1916, but \$105,500,000 more than in 1915. However, for the seven months of the calendar year the total marks a fresh record at \$3,664,000,000, or \$740,000,000 more than last year, and compares with less than 2,000 millions in 1915. Imports for the month were \$226,000,000, or \$80,000,000 less than in June, but \$43,000,000 more than in July, 1916. For the seven months they totalled \$1,779,000,000, an increase of 310 millions over the corresponding period. Preliminary figures for August show that the exports were \$490,000,000, a decrease of 20 millions compared with last year, while the imports were \$270,500,000, an increase of \$71,000,000. But it is too early to attempt to draw any definite conclusions from these figures. Gold exports amounted to \$69,000,000, mainly to Spain and Japan, while the imports were \$27,000,000, but on balance for the seven months there has been a nett influx of \$233,000,000.

Probably the best measure of the enormous prosperity of the United States is to be found in the record of bank clearings. For the eight months to the end of August these amounted to 200,898 million dollars, an increase of 26½ per cent. over 1916, and of nearly 79 per cent. over 1915. In New York the gain is 23½ per cent. over last year, and almost 85 per cent. as compared with 1915. Records of dealings on Wall Street show that although the volume of business has been contracting in the last month or two, the year so far has shown a substantial increase. This, however, would only account for a comparatively small proportion of the increase in bank clearings, but the effect of the higher prices of commodities must be taken into consideration, as these add largely to the apparent volume of trade. All the same, the record established is a remarkable one, and the financial weight which it represents has already been of incalculable benefit to the Allies.

It is stated that a "money pool" has been formed in New York with a capital of 200 million dollars. The ostensible object is to keep the Money market easy, and certainly there have been several awkward flurries recently, but Wall Street seems to have interpreted the announcement as a substantial reason for putting up prices, and probably it is not far wrong. Of course, easy money favours speculation, and the "money pool" may take a hand if opportunity offers, but New York has undertaken many heavy commitments of late, and such an organisation will find plenty of legitimate employment for its resources.

According to figures compiled by the United States Geological Survey, the amount and value of petroleum marketed in the United States during the past two years were as follows:—

	1916.		1915.	
	Quantity. Barrels.	Value. \$	Quantity. Barrels.	Value. \$
Appalachian	23,009,455	56,689,178	22,865,048	35,468,973
Lima-Indiana	3,905,003	6,117,260	4,260,591	4,114,238
Illinois	17,714,235	19,237,178	19,041,695	18,655,850
Mid-Continent	136,934,431	162,816,998	123,294,317	72,431,301
Gulf	21,768,006	16,116,874	20,578,653	9,809,301
California	90,951,936	53,702,733	86,591,535	36,558,439
Rocky Mountains	6,476,289	5,905,238	4,454,000	2,400,503
Other	7,705	14,410	11,265	24,200
Total	300,767,158	337,800,818	281,104,104	170,462,800

The increase in barrelage last year was 19,663,000, or almost exactly 7 per cent., while the increase in value was \$151,437,000, or 84½ per cent.

The accounts of the Louisville and Nashville Railroad for the six months to June 30 show that the railway revenue was \$35,896,000, an increase of \$4,840,000, while the expenses were \$24,762,000, an increase of \$4,400,000. Miscellaneous earnings brought

the total income up to \$12,435,000, after deducting taxes, and this represents a gain of nearly \$300,000. After providing interest on loans and other fixed charges, and again paying a dividend at the rate of 7 per cent. per annum, there is a surplus of \$5,596,000, or \$330,000 more than last year. For 1916 the dividend was 7 per cent., and for 1915 it was 5 per cent. In the two years gross earnings have increased by about 30 per cent., but, as is the usual experience in these times, expenses have advanced almost in corresponding ratio. Unfortunately, many of these will not come down again when normal conditions are re-established.

In the year to June 30 the Interborough Rapid Transit Co. carried 763,574,000 passengers, an increase of 80,000,000 over the previous twelve months, and the gross operating revenue rose four million dollars to \$39,866,000. Operating expenses were \$2,580,000 higher at \$16,583,000, and taxes took \$530,000 more at \$2,871,000. With miscellaneous receipts, the total income was \$20,970,000, an increase of \$850,000, while fixed charges absorbed \$680,000 more at \$12,085,000. For three years in succession the dividend has been maintained at 20 per cent., and the surplus this time is \$210,000 larger at \$2,102,000. The total length of the road has increased 16½ to 81½ miles, and the bond issue is only up 12 million dollars nett at \$160,585,000, although the report states that \$41,918,000 first mortgage bonds were applied for during the year. This additional issue of bonds was required for the purpose of rounding off the system of rapid transit lines, including the equipment thereof, so as to secure the full benefits of the constantly increasing travel, and the advantages of economic operating conditions.

The Tea Brokers' Association of London state that the market continues strong and active. Weekly offerings have been small, and with the exception of a few commonest A class teas, all grades have been freely taken at the fixed maximum rates. London imports last month were comparatively small, and the majority of cargoes to arrive in the near future are ordered to Liverpool. Owing to various causes, there will probably be, however, in the latter case some unavoidable delay in getting the tea into public sale and circulation. Many people are in consequence experiencing increasing difficulties in maintaining a working stock. Regarding the outlook, it must naturally remain somewhat obscure, in view of the many unforeseen circumstances which may arise. Broadly speaking, it is hoped that before the close of the year, tea may again become more plentiful, and it is satisfactory to know that every effort is being made to ensure an adequate supply. In the meantime, however, it is necessary for the consumer to realise the necessity of increased economy, and the little recent retail shortage in some places should tend towards this end. Irresponsible statements to the effect that shopkeepers are holding up supplies, we do not believe to be founded on fact. Tea is for the time being somewhat scarce in the London bonded warehouses, and the quantity available for the retailer is consequently smaller.

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ESTABLISHED 1824.

ASSETS exceed £11,000,000.

FIRE (INCLUDING LOSS OF PROFITS), LIFE, ACCIDENT, ILLNESS, ANNUITIES, PENSIONS, LEASEHOLD, BURGLARY, CLASS BREAKAGE, TRANSIT OF SECURITIES, FIDELITY, PROPERTY OWNERS' LIABILITIES, HORSE DRIVING ACCIDENTS, MOTOR CAR RISKS, THIRD PARTY, EMPLOYERS' LIABILITY AND MARINE INSURANCES EFFECTED ON THE MOST FAVOURABLE TERMS.

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London: 5, Walbrook, E.C. 4, and 5, Pall Mall, S.W. 1.

PHENIX ASSURANCE COMPANY LIMITED.

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Total Assets Exceed £17,000,000.

Claims Paid Exceed £98,000,000.

Chairman—Rt. Hon. LORD GEORGE HAMILTON, P.C., G.C.S.I.

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from $5\frac{1}{2}$ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

With the heavy Government disbursements at the end of the half-year conditions in the Money market have been easier than ever. Day-to-day advances have been made at rates ranging from $4\frac{1}{4}$ per cent. to $3\frac{1}{2}$ per cent., the latter price being readily accepted in the afternoon, when balances were sometimes almost unlendable. A fair amount was repaid to the Bank, but this seemed to have little effect on floating supplies, and weekly fixtures were usually arranged at $4\frac{1}{4}$ per cent. A good demand was experienced for short-dated bills, and November maturities were eagerly competed for at $4\frac{1}{2}$ per cent., while December paper was dealt in on the basis of $4\frac{3}{8}$ - $4\frac{1}{10}$ per cent. With the creation of Government credit on such an enormous scale nothing happens to ruffle the surface of the market, and no important change in the position need be looked for in the near future.

Several fairly large movements are shown in the Bank Return. Notes in circulation have expanded £647,200 to £41,829,000, but this has been largely offset by an addition of £630,800 to the stock of coin and bullion, with the result that the reserve is only £16,400 lower at £32,348,400. The ratio to liabilities, however, is fully $\frac{1}{2}$ per cent. lower at just under 19 per cent. "Other" securities show an increase of £4,778,000, and Government securities an increase of £546,000, probably in connection with subscriptions to the National War Bonds. As Public deposits were reduced by £1,772,700, it follows that "Other" deposits

have increased £7,042,000, and now stand at £128,745,000, against £117,402,000 a year ago. It is a handsome distension, but it is the period of contraction that will cause misgivings.

In connection with subscriptions to the National War Bonds, which it should be noted must be paid up in full, the request is made that cheques should be made payable to bearer and not to order. When they are crossed "& Co. a/c National War Bonds," this provides a perfect safeguard, and to draw cheques "to order" puts the Bank of England and other banks to a great deal of unnecessary trouble at a time when the strain on them is particularly severe. It is only a small point, perhaps, but it is worth observing.

Arrangements have been made for opening a monthly credit in Switzerland for a group of French banks, amounting to 12,500,000 francs. The credits will be granted by a group of Swiss banks, and they will be secured by the deposit of securities. They will be used for discounting bills of exchange bearing French signatures of the first class. In return, certain concessions of an economic and commercial kind are extended to Switzerland. It is stated that the arrangement is the forerunner of a financial and economic arrangement of longer duration between Switzerland and the Allies.

In consequence of the recent sharp fluctuations in money rates, due to the imperfect working of the Federal Reserve system, resulting in enormous Government credits being removed from the market for days together, New York bankers have completed a scheme for the formation of a large money pool for the purpose of keeping money rates easy. It is proposed to keep as much as \$200,000,000 immediately available for loans during the period for financing the second Liberty Loan.

The Scandinavian exchanges have developed fresh weakness in the past week. This is due primarily to the prohibition of all exports to Sweden, Norway, Denmark, and the Netherlands, except printed matter of all descriptions and personal effects accompanied by their owners, which comes into force next Monday. This development may lead also to a restriction of imports from those countries, in which case the effect on the exchanges will be limited to that extent. The Petrograd exchange has weakened afresh, owing mainly to the enormous output of paper currency which is being manufactured by the Government in order to provide it with funds. A feature in the South American exchanges has been a sharp rise in the Chilean rate, which is nearly 1d. higher at 15 19-32d. per peso. The milreis has also improved in value, and now stands at a fraction over 13d.

SILVER.

Messrs. Samuel Montagu and Co. state that the market has been inert and, in the absence of any important buying orders, the movement of prices has been again retrograde. The prohibition of exports to certain neutral countries, as from the 8th inst., is hardly likely to have much effect upon the market, except so far as any additional restrictions tend to hamper business. The return of the price to a lower level is in favour of the Indian Government, which is undoubtedly in a position to use large quantities of silver when it can be secured advantageously. The Indian Currency Returns given below record an increase of one crore in the holding of silver:—

(In Lacs of Rupees.)

	Sept. 15	Sept. 22	Sept. 30
Notes in circulation	10,586	10,707	10,843
Reserve in silver coin and bullion	2,884	2,857	2,957
Gold coin and bullion in India	1,373	1,522	1,585
Gold in England	180	180	153

The High Commissioner for Canada has stated that:—
"Since the discovery of silver in Cobalt in 1903 there has been produced, approximately, 266 million ounces of silver, valued at 143 million dollars. It is estimated that this year's production will have a valuation of 15 million dollars." If this be calculated at the average price of the first six months of this year, the weight should equal about 19,600,000 ounces, implying a re-

duction of about 6,400,000, or about 25 per cent. on the Government estimate of 26,000,000 ounces for 1916.

Applications for the Rs. 90,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,03,55,000. Of these, Rs. 82,71,000 were allotted in deferred transfers, and Rs. 7,29,000 in immediate transfers. Tenders for bills and deferred transfers at rs. 4 29-32d. and for immediate transfers at rs. 5d. received about 44 per cent. The amount to be offered next Wednesday is again Rs. 90,00,000.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, October 3, 1917.

ISSUE DEPARTMENT.

Notes Issued	£	Government Debt	£
.. .. .	71,846,495	.. .. .	11,015,100
		Other Securities	7,434,900
		Gold Coin and Bullion	53,396,495
		Silver Bullion	—
	£71,846,495		£71,846,495

BANKING DEPARTMENT.

Proprietors Capital	£	Government Securities	£
.. .. .	14,543,000	.. .. .	58,735,220
Reserve	3,628,838	Other Securities	98,371,795
Public Deposits (including		Notes	30,017,540
Exchequer, Savings		Gold and Silver Coin	2,339,881
Banks, Commissioners			
of National Debt, and			
Dividend Accounts)	42,512,204		
Other Deposits	128,744,973		
Seven Day and other Bills	16,421		
	£189,455,436		£189,455,436

Dated October 4, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year.	Sept. 26,	Oct. 3,	Increase.	Decrease.
Oct. 4.	1917.	1917.		
£	£	£	£	£
3,158,865	Rest	3,591,065	3,628,838	37,773
52,235,504	Pub. Deposits ..	44,274,907	42,512,204	1,772,703
117,402,096	Other do.	121,702,542	128,744,973	7,042,431
22,231	7 Day Bills ..	16,283	16,421	138
	Assets.			
42,188,051	Gov. Securities.	58,189,220	58,735,220	546,000
209,167,555	Other do.	93,593,721	98,371,795	4,778,074
36,016,190	Total Reserve ..	32,304,856	32,348,421	16,435
			7,096,777	7,096,777
			Increase.	Decrease.
			£	£
37,064,330	Note Circulation	41,181,745	41,827,955	647,210
54,630,520	Coin and Bullion	55,095,601	55,727,376	630,775
212 p.c.	Proportion ..	19.5 p.c.	18.9 p.c.	6 p.c.
6	Bank Rate ..	5	5	—

PUBLIC INCOME AND EXPENDITURE.

(For 8 days ended Sept. 30.)

REVENUE.	EXPENDITURE
£	£
Customs	National Debt Service ..
Excise	Interest, etc., on War Debt ..
Estate, &c., Duties ..	Development & Road Improv.
Stamps	Payments to Local Taxation ..
Land Tax and House Duty	Other Consolidated Fund
Property and Income Tax	Charges
Excess Profits Tax ..	Supply Services
Land Values	Bullion Advances
Post Office	For Advance for Interest
Crown Lands	on Exchequer Bonds under
Sundry Loans	Capital Expenditure
Miscellaneous	(Money) Act, 1904
Bullion advances repaid ..	For Treasury Bills
For Treasury Bills for Supply	Expenditure
5% Exchequer Bonds, 1919 ..	under War Loan Act, 1916 ..
5% Exchequer Bonds, 1922 ..	Other Debt under War Loan
5% Exchequer Bonds, 1920 ..	Acts, 1914-16
War Expenditure Certificates	For Exchequer Bonds under
War Savings Certificates ..	Section 61 of Finance Act,
4% War Loan, 1920-1921 ..	1916, and Section 34, 1917 ..
5% War Loan, 1920-1921 ..	Under Telegraph (Money)
Other Debts created under	Act, 1913
War Loan Act, 1915, and	Under Post Office (Lon-
Finance Act, 1916	don) Railway Act, 1913 ..
Telegraph Money Act, 1913	Under Military Works Acts
Under Post Office Rly. Act,	Under Housing Act, 1914 ..
1913	Public Buildings Expendi-
Under Military Works Acts,	ture Act, 1903
1897-1903	Old Sinking Fund, 1907-8 ..
Under Public Buildings ..	Old Sinking Fund, 1910-11 ..
Under Housing Act	China Indemnity
Repayment of Advance for	Depreciation Fund
Interest on Exchequer	Suez Canal Drawn Shares ..
Bonds, 1904	Temporary Advances repaid
China Indemnity	increase in Exchequer
East African Protectorate	balances
Loan repayment	
Suez Canal Drawn Shares ..	
Ways and Means Advances	
Decrease in Exchequer	
balances	

CURRENCY NOTES.

Return of Currency Notes for the week ended October 3, 1917.

	Issued.	Cancelled.	Outstanding.
£1 notes	4,196,590	2,989,430	131,226,329
10s. notes	1,401,773	1,119,445	33,252,913
Note certificates ..	620,000	—	16,270,000
Previous total	709,314,215	530,674,460	—
	715,532,578	534,793,335	180,749,242

Ratio of gold held against notes, this week, 17.32 p.c.; last week, 17.48 p.c.

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,415,416,000	363,290,000	—
June	1,486,612,000	1,147,630,000	339,182,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August	1,624,368,000	1,364,782,000	259,586,000	—
Sept. 5	352,657,000	298,577,000	54,080,000	—
" 12	343,640,000	273,357,000	70,283,000	—
" 19	321,243,000	285,301,000	35,942,000	—
" 26	334,777,000	279,355,000	55,422,000	—
Oct. 3	392,265,000	337,388,000	54,877,000	—
Total	14,330,610,000	11,615,508,000	3,748,164,000	—

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Aug. 31, 1917.	Aug. 24, 1917.	Sept. 1, 1916.
	£	£	£
Gold coin and certificates ..	83,359,400	85,350,200	49,071,600
Gold Settlement Fund ..	76,787,400	79,413,400	20,920,200
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks	170,646,800	175,263,600	69,991,800
Gold with Federal Res. Agent	97,707,200	97,707,200	35,407,000
Gold Redemption Fund ..	1,415,800	1,475,000	352,400
Total gold reserves	270,691,600	274,445,800	105,761,200
Legal tender notes, silver, &c.	10,522,000	10,508,000	2,721,000
Total reserves	281,213,600	284,953,800	108,482,200
Bills discounted—Members' ..	29,163,000	25,681,400	5,274,400
Bills bought in open market	30,918,200	31,911,400	15,855,600
Total bills on hand ..	60,381,200	57,592,800	21,134,000
U.S. Gov. long-term sec. ..	9,081,200	9,045,200	9,364,200
U.S. Gov. short term sec. ..	6,504,200	6,096,000	1,641,000
Municipal warrants	246,000	246,000	4,260,400
Loans on gold coin and bullion	—	—	—
Total earning assets ..	76,212,600	72,980,400	36,399,600
Due fm other Fed Res bank—n.	2,046,600	4,600	7,121,000
Uncollected items	52,036,200	42,077,400	—
Total deducts. fm gross dep.	54,083,400	42,126,000	7,121,000
5% Fed. fund ag Fed. Res. bknts	100,000	100,000	100,000
All other resources	58,600	67,800	606,200
Total resources	411,676,200	400,228,000	152,700,400
Capital paid in	11,780,500	11,690,800	11,078,000
Government deposits	30,871,600	11,994,400	10,183,600
Due to members—Res. account	213,960,800	224,225,800	—
Due to non-mbrs—clearing acc.	5,780,600	6,586,600	—
Members' bank deposits—net	—	—	96,939,400
Collection items	28,555,600	27,591,000	—
Total gross deposits ..	278,568,000	270,397,800	107,123,000
F.R. notes in actual circulat'n	117,583,000	114,609,800	34,112,200
F.R. bk nts in circn—net liab.	1,204,600	1,094,600	338,000
All other liab. in for Gov crdts	2,439,200	2,429,000	58,200
Total liabilities	411,676,200	400,228,000	152,700,400
Gold res. ag net deposit liab.	75.2%	70.0%	70.0%
Gold & lawful money reserve	79.9%	80.6%	72.7%
against net deposit liabilities	—	—	—
Gold res ag F.R. nts in act circ	85.1%	86.5%	104.9%

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Sept. 29, 1917.	Sept. 22, 1917.	Sept. 15, 1917.	Sept. 30, 1916.
	£	£	£	£
Loans	779,126,000	774,994,000	761,656,000	667,910,000
Reserve held in own Vaults ..	18,581,000	20,132,000	20,908,000	87,524,000
Reserve held in Fed. Res. Bk.	74,350,000	76,680,000	72,000,000	34,624,000
Cash in own Vaults	16,780,000	16,064,000	16,016,000	—
Reserve held in Other Depos.	18,281,000	17,368,000	19,468,000	10,894,000
Net Demand Deposits	704,964,000	672,932,000	703,126,000	660,518,000
Net Time Deposits	45,416,000	40,818,000	45,502,000	33,774,000
Circulation	6,382,000	6,366,000	6,266,000	6,238,000
Excess Lawful Reserve	13,201,000	17,064,000	15,154,000	19,272,000
Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.				

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Sept. 29, 1917.	Sept. 22, 1917.	Sept. 15, 1917.	Sept. 30, 1916.
	£	£	£	£
Loans	168,772,000	169,418,000	167,484,000	144,076,000
Specie	11,846,000	11,932,000	12,034,000	11,932,000
Deposits	170,400,000	171,660,000	171,854,000	152,904,000
Legal Tenders	2,972,000	3,088,000	3,302,000	1,854,000

BANK OF FRANCE (25 francs to the £).

	Sept. 27, 1917.	Sept. 20, 1917.	Sept. 13, 1917.	Sept. 28, 1916.
	£	£	£	£
Gold in hand	131,299,920	131,217,880	131,144,280	193,310,040
Silver in hand	10,114,400	10,405,400	10,380,640	13,473,600
Bills discounted	22,994,400	22,829,160	21,878,900	16,438,320
Advances	43,797,520	43,976,640	44,254,720	47,072,200
Note circulation	839,793,160	838,242,240	833,486,800	668,562,520
Public deposits	1,544,280	1,294,920	594,760	1,452,880
Private deposits	116,409,440	103,928,040	105,173,120	89,922,440
Foreign Bills	44,000	104,800	75,640	93,360

Proportion between bullion and circulation 26.57 per cent., against 26.61 per cent. last week. Advances to the State £466,000,000; increase, £12,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £20,739,120, decrease £21,480, and at the branches £25,780,840, decrease £32,640.

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Sept. 22, 1917.	Sept. 15, 1917.	Sept. 7, 1917.	Sept. 23, 1916.
	£	£	£	£
Total Coin & Bullion	125,573,150	125,410,650	125,202,950	124,629,350
Treasury Notes	38,210,950	35,720,850	35,353,100	10,601,950
Bills discounted	503,297,950	549,862,100	549,998,200	378,895,900
Advances	449,750	503,500	471,450	482,200
Note circulation	480,178,650	473,760,850	471,662,100	343,018,900
Deposits	298,666,950	275,217,650	275,723,750	183,987,050

Clearing House return during August, £386,111,030.

IMPERIAL BANK OF RUSSIA (10 roubles to the £).

	Sept. 29, 1917.	Sept. 21, 1917.	Sept. 14, 1917.	Sept. 29, 1916.
	£	£	£	£
Notes in reserve	12,400,000	12,980,000	14,450,000	19,510,000
Gold	129,520,000	129,500,000	129,270,000	155,330,000
Gold in reserve abroad	—	230,890,000	230,860,000	203,510,000
Loans and Discounts, including Treasury Bonds	1,525,950,000	1,489,800,000	1,326,200,000	481,850,000
Circulation note issue	1,538,710,000	1,585,000,000	1,539,750,000	730,410,000
Deposits, including Treasury deposits	353,300,000	341,640,000	345,940,000	20,320,000

BANK OF ITALY (25 lire to the £).

	Aug. 20, 1917.	Aug. 10, 1917.	July 31, 1917.	Aug. 20, 1916.
	£	£	£	£
Total cash	41,027,320	28,235,199	38,820,720	43,896,000
Inland Bills	24,580,320	22,939,480	23,590,760	18,980,880
Foreign Bills	832,840	832,840	833,720	833,160
Advances	12,332,280	13,645,760	12,246,120	7,518,640
Government securities	8,815,000	8,789,240	8,705,000	8,866,920
Circulation	184,604,480	185,314,120	183,801,800	135,102,360
Deposits at notice	23,658,800	22,759,280	23,083,840	13,865,680
Current accounts	13,120,840	13,187,720	13,268,920	15,514,680

BANK OF SPAIN (25 pesetas to the £).

	Sept. 22, 1917.	Sept. 15, 1917.	Sept. 8, 1917.	Sept. 23, 1916.
	£	£	£	£
Gold	76,422,309	75,323,692	74,531,264	46,600,297
Silver	29,367,483	29,355,676	29,368,774	30,231,783
Foreign Bills	3,608,879	3,604,169	3,562,278	3,893,388
Discounts and Short Bills	28,978,636	29,205,770	29,179,933	24,024,617
Treasury Account, &c.	25,276,593	25,186,471	25,219,216	29,098,305
Notes in Circulation	105,226,014	105,293,497	105,271,673	89,670,169
Current Accounts, Deposits	38,369,345	37,720,417	37,494,173	30,815,970
Dividends, Interests, &c.	1,623,080	1,680,852	1,623,619	1,363,659
Government Securities	6,557,638	6,215,245	6,179,705	2,699,974

BANK OF SWEDEN.

	Sept. 8, 1917.	Sept. 1, 1917.	Aug. 25, 1917.	Sept. 9, 1916.
	£	£	£	£
Gold	11,363,000	11,360,000	11,366,000	9,250,000
Balance abroad and Foreign Bills	7,965,000	7,760,000	7,590,000	9,369,200
Swedish and Foreign Govt. Securities	2,898,000	3,377,000	3,416,000	3,787,000
Discounts and Loans	10,592,000	10,757,000	9,734,000	3,987,000
Notes in circulation	26,310,000	26,371,000	24,138,000	19,230,000
Deposits at notice	6,518,000	7,510,000	8,216,000	5,712,000

BANK OF NORWAY.

	Sept. 15, 1917.	Sept. 7, 1917.	Aug. 31, 1917.	Sept. 15, 1916.
	£	£	£	£
Gold	7,142,000	7,142,000	7,144,000	6,282,000
Balance abroad and Foreign Bills	4,041,000	4,177,000	4,023,000	6,162,000
Gov't Securities	707,200	705,000	705,000	767,000
Discounts & Loans	15,864,000	15,954,000	16,608,000	5,034,000
Notes in Circulation	16,468,000	16,500,000	16,533,000	12,369,000
Deposits at notice	7,941,000	8,341,000	8,736,000	4,307,000

SWISS NATIONAL BANK (25 francs to the £).

	Sept. 23, 1917.	Sept. 15, 1917.	Sept. 7, 1917.	Sept. 23, 1916.
	£	£	£	£
Gold and silver	15,842,956	15,843,816	15,854,708	13,838,712
Bills	8,587,113	8,127,132	7,561,848	7,326,556
Note circulation	21,373,303	21,373,000	21,377,988	17,587,264
Current and deposit accounts	6,034,256	5,215,784	5,259,960	5,710,000

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Oct. 2, 1917.		Oct. 3, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam	Cable transfers	11.28	11.32	11.23	11.27
	Three months' bills	11.02	11.02	11.18	11.42
Paris	Cable transfers	27.50	27.55	27.50	27.55
	Three months' bills	27.00	27.95	27.00	27.95
Switzerland	Cable transfers	22.30	22.40	22.17	22.27
	Three months' bills	22.65	22.75	22.50	22.60
Petrograd	Cable transfers	300	309	320	325
Genoa, &c.	Cable transfers	36.75	36.90	36.70	36.80
Spain	Cable transfers	20.30	20.40	20.50	20.90
	Three months' bills	302	312	553	561
Lisbon and Oporto	Cable transfers	—	—	308	312
Copenhagen	Cable transfers	15.15	15.25	14.95	15.05
Christiania	Cable transfers	15.05	15.15	14.75	14.95
Stockholm	Cable transfers	13.28	13.40	12.90	13.00

NETHERLANDS BANK (12 Florins to the £).

	Sept. 29, 1917.	Sept. 22, 1917.	Sept. 15, 1917.	Sept. 30, 1916.
	£	£	£	£
Gold and Silver	56,911,666	56,812,666	57,007,500	49,476,416
Bills and Advances	12,636,666	12,035,583	11,971,750	14,669,333
Note circulation	67,613,583	65,583,333	65,816,500	58,621,313
Deposits	5,658,916	7,046,666	6,678,833	8,830,083

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques	Francs to £1	25.22½	27.53	27.53
Amsterdam, cheques	Florins to £1	12.107	11.30	11.12½
Italy, sight	Lire to £1	25.22½	36.87½	36.80½
Madrid, sight	Pesetas to £1	25.22½	20.00	20.30
Lisbon, sight	Pence to milreis	531d.	31½d.	31d.
Switzerland, sight	Francs to £1	25.22½	22.40	22.40
Christiania, sight	Kroner to £1	18.159	15.20	14.65
Stockholm, sight	Kroner to £1	18.159	13.74	12.60
Copenhagen, sight	Kroner to £1	18.159	15.31½	15.00
Petrograd, sight	Roubles to £10	94.57	302½	314½
Alexandria, sight	Piastres to £1	97½	97½	97½
Bombay, T.T.	Sterling to rupee	1/4	1/4½	1/4½
Calcutta, T.T.	Sterling to rupee	1/4	1/4½	1/4½
Hong Kong, T.T.	Sterling to dollar	—	3/0½	2/10½
Shanghai, T.T.	Sterling to tael	—	4/7	4/2½
Singapore, T.T.	Sterling to dollar	—	2/4½	2/4½
Yokohama, T.T.	Sterling to yen	21.58d.	2/18	2/18
New York, cable	Dollars to £1	4.86½	4/7½	4/7½
Buenos Aires, T.T.	Pence to dollar	47.58d.	49½d.	49½d.
Valparaiso, 90 days	Pence to peso	—	14½d.	14½d.
Montevideo, T.T.	Pence to dollar	51d.	53½d.	53½d.
Rio de Janeiro, 90 days	Pence to milreis	16d.	13½d.	13½d.

OPEN MARKET DISCOUNT.

	Last week.	This week
	Per cent.	Per cent.
Thirty and sixty day remitted	4½	4½
Three months	4½	4½
Four months	4½	4½
Six months	4½	4½
Three months fine inland bills	5½	5½
Four months	5½	5½
Six months	5½	5½

BANK AND DEPOSIT RATES.

	Last week	This week
	Per cent.	Per cent.
Bank of England minimum discount rate	5	5
" short loan rates	—	—
Bankers' rate on deposits	4	4
Bill brokers' deposit rate (bill)	4	4
" 7 and 14 days' notice	4½	4½
Current rates for 7 day loans	4½	4½
" for call loans	4½	4½

The Week's Stock Markets.

Business has been affected to some extent by the week-end air raids, which not only had a disturbing mental influence on people subjected to them, but they also interfered with postal and telegraphic services. Consequently the accumulation of orders to be dealt with on Monday morning was the smallest experienced for a very long time past, and although there has latterly been an increase in dealings, it did not amount to very much. In the meantime, the issue of the National War Bonds has diverted the attention of investors away from existing stocks, but it is satisfactory to find that there has been little selling of old securities to exchange into the new loan. As sales of the latest bonds will continue indefinitely, there is no particular reason for hurry, and although a good send-off is a valuable advertisement, many investors quite properly prefer to take their own time for sending in subscriptions. So far as can be gathered, the response up to now has been quite satisfactory, but there has been no rush such as characterised the throwing open of the lists for the 5 per cent. War Loan. An unsettling incident was the passing of the dividends on Grand Trunk guaranteed and preference issues, which reacted unfavourably on Canadians generally. Moreover, the Argentine Railway situation is giving rise to considerable anxiety, and it is rather insistently asked why the authorities and the local managers of the companies allowed matters to get to such an impasse before taking vigorous steps to secure a settlement. In other directions little interest has been displayed, and on the whole it has been a decidedly unsatisfactory week, although the latest news from the Western front encouraged a more cheerful feeling towards the close.

It has been a disturbed and disturbing week on the Stock Exchange, for a variety of reasons. Communications were interrupted by the air raids, and people's minds were probably also concentrated on other things than investments. Moreover, it is always the case that a large Government loan interferes with dealings in existing securities. Business has consequently been reduced to a very small scale, smaller, in fact, than for a long time past. On the whole the Funds have maintained

their position wonderfully well, and in one or two cases, such as the 5 per cent. War Loan and India stocks, small gains have been recorded. Colonials were not much in evidence, but the tone, as a rule, was good, and a slight demand was experienced for some of the shorter-dated issues. In the Foreign market Russians again suffered a rather severe reaction, owing to the unsettled political conditions, and the falls have been rather severe. Several municipal securities were also pressed for sale.

	Last Week	This Week		Last Week	This Week
Consols.....	54½	55	N.S.W. 4½% 5 yr. bds....	97	96½
War Loan 3½%.....	86½	85½	" 4½% 1922-7.....	91½	91½
" 4½%.....	97½	100½	" 5% 1921-3.....	96½	96½
" 5% 1920-47.....	94½	94½	" 5½% 1920-2.....	98½	98½
" 4½% 1919-47.....	100½	100	New Zealand 4½% 1929 ..	86	84½x
India 3½%.....	54½	55½	Queensland 4½%.....	86½	86½
" 3½%.....	64½	65	" 4½% 1920-5.....	92	92
Australian 5½% 1920-22 ..	99½	99½	Union of S. Africa 4½% ..	92	92
Canada 4½% 1940-60.....	81	81	1920-5.....	92	92
" 4½% 1920-5.....	93½	93½	Victoria 4½% 1920-5.....	92	92
N.S.W. 4½% 1933.....	82½	82½	Westn. Aus. 4½%.....	81	81
Argentine 4½% 1900.....	65	65	French War Loan, 5% ..	80	79½
Belgian 3½%.....	60	60	Japan 4½% (1st), 1905 ..	96	96½
Brazil, 1913.....	73½	71½	" 5% 1907.....	92½	92½
" 5% 1914.....	81	80½	Mexican 5½% 1899.....	67½	68
Chinese 1896.....	94	92½	Russia 4½%.....	57	54½x
" 1912.....	83	81½	" 4½% 1909.....	62½	60
Egypt Unified 4½%.....	84	84	" 5½% 1906.....	71	70
Caledonian dfd.....	8½	8½	London and N.-W.....	91½	90½
Gt. Central pf.....	13½	13	London and S.-W. dfd. ..	23½	23
" dfd.....	6½	6½	Do red. pf. 1914.....	92	92
Gt. Eastern.....	35	35	Metropolitan.....	23½	23½
Gt. Northern dfd.....	36	36	Do. 5% pf.....	77	77
Gt. Western.....	85½	84½	Met. District.....	16½	16½
Lancs. and Yorks.....	64	64	Midland dfd.....	56½	56½
London Brighton dfd.....	58	57½	Nth. British dfd.....	13½	13½
London Chatham ord.....	8½	8½	Nth.-Eastern.....	98	97½
			Sth.-Eastern dfd.....	28	27½
Canadian Pacific.....	170½	167½	Chesapeake.....	60	57
E. Indian Guar. 4½% debs.	86	86	Erie.....	25½	25
Grand Trunk ord.....	9½	9	Southern.....	29½	29½
Do. 1st pf.....	62½	56			
Do. 3rd pf.....	23	21	Cent. Argentine ord.....	59	6½
Antofagasta dfd.....	126½	126½	Leopoldina.....	39½	39½
Brazil Common.....	1	5	Mexican ord.....	20½	19½
B. A. & Pacific.....	39½	40	San Paulo (Brazilian).....	187	182½x
B. A. Gt. Southern.....	73½	74½	United of Havana.....	83½	83
B. A. Western.....	70	71½	London & S.W.....	12	12
Anglo-South American ..	7½	7½	London City & Midland..	7½	7½
Bank of Australasia.....	116	116	London County & West..	14½	14½
Bank of N.S. Wales.....	34½	34½	London Joint Stock.....	24	23½
Barclay & Co. "A".....	7½	7½	Nat. Prov. of Eng. (£10½ pd)	27	27
Do. "B".....	11½	11½	Do. (£12 pd).....	31	31
Capital & Counties.....	23	22½	Parr's.....	29	29
Chartered of India.....	66	66	Standard of S.A.....	1½x	10½x
Hongkong & Shanghai ..	81½	83	Union Discount.....	10½	10½
Lloyds.....	23½	23½	Union & Smiths.....	23½	23½
London & Provincial.....	16½	16½			
London & Brazilian.....	24	24	Kynochs.....	37½	37½
Armstrong, Whitworth ..	39½x	39½x	Mond Nickel ord.....	3½	3½
Birmingham Small Arms	54½	53½	South Durham Steel ..	36½	36½
Cammell-Laird.....	65½	65½	Thornycroft.....	37½	37½
Cargo Fleet.....	23½	23½	Vickers.....	39½	39½
Dorman, Long.....	40½	40½	Fine Cotton Spinners ..	30½	30½
Associated Cement.....	33	32	Forestral Land.....	49½	49½
Borax dfd.....	39½	40½	Furness, Withy.....	49½	49½
Bovril.....	19½	19½	Harrods Stores.....	23	23
Brazil Traction.....	46	46	Hudson's Bay.....	6½	6½
British Amer. Tobacco ..	18½	18½	Imperial Tobacco "C" pf.	34½	34½
British Aluminium.....	32½x	32½x	Lever Bros. "C" pf.....	20½	20½
British Oil & Cake.....	30½	30½	Lyons, J.....	48	48
Brunner, Mond.....	48	48	Matcon.....	38	38
Castner-Kellner.....	37½	37½	Maypole Dairy dfd.....	25½	25½
Coats.....	66	66	National Steam Car.....	19½	19½
Courtaulds.....	68	68	Pears, A. & F.....	14½	14½
Cunard.....	38	38	P. & O. dfd.....	320	320
Dennis Bros.....	36½	36½	Royal Mail.....	113½	113½
Eastern Telegraph.....	148½	148½	Underground Inc. Bds. ..	82	83
Kasimans.....	10½	10½			
English Sewing Cotton ..	53½	52½	North Caucasian.....	12½	12½
Anglo-Egyptian "B".....	24½	25½	Romanian Cons.....	12½	12½
Baku (ros.).....	2½	2½	Royal Dutch (100 gulden)	49½	49
Burmah.....	6½	6½	Shell.....	58½	58
Lobitos.....	24½	24½	Spies (10/-).....	11½	10½
Mailkop Pipeline.....	3½	3½	Ural Caspian.....	17½	17½
Mexican Eagle pf.....	3½	3½			
Anglo-Java Rub. (2½) ..	71½	71½	Merlimau 2½.....	6½x	6½x
Anglo-Malay 2½.....	51½x	51½x	Pataling 2½.....	46½	45½
Ayer Kuning 1½.....	53½x	52½x	Port Dickson 2½.....	41½	41½
Bukit Mertajam 2½.....	5½	5½	Rubber Trust 1½.....	32½	31½
Bukit Sembawang 2½.....	3½x	3½x	Sapumalkande 1½.....	28½	28½
Carey United 1½.....	48½	47½	Selangor.....	37½	37½
Cheronesse.....	3½	3½	Sialang 1½.....	76½	76½
Gula Kalumpung 1½.....	36½	37½	Singapore Para 2½.....	4½	4½
Highlands 1½.....	64½	63½	Singapore United 2½.....	37½	36½
Java Para 1½.....	36½	35½	Taipung 2½.....	48	48
Johore Rubber Lands 1½.....	39½	39½	Tanjong 1½.....	92½	91½
Langen Java 1½.....	48½	47½	Tanjong Malim 1½.....	40½	40½
Linggi 2½.....	30½x	30½x	Tebrau 1½.....	74½	74½
London Asiatic 2½.....	9½	9½	United Serdang 2½.....	12½	12½
Malacca 1½.....	5½	5½	Vallambrosa 2½.....	25½	25½
Malayain 1½.....	38½	39½			
Abbotiakoon (10/-).....	4½	4½	Gt. Boulder (2½).....	12½x	12½x
Bechuanaland Exp.....	7½	7½	Kysitum.....	2	2
Brakpan.....	5½	5½	Mashonaland Agency ..	5½x	5½x
Broken Hill Prop. (8½) ..	51½	50½	Meyer & Charlton.....	5	5
Cam & Motor.....	10½	10½	Modder "B".....	8	8
Central Mining (£12) ..	6½	6½	Do. Deep.....	7	7
Chartered.....	15½	16½	Mysore.....	38½	38½
City Deep.....	38½	38	Rind Mines (5½).....	37½	37½
Cons. Gold Fields.....	18	18	Rio Tinto (£5).....	66	66
Cons. Langlaagte.....	22½	21½	Russo-Asiatic.....	33½	33½
Crown Mines (10/-).....	28	27½	Spring Mines.....	33½	33½
De Beers dfd. (£2 ros.) ..	12½	13½	Tanganyika.....	38½	38½
East Rand.....	6½	6½	Tananyik.....	17½	17½
Geduld.....	14½	2	Van Ryn Deep.....	3½	3½
Gov. Areas Mod.....	34½	34½			

On the other hand, Japanese and Chinese showed considerable strength, but, on the Western side of the world, Mexicans were flat, and Cuban Ports lost part of the recent gain.

Home Railways generally have been dull and uninteresting. London and South-Western ordinary, exceptionally, were firm, and there was also a demand for Underground stocks, possibly

because of the advertisement the Tubes have obtained from alien and other refugees from air risks. American rails opened weak, recovered a little, and again relapsed, but there is so little doing in the market here that they create very little interest. The passing of the Grand Trunk dividend, however, created a very bad impression and Canadian issues fell heavily. Mexican rails were weak and the failure to arrive at any settlement of the Argentine strike has caused a further decline in all the leading stocks. Other foreign railways were scarcely mentioned, but United of Havana showed some strength.

Bank shares were idle and neglected, and except for Hongkong and Shanghai and National Bank of India, which gained a fraction, scarcely any movement occurred. Capital and Counties, however, gave way to a small extent. In the Brewery section the only movement of interest was a sharp jump in Guinness stock, but Hoare, and Meux pref. found a certain amount of support. Iron and Steel shares generally were rather dull, and Canadian Car and Foundry dropped 5 points. Pease and Partners, Guest Keen, and several others also receded, but Explosive shares continued to receive a certain amount of support. Nothing happened in the Land group, and Nitrates were just steady. Shipping shares scarcely moved, and among Telegraphs Marconis were good. Textiles and Miscellaneous Industrials moved irregularly, and, on the whole, the tone was flat.

Oil shares were not much in evidence, and movements were irregular. Royal Dutch and Burmahs both gave way a little, but Mexican Eagles, Lobitos, Anglo-Egyptian, and Venezuelan Concessions gained fractions. The rest of the list was almost entirely neglected. Rubber shares were more irregular than for some considerable time past, and the tendency was rather flat on the fall in the price of the commodity, which at one time dropped to 2s. 7½d. Towards the close a better tendency developed, but on balance movements have been irregular and of little importance.

LONDON PRODUCE MARKETS.

SUGAR.—Prices during the week remained without change.

COFFEE.—A steady tone governed the spot market, and business proved of fair dimensions. East Indian and Central American kinds again predominated at public sale. There was no improvement to record with respect to the future delivery section, inactivity being again marked.

COCOA.—A fair quantity offered by auction, amounting to 10,560 bags, of which 6,720 bags comprised Colonial. Steady absorption ensued at a full range of values with the exception of Ceylon, and here prices ruled a shade easier. Jamaica, Cameroon, and Bahia were well sought after.

TEA.—6,000 packages Indian and 9,000 packages Ceylon represented offerings in auction this week, and which soon cleared to a brisk demand at generally maximum prices. D class further advanced in price.

SPICE.—Pepper met a fair demand at firm rates. Fair black Singapore, spot, at 1s. 0½d.; Muntok, 1s. 3½d. per lb. Cloves quiet, though sparingly offered. Fair Zanzibar, spot, sold, 1s. 9d. Tapioca firm. Fair flake, spot, sellers, 6d., and fine Java, done, 7d. Penang seed and medium pearl of fair quality, on spot, sold, 58s. per cwt.

RICE ruled quiet at unchanged rates. Beans unaltered, with a moderate call for Diakuku.

HEMP.—Manila and New Zealand quiet, at fixed rates. East India descriptions sell well at a full range.

SHELLAC declined on lack of buying orders and sellers pressing. T.N., October, sold, 227s. to 220s. and 221s.; December, 232s. to 226s.

GANBER firm, and block, afloat, sold, 60s., c.f. and i., London.

RUBBER.—Rather unsettled, and trade proceeded slowly, closing steady. Plantation, spot, crepe, sold, 2s. 8½d.-2s. 7½d. and 2s. 8½d.; October, 2s. 8½d.-2s. 7½d., 2s. 8½d.; November, 2s. 8½d.; January-March, 2s. 10d.-2s. 9½d., 2s. 10½d. Standard ribbed smoked sheet, spot, sold, 2s. 6½d.-2s. 5½d., 2s. 6½d.; January-March, 2s. 8d.; fine hard Para, spot, 3s. 4½d.; soft fine ditto, 2s. 8d.; and ball, 1s. 8d.

COPRA.—Market remains dull, with sellers reserved. No change was made in quotations.

TALLOW.—Market firm, all descriptions now selling at maximum prices except inferior. Auctions realised late rates.

CORN (Mark Lane).—Market movements were on a moderate scale, and disclosed nothing fresh, the general tone remaining steady, and price changes unimportant. Offers continue to be made with the same reserve. Wheat: Home grown in small supply, at 73s. 6d. per quarter, 504 lbs. Imported: No. 2 Northern Manitoba sells at 78s., and No. 3, 76s. per quarter, landed. Canadian feed nominal, at 77s. 6d., ex quay (400 lbs.). Flour: Country straight runs 44s. 3d. per sack, ex mill. Iron Duke nominal, at 75s., ex store. Barley: English, 62s. 9d. per quarter. Oats: American white, clipped, No. 2, 60s. ex ship, 61s. landed. Maize: Market stationary, in absence of supplies.

COTTON (from our Manchester correspondent).—The market during the past week has been strong, and to some extent excited. Developments of an important character have transpired in raw cotton circles. Unrestricted dealings have been resumed in futures in the Liverpool market, and owing to the fresh basis for the new contract the alteration in official quotations has led to some confusion. A larger turnover in futures has transpired than for a long time past. The Government reports relating to the American crop have been unfavourable, and prices have again advanced. Spinners and manufacturers have put up their quotations in a very determined manner, and buyers have met with few opportunities of purchasing except at full rates. Standard grey goods for India remain dull,

and very little has been done in shiftings and dhooties. Some improvement, however, has shown itself in the turn-over in mulls and jacanets. The easier tendency in the price of silver has adversely affected trade with China, and very little has been done in either staple makes or fancies. The under-current of demand for Java continues healthy. Steady buying has occurred in miscellaneous fabrics for the West Coast of Africa. Some useful orders have been booked for South America. Owing to the restriction of output, supplies of certain cloths are getting

CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING OCTOBER 5, 1917

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt.	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
duty 14½, 98%			Australian	nom.	nom.
polarisation			Scoured Merino	nom.	nom.
Tate's Cubes ..	2 13 9	2 13 9	Scoured Cr'sabr'd	nom.	nom.
Crushed	2 13 9	2 13 9	Greasy Merino ..	nom.	nom.
Granulated	2 6 9	2 6 9	Greasy Crossbred	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	New Zealand	nom.	nom.
Foreign granu-			(scoured) Merino	nom.	nom.
lated, first mark-			Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	Cape snow white	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Indian rubber p. lb.		
French Cube	nom.	nom.	Plantation, Spot		
Crystallised, West			Crepe	0 2 9	0 2 8½
India	2 6 9	2 6 9	Coal —per ton		
Beet, 88% f.o.b.	nom.	nom.	Durham, best ..	nom.	nom.
Tea —per lb., duty	s. d. s. d.	s. d. s. d.	Seconds	nom.	nom.
1½ lb.			East Hartlepool ..	nom.	nom.
Indian Pekoe ..	11-1 6	11-2 0½	Seconds	nom.	nom.
Broken	1 3-1 6	1 3-2 0	Steamers, best ..	30 0	30 0
Orange	1 0-2 6½	1 0-2 7½	Seconds	27 0	27 0
Broken	1 6-2 9½	1 3-2 11½	Lead —per ton.	£ s. d.	£ s. d.
Pekoe Souchong	11-1 6	11-1 6	English pig	nom.	nom.
Ceylon Pekoe ..	11½-2	11½ 1 6	Foreign soft	£30½-29½	£30½-£29½
Broken	1 3-2 6½	1 0-1 3	Quicksilver —per		
Orange	1 0-1 3	1 0-1 6	bottle firsthand	nom.	nom.
Broken	1 0-2 10½	1 3-3 3	Tin —per ton		
Pekoe Souchong	11-0 11½	11-1 0	English Ingots ..	£242-243	£243-244
Cocoa —per cwt.	s. s.	s. s.	Do. bars	£243-244	£245-246
duty 6d. per lb.			Standard cash ..	£245	£245
Trinidad—per cwt.	85 0 90 0	87 0 92 0	Cin Plates, per box	nom.	nom.
Grenada	72 0 87 0	73 0 88 0	Copper —per ton.		
West Africa ..	58 0 67 0	58 0 67 0	English, Tough,	nom.	nom.
Ceylon Plantation	68 0 83 0	67 0 82 0	per ton	nom.	nom.
Guayaquil Arriba	95 0 97 0	95 0 97 0	Best Selected ..	£128-121	£119-£123
Coffee —per cwt.			Sheets	£155	£151
duty 42½ per cwt.			Standard	£110-110½	£110-110½
East India	82 0 104 6	82 0 104 6	Jute —per ton.		
Jamaica	67 0 120 0	67 0 120 0	Native firsts for		
Costa Rica	78 0 100 0	78 0 100 0	shipment	£18 10	£18 10
Provisions —			f.o.b.		
Butter, per cwt.			Oils —		
Australian finest	nom.	206/-209/-	Linseed, per ton ..	£58-£63	£58-£63
Irish Creameries	206/-211/-	226/-231/-	Rape, refined	£71	£71
Dutch ditto	nom.	nom.	crude	£66	£66
Russian finest ..	nom.	nom.	Cott'n Seed, crude	£60	£60
Paris baskets ..	238/-	235/-238/-	Ditto, refined ..	£67-£95	£67-£95
British finest ..	300/- expt	300/- expt.	Petroleum Oil, per		
Brittany rolls ..	26/-	25/6-26/-	8 lbs.	1/8½	1/8½
doz. lb.			Water White	1/9½	1/9½
Bacon —per cwt.			Oil Seeds, Linseed	—	—
Irish	161/-162/-	161/-162/-	Calcutta—per ton		
Continental	162/-	162/-	Spot	29 15 0	29 15 0
Canadian	162/-	162/-	Rape	30 0 0	30 0 0
American	157/-161/-	157/-165/-	Iron —per ton		
Hams —per cwt.			Cleveland Cash ..	nom.	nom.
Irish	184/-	184/-	Tobacco —duty,		
Canadian	146/-	146/-	unmanufactured		
American	110/-137/-	110/-137/-	7/4 to 8/6 per lb.		
Cheese —per cwt.			Maryland & Ohio		
Dutch	nom.	nom.	per lb. bend ..	nom.	nom.
Canadian	nom.	nom.	Virginaleat ..	0 8-2 1	0 8-2 1
English Cheddar	132/-	137/-	Kentucky leaf ..	0 7-0 11	0 7-0 11
Wilks loaf	nom.	nom.	Latakia	2 1-5 0	2 0-5 0
New Zealand ..	nom.	nom.	Havana	1 6-6 6	1 6-6 6
Rice —per cwt.	s. d.	s. d.	Manila	nom.	nom.
Japan	29 6	29 6	Cigars, duty 10/6		
Rangoon 2 stars ..	26 3	26 3	per lb.	2/ upds.	2/ upds.
Eggs —per 120.			Timber —Wood.		
English	39 0 31 0	30 0-32 0	Pitch Pine	300/-400	300/-400
Irish	36 6-29 0	30 0-32 0	Indian Teak	380/-700	380/-700
Danish	26 6-29 0	30 0-32 0	Turpentine —		
Spelter —			American Spot ..	3 6 6	3 12 3
G.O.B. as to position	£54-£50	£54-£50	Copra —per ton	46 0 0	46 0 0
Flour —per sack.					
Country Straight					
Runs ex Mill ..	44/3	44/3			

scarce, and manufacturers, if anything, tend to strengthen their position. American yarns for home use have not been generally active, but spinners have been very firm at the higher prices, especially in the better qualities. Some users have been afraid to wait, and orders for fair weight have not been unknown. In Egyptian yarns operations have been irregular, but most spinners remain in a healthy position, and can afford to hold out for top prices. Most of the business in the export section has been for France.

OILFIELDS ITEMS.

Baku Russian Petroleum Co.—The estimated gross production of crude oil for the week ended Sept. 22 was 74,400 poods.

European.—Production week ended Sept. 23, 69,800 poods.

New Schibaieff Petroleum.—Production for August:—Gross, 5,336 tons; nett, 3,148 tons.

North Caucasian.—Production week ended Sept. 4, 14,260 tons, and week ended Sept. 11, 14,167 tons.

Russian Petroleum.—Production week ended Sept. 22, 41,700 poods.

Spies Petroleum.—Production week ended Sept. 23, 3,172 tons. Total production for the year from January 14, 102,742 tons, against 99,342 tons for the corresponding period last year.

DIVIDENDS ANNOUNCED.

Alor Pongsu Rubber Estate.—Interim of 10 per cent. actual, payable (less tax) on Nov. 7, against 7½ per cent. a year ago.

Borax Consolidated.—At the rate of 6 per cent. per annum, less tax at 5s. in the £, on preferred ordinary shares for half-year to Sept. 30.

British Bank of Northern Commerce.—Interim for six months ended Sept. 30 at the rate of 12 per cent. per annum, free of tax, being the same as a year ago.

British Empire Trust Co.—On the 5 per cent. cumulative perpetual preference shares of the company for half-year ending Oct. 15 at the rate of 5 per cent. per annum.

Bandarapola Ceylon Co.—10 per cent., less tax, payable Oct. 5.

Callender's Cable and Construction Co.—Interim at rate of 10 per cent. per annum for half-year, payable Nov. 1, the same as a year ago.

Clan Line Steamers.—Interim of 20s. per share, free of tax (10 per cent., actual) on ordinary shares, payable on Oct. 12. A year ago 12½ per cent. was paid.

City of Santos Improvements Co.—Half-yearly at rate of 6 per cent. per annum, less tax, on the preference shares, payable on Nov. 1.

Ceylon Tea Plantations Co.—Interim of 20 per cent., less tax, on ordinary shares on account of the year 1917, payable on Oct. 29. A year ago the dividend was 16 per cent.

Cuba Submarine Telegraph Co.—Interim for six months ended June 30 at the rate of 5 per cent. per annum, free of tax, on the ordinary shares, payable 18th inst., the same as a year ago.

Ceylon (Para) Rubber Co.—Interim of 12½ per cent., less tax, payable Oct. 30, same as a year ago.

Commercial Union Assurance Co.—The interim of 14s per share, less tax, on account of the year 1917, payable Nov. 8, as compared with 12s per share, less tax, at the same date last year.

Connaught Trust.—7 per cent. on preferred ordinary shares for year ended June 30. For each of the two preceding years it was 5 per cent.

A. Darracq and Co. (1905).—At the rate of 7 per cent. per annum on preferred ordinary shares for half-year ended Sept. 30, less tax.

El Oro Mining and Railway.—No. 26 of 1s. per share, free of tax. Eastern Produce and Estates.—Interim of 6 per cent. (actual), less tax at 5s. in the £, in respect of crop season 1917.

John Barker and Co.—Interim for six months ended Aug. 31 of 8d. per share on ordinary shares, the same as last year, payable Oct. 20.

Lower Perak Rubber Estates.—Interim of 5 per cent. actual, less tax, against 10 per cent. a year ago, owing to decision of board to retain funds in hand over against excess profits duty.

London and Brazilian Bank.—Interim for the half-year ended July 31 of 14s. per share, less tax, being at rate of 14 per cent. per annum, payable on Oct. 23, the same as a year ago.

London Trust Co.—Interim at rate of 4 per cent. per annum on the deferred stock on account of the year ending March 31, 1918, the same as last year.

Milwaukee and Chicago Breweries.—Interim of 3 per cent. on the capital stock to be paid on Oct. 15, the same as a year ago.

Planters' Stores and Agency Co.—25 per cent. per annum, free of tax, for half-year ended March 31, same as a year ago.

Royal Insurance Co.—Interim of 15s. per share, subject to tax, as compared with 14s. per share last year.

Rio Tinto Co.—Interim of 45s. per share on the ordinary shares, payable on Nov. 1, less English income-tax.

Sunnigama Co.—Interim of 30 per cent., less tax, payable Oct. 15, same as a year ago.

Scottish Ceylon Tea Co.—4 per cent., less tax, on ordinary shares, against 5 per cent.

Sapumalkande Rubber Co.—Interim of 3 per cent. (actual) for year ending Dec. 31, 1917, payable on Oct. 20, same as a year ago.

St. George Rubber Estates.—10 per cent., less tax, payable Oct. 8, same as a year ago.

Sungei Kapar Rubber Co.—Interim of 20 per cent. on account of the year 1917 (equal to 4 4-5d. per share), payable, less tax, on Oct. 20. A year ago was at the same rate.

South African Lighting Association.—Interim of 3 per cent. (6 per cent. per annum), less tax, payable Oct. 31, same as a year ago.

Sungei Buloh Rubber Co.—Interim at rate of 15 per cent., less tax, on account of the year 1917, payable on Oct. 18, same as a year ago.

United Sumatra Rubber Estates.—Interim 2d. per share, less tax at 5s. in the £; a year ago 2d. per share, less tax, at 4s. 6d. in the £.

United States and South American Investment Trust Co.—Interim at rate of 4 per cent. per annum on the ordinary stock for half-year ending Oct. 4, payable on the 5th inst., same as a year ago.

United Indigo and Chemical Co.—The preliminary annual statement brings up the dividend upon both the participating preference and the ordinary shares to 20 per cent., less tax, the same as last year.

Letters to the Editor.

AUSTRALIAN BORROWINGS.

SIR,—I see in your periodical certain statements with respect to borrowings. Perhaps you are not aware that the railways, or about 17,000 miles of them, belong to the Governments of the different States. I think New South Wales owns about 5,000 miles. The deposits in the Savings Bank amounts to about £175½ millions.

The population has increased from 1½ million in 1861 to some 4½ millions in 1911.

Shipping cleared in 1913 amounted to 5½ million tons.

I enclose a cutting out of the *Sun* (newspaper), showing what the trade of this port alone is, and you must bear in mind that 130 years ago there was not a white man on the Continent (island).

Railways started in about 1854 or '55, and now there is nearly 20,000 miles of Government and private lines.

These are some facts worth considering when speaking of our borrowings.

I am, &c.,

J. M. PEARSE.

Kings Langley, Turramurra, New South Wales.

[Subjoined is the newspaper extract alluded to by our correspondent. It is pertinent to one aspect of the subject. We have never thought of questioning the progress of Australia or ceased to admire it and to marvel at its extent. But when we come to consider the proportion in which that development stands to the mass of the young nation's obligations, and to weigh the capacities of the comparatively slow-growing population—seriously checked as it will be by the ravages of war—in relation to the burdens they have assumed towards creditors outside their country, we must be excused for having doubts enough about the future to impel us to warn. Especially do these doubts assail the mind when account is taken of the altered conditions under which all civilised nations will have to exist as result of the upheaval of Prussian barbarism long endured. When the war began we said that it would be a new, or changed, world into which humanity would enter when peace returned, and nothing could be more true. How will Australia find customers enough for her wares in a world made poor by the devastations of war, a world every nation within which will be compelled to work hard and to practise the most vigilant and far-extending economy in order to recuperate and to build up anew the lost well-being? That is the problem, and it is one no man can afford to make light of, still less to ignore. What has been cannot be again these many years to come, and the nation which tries to save itself by plunging deeper and ever deeper into debt invites many sorrows.—ED.]

A summary of goods imported and transhipped at Sydney during May of the present year shows that 94,141 tons of cargo came from overseas ports, the value by Customs classification being £2,392,574. In addition there were 56,109 tons, worth £1,589,491, from inter-State ports. State manufactured goods, totalling 175,580 tons, passed through the Sydney Harbour Trust's books during the same month. Though there is a serious shortage of shipping, the imports to Sydney for May were rather satisfactory. Oversea and inter-State equalled 150,250 tons, representing a value of £3,982,065. That, with the amount of State goods handled at the port, would bring the total value of the trade up to more than £4,000,000. In May, 1916, the imports exceeded those of May last by 3,706 tons, the difference being in the overseas section. The difference between the inter-State trade for the two months of May under review was nearly 11,000 tons in favour of 1917. The total transshipments for May, 1917, were 22,986 tons of overseas, 33,279 tons of inter-State, and 6,569 tons of State goods.

There has been a big falling off in the overseas trade during the eleven months ended May 31, as compared with the same period of the previous year. Cargoes that arrived at Sydney in the 11 months up to the end of May, 1916, represented 228,061 tons, while in the same period of the following year only 191,116 tons reached port. The inter-State trade, however, picked up to the extent of nearly 12,000 tons in the 11 months.

PRIVILEGE AND "PULL" IN BEING.

SIR,—Some of the awards made by the War Losses Commission are indeed disconcerting. I read, for example, in the *Daily News* that £1,000 has been granted to St. Paul's Cathedral on account of the losses estimated to arise from the closing of the upper gal-

lery, and that compensation has been given to the Duchess of Albany as life tenant of Claremont on account of timber cut on the estate. On the other hand, numerous instances occur up and down the country where frugal, hard-working people have had to sacrifice business prospects and livelihood, and had their wives and families thrown back on a lower scale of living, owing to the demands of the war for men. Theirs is a real tragedy of suffering, inevitable, no doubt, but yet heart-breaking. For them there is no monetary compensation worthy of the name, and certainly none for the loss of prospects.

When one draws a comparison between the generous treatment meted out to an ecclesiastical corporation and a royal princess on the one hand, and the uncompensated impoverishment of hundreds of well-doing citizens on the other, it seems that under the form of law a gross and unjustifiable anomaly is being perpetrated. Every shilling of compensation to St. Paul's Cathedral and to the Duchess of Albany is being drawn from the heavily burdened taxpayers of this country. What, may I ask, has either done to merit it? Is there not in either case an undue tenderness for the socially privileged?

These contrasts sink deeply into the public mind. Have not the taxpayers of this country done enough already for the royal personages of Teutonic origin who have become connected with our court by marriage? These royal ladies are no doubt very estimable and amiable in private life, but when public money is being voted, surely it is right to look at their relationship to the princely houses now at war with this country. Is not the present Duke of Saxe-Coburg-Gotha the son of the late Duke of Albany? Did not his relatives push him forward to fill this second-rate German throne, when the Duke of Connaught, to his lasting credit, "in spite of all temptations to belong to other nations," remained an Englishman? The memory of these things do not sweeten an award of compensation under the name of war losses on account of the Claremont estate.

New Zealand.

A Wealthy Country, Splendid Climate, Fertile Soil, Plenty of Water.

An Ideal Country for the farmer, the percentage of grain and lambs being phenomenally high.

New Zealand, a country as large as the United Kingdom, with but a million population, has an annual export of raw products exceeding Twenty Million Pounds sterling.

New Zealand is rich in COAL, IRON, TIMBER, GUM, GOLD AND SILVER. Total yield of Minerals, over One Hundred and Twenty Million Pounds.

Over Eighteen Million Pounds have been advanced by Government to Farmers and Workers for Improvements and Buildings at a low rate of interest.

The Railways, 3,000 miles, Telegraphs and Telephones, 124,000 miles, are owned and operated by the State.

New Zealand has the highest wealth-rate and the lowest death-rate in the World.

To those desirous of making a home in a new country, New Zealand offers solid advantages.

Excellent Steamship Services are run direct to New Zealand by the Shaw Savill and Albion Company, Limited, New Zealand Shipping Company, Limited, and the Federal and Shire Lines.

Full information is supplied free by

THE HIGH COMMISSIONER FOR NEW ZEALAND,

413-416, STRAND, W.C. 2.

The War Losses Commission has, we doubt not, performed its duties in accordance with all the requirements of the law ; but, candidly, people who are making ready sacrifice of kith and kin, of money and resources, to destroy the militarism of the German princes and their hordes, do not like these things.—Yours truly,
Bournemouth, October 3. SCRUTATOR.

Insurance News.

The proposal to increase the capital of the London and Lancashire Fire Insurance Company to £3,141,250 by the creation of 5,650 new shares of £25 each has been agreed to by the shareholders. As already announced the issue is being made in consequence of the acquisition of the Marine Insurance Company's business. The London and Lancashire has now acquired two marine insurance companies, the other one being the Standard, and by means of these companies, working independently as hitherto, but always in close relationship with the London and Lancashire, it is confidently anticipated that access to all the best avenues of marine business will be open to the combine.

Shareholders of the Star Assurance Society have approved the provisional agreement for the amalgamation of the business with that of the Eagle and British Dominions Insurance Company under the title of the Eagle, Star, and British Dominions Insurance Company. Referring to some of the reasons which had made the board feel that an arrangement of this kind was advisable, the chairman stated that the whole tendency in the insurance world in recent years had been in favour of offices which were in a position to satisfy all the insurance wants of its customers. Since 1911 many suggestions had been before the directors from time to time for carrying out this policy. It is satisfactory to observe that an expert of the standing of Sir Gerald Ryan expressed the opinion at the meeting that the terms of the amalgamation were good all round, for shareholders and policyholders alike.

It is not surprising to find that there has been a very marked increase in the volume of insurance effected covering the risk of loss of profits caused through enemy air raids. Underwriters are quoting two rates of premiums, the one covering the risk of loss of profits during the period between the time when the damage was done and the estimated normal date of replacement, and the other covering the actual period during which the loss of profits is suffered. The method of assessment is to calculate the loss of profits, as compared with the previous average for the corresponding period. Rates for buildings in the London area are 5s. per cent. under the first scheme, and 7s. 6d. per cent. under the second scheme. Lump sum insurances are granted by certain of the non-tariff offices.

Revenue Returns.

1.—AN ACCOUNT OF THE TOTAL REVENUE OF THE UNITED KINGDOM in the undermentioned periods of the year ending March 31, 1918, as compared with the corresponding periods of the preceding year.

	Quarter from July 1, to Sept 30, 1917, compared with the corresponding quarter of the preceding year.			
	Quarter ending Sept. 30, 1917.	Quarter Ending Sept. 30, 1916.	Increase.	Decrease.
Customs	£16,748,000	£15,951,000	797,000	—
Excise	8,476,000	13,349,000	—	4,873,000
Estate, &c., Duties	6,626,000	7,385,000	—	959,000
Stamps	1,977,000	1,840,000	87,000	—
Land Tax	10,000	—	10,000	—
House Duty	20,000	20,000	—	—
Property and Income Tax (including Super-Tax)	26,563,000	14,602,000	11,961,000	—
Excess Profits Duty (including Munitions Levy)	16,248,000	25,166,000	21,082 000	—
Land Value Duties	41,000	41,000	—	—
Postal Service	6,850,000	6,750,000	100,000	—
Telegraph Service	850,000	800,000	50,000	—
Telephone Service	14 0,000	140,000	—	50,000
Crown Lands	110,000	130,000	—	20,000
Receipts from Sundry Loans, &c.	1 036 227	2 367 622	—	1,281,395
Miscellaneous	22,313,527	1,188,279	11,125,248	—
	139,262,754	91,239,901	55,266,248	7,183,395
			£48,022,853	Nett Increase.

Period from April 1 to September 30, 1917, compared with the corresponding Period of the preceding Year.				
	Period ending Sept. 30, 1917.	Period ending Sept. 30, 1916.	Increase.	Decrease.
Customs	£14,652,000	£32,113,000	2,539,000	—
Excise	17,590,000	24,920,000	—	7,330,000
Estate, &c., Duties	15 051,000	15,178,000	—	127,000
Stamps	3,391,000	3,478,000	—	84,000
Land Tax	60,000	40,000	20,000	—
House Duty	270,000	280,000	—	10,000
Property and Income Tax (including Super-Tax)	50,517,000	34,805,000	15,712,000	—
Excess Profits Duty (including Munitions Levy)	87 334,000	31,385,000	55,949,000	—
Land Value Duties	227,000	111,000	116,000	—
Postal Service	11,350,000	11,300,000	50,000	—
Telegraph Service	1,600,000	1,600,000	50,000	—
Telephone Service	3,100,000	3,100,000	—	—
Crown Lands	220,000	240,000	—	20,000
Receipts from Sundry Loans, &c.	1,799,914	2,381,011	—	1,001,097
Miscellaneous	28,439,126	2,994,888	25,455,238	—
	255,222,040	161,922,899	99,871,238	8,572,097
			£91,299,141	Nett Increase.

II.—AN ACCOUNT showing the RECEIPTS into and ISSUES out of the EXCHEQUER in the period ending Sept. 30, 1917, as compared with the corresponding period of the preceding year.

RECEIPTS.			Period ending Sept. 30, 1917.	Period ending Sept. 30, 1916.
BALANCES IN EXCHEQUER ON APRIL 1:—				
Bank of England			£25,209,947	25,111,065
Bank of Ireland			1,225,912	463,941
			26,435,859	25,575,006
REVENUE, as shown in Account I.			255,222,040	163,922,899
ADVANCES REPaid—				
Bullion			1,000,000	2,080,000
MONEY RAISED BY CREATION OF DEBT—				
Under the Telegraph (Money) Act, 1913			—	180,000
Under the Pos. Office (London) Railway Act, 1913			—	160,000
Under the Housing Act, 1914			—	45,200
By Treasury Bills for Supply			1,157,087,000	1,092,626,000
By 4½ per Cent. War Loan, 1925-1945			—	424
By 5 per Cent. Exchequer Bonds, 1919			—	34,222,000
By 5 per Cent. Exchequer Bonds, 1920			—	83,314,500
By 5 per Cent. Exchequer Bonds, 1921			—	62,367,000
By 5 per Cent. Exchequer Bonds, 1922			82,110,000	—
By War Expenditure Certificates			—	23,353,000
By War Savings Certificates			18,050,000	28,45 000
By other Debt created under the War Loan Acts, 1914 to 1917			347,168,879	20,494,556
By 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1927-1947			166,550,000	—
AMOUNTS TEMPORARILY BORROWED—				
ON THE CREDIT OF WAYS AND MEANS—				
By Treasury Bills			—	345,000,000
By other Advances			545,446,000	86,896,5 0
			£ 2 599,059,778	1,968,687,085

ISSUES.			Period ending Sept. 30, 1917.	Period ending Sept. 30, 1916.
EXPENDITURE—				
Permanent Charge of Debt			£9,410,202	11,988,109
Interest, &c., on War Debt			70,642,465	56,668,507
Payments to Local Taxation Accounts, &c.			3,385,230	3,38 4375
Other Consolidated Fund Services			853,054	1,045,904
Supply Services			1,243,760,538	831,715,834
Total Expenditure chargeable against Revenue			1,328,052,389	904,801,729
ADVANCES—				
Bullion			1,060,000	2,340,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904			84,909	60,914
ISSUES TO MEET CAPITAL EXPENDITURE—				
Under the Telegraph (Money) Act, 1913			55,000	170,000
Under the Post Office (London) Railway Act, 1913			68,000	160,000
Under the Housing Act, 1914			229,000	44,500
REDEMPTION OF UNFUNDED DEBT—				
Treasury Bills for Supply			672,158,000	785,839,000
Exchequer Bonds under Section 61 of the Finance Act, 1916, and Section 34 of the Finance Act, 1917			306,355	—
Other Debt under the War Loan Acts, 1914 to 1917			14,650,039	—
DEPRECIATION FUND—				
Under the Finance Act, 1917			—	18,543,140
OLD SINKING FUND, 1907-8—				
Issued under Section 9 of the Finance Act, 1903			—	38,000
OLD SINKING FUND, 1910-11—				
Issued under the Finance Act, 1911:—				
Section 16 (1) (b)			—	23,160
OLD SINKING FUND, 1911-12—				
Issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914			—	250,000
TEMPORARY ADVANCES REPaid—				
ADVANCES ON THE CREDIT OF WAYS AND MEANS—				
Treasury Bills			—	177,405,000
Other Advances			542,158,000	70,896,500
			2,577,354,832	1,942,038,803
BALANCES IN EXCHEQUER—				
Bank of England			£21,108,082	25,167,608
Bank of Ireland			506,864	1,480,674
			21,701,946	26,648,282
			£ 2,599,069,778	1,968,687,085

Tea, Oil and Rubber.

Many dabblers in Rubber shares were probably upset by the succession of night air raids, which at the best are not calculated to help the intending investor to decide whether he should purchase Borioboolahgahs or Timbuctoos, with the result that he generally ends up by doing neither. It is not surprising, therefore, that the market has been less active than for some considerable time past, although there was no selling pressure and no very pronounced weakness. Of course, the fall in the price of the commodity was not exactly encouraging to the bulls. At one time standard crêpe fell to 2s. 7½d., and there was only a fractional recovery from that level, in spite of the American statistics showing that United States imports have nearly doubled in two years, and apparently amount to something between two-thirds and three-fourths of the total world production. Certainly the development of the motor industry in America and the consequent enormous demand for rubber, has far exceeded anything that was foreseen a few years ago, but after all a motor is at least as expensive to keep as a pony and trap, and when the United States begin to pay the bill which they have backed so cheerfully since they joined the Allies against the German savage, it is quite possible—nay, probable—that a good many motor cars will have to be abandoned along with other luxuries. Meantime, it may be noted that landings last week were on a considerably larger scale than has been the case recently, and as we predicted some time ago would be the case, the Government which is vitally concerned in maintaining rubber supplies, is not going to allow the market to be unduly starved if it can be helped.

Kinta Kellas Rubber Estates, Ltd., did well in the year to March 31, the output of 514,920 lbs. being 70,000 lbs. above the estimate and 203,000 lbs. over the production for the previous 12 months. The yield per acre in bearing from division No. 1 was 374 lbs. per acre, an increase of 72 lbs., and from the young rubber of division No. 2 it was 253 lbs., an increase of 130 lbs. Seeing that only a comparatively small portion of the estate was planted before 1908, these results may be regarded as very satisfactory. For the current year the estimated output was estimated at 610,000 lbs., but it is explained that this estimate may not be realised, because since it was prepared it has been decided to put the young trees on alternate day tapping, with the object of conserving the bark. During the year 59,000 trees were thinned out, and the process will be continued until an average of 100 trees per acre—quite high enough—is obtained. Last year 144 acres were cleared and planted, and it is hoped to plant a further 200 acres during the current year, the cost of which will be charged against revenue, but further extensions will be debited to capital. Average price realised was 2s. 6.91d., against 2s. 10.53d., and the unsold balance of the crop has been taken into the accounts at 1s. 6d. against 2s. 3d. per lb. F.o.b. costs were a shade lower at 10.16d. per lb. on division No. 1, and 5d. lower at 1s. 4.33d. on division No. 2, with the result that the gross profit showed an increase of £18,000 at £59,090, but nett profit, owing to exceptional expenditure, is only £700 up at £23,670. The dividend, however, is raised from 12½ per cent. to 15, but only £5,000, against £9,000, is placed to capital reserve, and the balance forward (subject to excess duty) is increased by £2,300 to £5,800. The company is in a strong financial position, and when exceptional expenses are got rid of dividends ought to be considerably higher.

In the year to April 30 the Banteng (Selangor) Rubber Estates, Ltd., secured a crop of 388,400 lbs., an increase of 47,000 lbs. over the estimate and of 103,000 lbs. over last year's output. The average yield per bearing acre, however, was 25 lbs. less at 326 lbs. Price realised averaged 2s. 7.08d. against 2s. 8d. per lb., while the all-in cost was one-tenth of a penny lower at 1s. 1.37d. Gross profits were £12,000 up at £50,300, and nett profits increased £7,000 to £29,250, while £5,000 more was brought in. The directors deal very conservatively with the available balance, placing £3,000 against nil to reserve, and only raising the divi-

dend from 20 per cent. to 22½ per cent., while the carry forward is increased by £7,500 to £20,100, subject to excess duty. During the year 142 acres were planted, and for the current twelve months the estimated output is placed at 434,000 lbs., which ought to be easily realised, as the yield per acre ought to improve appreciably, and 324 acres planted in 1911 must be getting useful. The capital is small, and the financial position looks extremely healthy.

The Week in Mines.

The Mining markets have preserved a cheerful tone this week, in spite of other distractions, including the issue of the new War Bonds. Business, however, has not been so active, and the market for silver-producing companies' shares has weakened in consequence of the heavy reaction in the price of the metal. Eastern Rand shares have been prominently firm on the formation of the Anglo-American Corporation, which will provide capital for the exploitation of the new areas on that portion of the Rand. Broken Hill shares have been a firmer market on the imminent collapse of the strike.

SOUTH AND WEST AFRICANS.

Persistent buying of Eastern Rand shares has been the feature of the South African market, and in a number of instances substantial rises are recorded. New Modderfonteins have advanced ½ to 21½, East Rand Mining Estates 3s. to 16s., Geduld 5-32 to 1 31-32, Modder Leases 3-32 to 3½, Modder Deeps ½ to 7½, Kleinfonteins 1s. 3d. to 24s. 9d., Sub-Nigels ¾ to 1½, Van Ryn Deeps 3-32 to 3 11-32, and Welgedachts ¼ to 1½. Gold Fields have also met with support, and are 2s. 9d. higher at 35s., while East Rands have recovered to 7s. There has been some selling of City Deeps, which have declined ¼ to 3½. The buying of Eastern Rand shares is largely on South African account. Diamond shares have hardened slightly. De Beers deferreds have risen ½ to 13½, but it is felt that with the United States in the war the demand for stones must diminish. Rhodesians have been active and firm under the lead of Chartereds, which have risen to 16s. Shamvas, on reports of good developments, have jumped ¼ to 1½, and Lonely Reefs, for a similar reason, are higher at 26s. 6d. Falcons have relapsed 1s. 6d. to 17s. 6d., but Bwanas at 4s. 9d., buyers, and Zambesias at 27s. 6d., are both firmer again. Among West African shares, Presteas have reacted to 5s. 6d., but Ashanti Gold Fields have improved to 21s. 9d.

COPPER AND MISCELLANEOUS.

Copper shares have continued to meet with support, despite the lower level of metal prices. Rio Tintos have advanced ¾ to 66¼ in response to Paris advices, and Arizonas are better at 47s. The reaction in silver has checked the rise in silver-producing companies' shares, and in some cases has caused a relapse. Casey Cobalt has fallen 1s. to 7s. 6d., and Mining Corporation of Canada 1s. to 16s. 6d., ex-dividend. Broken Hills however, have been fairly steady. British Proprietarys are 6d. higher at 39s. 6d., but Proprietarys are 1s. 6d. lower at 50s. 6d., and Sulphides have eased to 29s. 3d. Tin shares have been less active and easier. Geevors have fallen 1s. to 19s. Most Mexicans are easier on the reaction in silver, but El Oros have improved to 11s. 6d. on the resumption of dividends, after an interval of four years. Russians have remained a poor market; Russo-Asiatics are ½ lower at 3½.

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MINING NEWS.

WEST AFRICAN GOLD OUTPUT.—Production this year continues very erratic. For August the total was £130,278, an increase of £5,135, which brings the total decrease down to £52,084. The gold output of all the principal fields is likely to be smaller this year than last. The following table shows the monthly production since January, 1913.

MONTH.	1917.	1916.	1915.	1914.	1913.
	£	£	£	£	£
Jan. ..	131,665	140,579	143,649	128,862	144,262
Feb. ..	101,892	137,739	144,034	123,169	137,038
Mar. ..	158,727	150,937	153,770	131,392	150,060
April ..	123,825	135,976	149,978	131,697	146,220
May ..	121,104	132,976	142,121	145,227	142,617
June ..	114,489	127,107	135,289	147,289	125,764
July ..	142,017	128,574	140,290	15,923	132,936
Aug. ..	130,278	125,143	139,304	150,386	126,090
Sept. ..	—	127,138	135,744	154,316	132,394
Oct. ..	—	132,577	141,771	159,410	137,153
Nov. ..	—	130,101	122,138	154,674	132,694
Dec. ..	—	146,409	158,323	147,699	127,472
Totals	1,026,997	1,615,306	1,706,473	1,727,044	1,634,700

GOLD FIELDS RHODESIAN DEVELOPMENT CO.—The report for the 14 months ended May 31 states that the market value at that date of the company's quoted investments was £753,998, and the directors' estimate of the unquoted securities, £215,725, making £969,723. Since that date an improvement in value has occurred, the directors state, and the total value of the investments is now in excess of the cost price. The realised net profit on the 14 months' operations is £101,057, against £120,749 for the preceding 12 months, and after adding the sum brought in, and the amount of capital reduction and share premium account, and deducting the amounts written off investments, and for estimated depreciation in loans, together £2,072,335, there remains an available balance of £96,670. This profit is mainly derived from dividends on investments, and an addition to this income is expected in the future from the company's holding in the Falcon Mines. A maiden dividend of 6d. per 10s. share is proposed, subject to tax, leaving £33,774 to be carried forward. The company's indebtedness to the Consolidated Gold Fields of South Africa was reduced during the year from £220,000 to £18,000, and this amount has since been paid off. Mention is made in the report of the failure as payable mining ventures of the Golden Kopje Proprietary Mines and the Bell Reef Development Co., but the loss involved has been written off. The company has acquired 96,000 shares in the Rhodesian and General Asbestos Corporation a going concern of some promise.

ORSK GOLDFIELDS.—The report for 1916 states that the board has decided to convert into sterling the Russian items in the profit and loss account at the exchange of Rs. 15.50 to the £, being the average rate ruling during 1916, and the circulating assets at the rate of Rs. 16.20 to the £, that being the rate ruling at the date of the balance-sheet, maintaining only the capital accounts at the normal pre-war rate of Rs. 9.50 to the £. The total output was £53,565, including tributors' production, and the total operating costs £31,437, a balance to the debit of profit and loss account of £11,719 is shown, but if the normal rate of Rs. 9.50 to the £ had been adopted, as hitherto, a credit balance of £32,663 (exclusive of depreciation) would have resulted. After providing for depreciation on capital account, a total debit of £22,057 is shown. Last October an interim dividend of 1 rouble 70 copecks per share, tax free, was paid on the priority shares, and 7½ copecks per share, tax free, on the preference shares. The results for 1916 were nothing like so satisfactory as for 1915, owing largely to the depreciation in the value of the rouble. For 1915 the output was £102,728, and the working profit £51,404, while the nett profit came out at £26,944. The dividends were the same in both years, these being the first to be paid since the company's formation eleven years ago.

Answers to Correspondents.

A. E. W.—There is no recent news. We cannot advise selling now at the present poor prices. There should be some chance of recovery after the war.

Court.—The company has room for development, but at present the shares look fully priced. There is no hurry to buy.

F. C. R.—We think you should; the terms are quite generous.

B. J. S.—It is an excellently managed concern, and financially strong. The present price seems rather high, and it would be prudent, we think, to sell 150. You can then afford to look on comfortably.

M. F. T.—They look high enough, and we should not advise a purchase.

Fane.—It is quite a good little concern, but the shares have already risen considerably, and must be nearly fully priced. Still, prospects on the whole are encouraging.

M. L. M.—(1) Half the ordinary and all preference. (2) Keep. (3) Sell.

Submarine.—The premium is high, but the company is powerful, and seems likely to maintain its dividends. You are probably right as to the valuation. You might buy.

Foreword.—Under the circumstances, we think your safest plan would be to put the money into the new War Bonds, repayable 1927. It is impossible to say how prices will range after the war, but this stock can always be sold if other channels for investment offer.

What Balance Sheets Tell.

NATIONAL AND FOREIGN SECURITIES TRUST, LTD.

Very little change took place in the earnings of this company during the year ended August last. Nett profit comes out £72 less than a year ago at £3,095. The dividend is maintained at 5 per cent., free of tax, and £1,000 is allocated to reserve. Last year £2,000 was passed to reserve, but a large portion of it was derived from the amount brought in from the previous year. For the current year there is £200 left to go forward. A portion of the investments have evidently been sold during the year, and the proceeds utilised to liquidate indebtedness. Investments in stocks and shares at cost or under are £6,170 less at £69,570, and loans and interest are £5,070 less at £5,040. There is a new item, £2,992, of War Loan, part of the investment fund reserve account, which now amounts to £4,000, but no valuation had been made of the investments at the date of the balance-sheet.

JOSHUA PERKINS AND SONS (1909), LTD.

A very great improvement took place in the position of this firm of railway and coach lace trimming and lining manufacturers during the twelve months ended June last. Trading profit rose £1,590 to £8,910, and although expenses, owing to heavier income-tax, were larger, no less than £1,180 of this increased profit is returned as nett income. It is, however, evidently deemed advisable to conserve the resources of the company. No increase is made in the rate of distribution, the ordinary shares receiving 5 per cent., free of tax, as before. The reserve fund receives £2,000 against £1,000, and the carry forward is increased £350 to £2,940. In the balance-sheet cash is £4,130 down at £1,530, and sundry creditors are £2,960 higher at £5,400, but £5,040 has been invested in War Loan, sundry debtors are £2,070 up, and the liquid position is quite satisfactory. The reserve fund now amounts to £4,000.

NEW LONDON BORNEO TOBACCO CO., LTD.

Although the 1915 tobacco crop was much smaller than that of 1914 a much better price was obtained for it, with the result that whereas last year's operations resulted in a loss of £21,655 this year there is a profit of £5,622 from this source. The profit on rubber only amounts to £1,977, but it is satisfactory to see a return on the expenditure incurred on this branch of the company's cultures, and it is, we hope, of good augury for the future. After charging various expenses and interest there remains a profit of £4,020, which goes to reduce the debit at profit and loss to £33,230. During the year a portion of the investments have been sold, this item showing a decrease of £11,300 at £3,160 and the loan indebtedness reduced by £18,120. This company has undoubtedly a very long row to hoe, but it is encouraging to witness some improvement.

BATH AND PORTLAND STONE FIRMS, LTD.

With the Government building restrictions in force there has been no opening for the employment of Bath and Portland stone, and the outcome of the operations of this company for the year ended June 30 last has been a loss of £2,290. A year ago there was a loss of £3,113 after paying debenture interest, which calls for £1,760, but on that occasion the company brought in a credit balance of £2,730 from the previous year, so that the debit at profit and loss only amounted to £380. Now this is, after meeting debenture interest, converted into a debit of £4,430. As the Government regard the building trade as being one of the non-essential industries of the country, and the war has continued for over three years, there is some cause for satisfaction that it has not had a more marked effect on the position of the concern. Assets, more or less liquid, still exceed current liabilities by £50,103, and the company should be able to keep afloat until it is once more able to resume operations.

J. HEPWORTH AND SON, LTD.

In spite of competition business in the wholesale and retail clothing trade is evidently proving very remunerative, for this firm is able to report nett profits for the year ended July last amounting to £30,850. This represents an increase of £4,470 on the previous year's results, but inasmuch as the profit is struck after providing for increased excess profits duty for seven months, the improvement is really greater than indicated by the accounts. The dividend is raised from 6 per cent. to 7 per cent., £1,000 more at £5,000 is carried to reserve, and the carry forward is left £1,660 up at £4,260. A number of changes have taken place in the balance-sheet. Creditors are up £45,200 at £134,120, and stock exhibits an increase of £54,980 at £222,460. The company's cash assets are relatively small, totalling only £14,270, but this simply reflects the nature of the business, conducted largely on a cash basis. There is a reserve fund of £77,000, but it is invested in the business. It is impossible to ascertain the actual position of the company owing to the fact that factory and goodwill, &c., are lumped together for £344,600.

LEEDS AND BATLEY BREWERIES, LTD.

The greater part of the income of this concern consists of rents derived from the lease of the bulk of its property to Ind, Coope and Co., and as nearly the whole of this is absorbed by expenses and interest charges, it is unable to make any distribution on either class of shares. For the financial year ended June last rents and interest yielded £11,680, a decrease of £35, and expenses and taxes required £310 more; but debenture interest called for £620 less, with the result that the profit is £74 up at £960. This, added to the amount brought in, leaves the carry forward at £14,170. Changes in the balance-sheet, as would be imagined, are of no moment. Goodwill still stands at £57,900, and the item loss on realisation of plant and machinery again appears at £8,585.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Amount	In. or dec. on last year.	
		Rs.	Rs.	Rs.	Rs.	
Assam Bengal	Aug. 11	1,24,000	—	1,503	24,58,838	+ 79,580
Barsi	" 25	33,600	—	6,300	3,88,500	— 90,800
Bengal & N.-W.	" 11	2,91,950	—	73,156	81,34,753	+ 64,647
Bengal Nagpur	" 18	8,77,000	—	78,000	2,05,66,732	+ 14,36,114
Bombay, Baroda	Sept. 22	12,17,000	—	71,000	3,60,76,000	+ 28,45,000
Burma	Aug. 11	3,13,285	—	52,368	75,81,142	+ 79,933
Delhi Umballa	Sept. 22	1,00,000	—	39,333	19,14,373	+ 2,62,158
East Indian	" 29	21,49,000	—	98,000	5,79,63,000	+ 8,02,000
Gt. Indian Penin.	" 22	17,98,000	—	42,500	5,15,87,091	+ 44,41,437
Lucknow-Bareilly	Aug. 11	35,690	—	5,228	8,85,945	+ 26,137
Madras and S.						
Mahratta	" 18	9,50,000	—	21,324	2,17,31,313	+ 15,41,144
Nizam's Gd. (Broad)	" 4	1,63,910	—	15,586	24,16,075	+ 52,395
" (Metre)	" 4	63,585	—	2,050	13,12,196	+ 25,062
Rohilkund and						
Kumaon	" 11	38,239	—	2,727	8,93,399	+ 37,870
South Indian	" 18	619,162	—	12,791	1,35,76,733	+ 10,46,280

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

Bristol	Sept. 28	£ 12,395	+ £ 1,398	†	£ 425,582	+ £ 31,365
Dublin United	" 28	7,039	+ 357	†	260,814	+ 25,529
Hastings and Dist.	" 30	1,608	+ 341	†	49,702	+ 7,387
Isle of Thanet	Aug. 11	713	— 310	*	13,314	+ 1,351
Lancashire United	Sept. 26	2,335	+ 146	†	90,910	+ 20,075
Provincial	Aug. 25	3,211	— 199	*	107,758	+ 25
Yorks. (Wst. Rdng.)	Sept. 30	2,261	+ 346	†	82,565	+ 13,848

* From Oct. 1.

† From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

Alabama Power	Aug. §	£ 104,869	+ £ 20,192	2	£ 208,419	+ £ 50,823
Anglo-Argentine	Sept. 30	53,126	+ 2,179	†	2,002,660	+ 24,827
Auckland Electric	Aug. 24	21,812	+ 1,345	4	42,732	+ 748
Brazilian Traction	July	M7,795,000	+ M366,000	6	M2,44,100	+ M383,000
Brisbane Elec. Inv.	"	32,720	— 160	7	226,315	+ 915
British Columbia	June §	£ 72,729	+ £ 9,899	12	£ 1,042,130	+ £ 244,747
B.A. Lacroze	Aug.	39,111	+ 2,686	—	77,174	+ 2,304
Burmah Electric	Sept. 31	Rs. 26,714	+ Rs. 2,301	—	—	+ Rs. 31,383
Calcutta	Sept. 29	Rs. 72,180	— Rs. 425	*	Rs. 251,627	+ Rs. 22,369
Carthage and						
Herreras	" b	4,306	+ 2,527	*	38,405	+ 15,805
Cordoba Light						
P. & T.	July	14,343	+ 85	4	56,154	+ 1,165
Hongkong	Aug. 11	14,006	+ 4,816	—	£ 429,264	+ £ 29,403
La Plata	" b	4,075	+ 283	8	33,095	+ 532
Lima	June	16,843	+ 1,977	6	100,160	+ 5,662
Madras Electric	Sept. 30	Rs. 34,219	+ Rs. 2,431	—	Rs. 624,412	+ Rs. 54,626
Mexico	Nov. §	£ 215,252	+ £ 108,669	*	£ 3,193,106	+ £ 197,227
Rangoon	Sept. §	5,163	+ 1,026	*	38,288	+ 2,000
Singapore Electric	June 23	£ 12,455	+ £ 287	*	£ 326,593	+ £ 16,598
Toronto	" §	£ 475,408	+ £ 27,552	6	£ 271,393	+ £ 5,105
United of Monte V.	Sept.	29,426	+ 2,715	11	329,679	+ 10,636
Vera Cruz	July §	53,000	—	6	355,800	—
Winnipeg	June §	£ 49,664	— £ 37,907	5	£ 435,897	— £ 194,611

b 28 days. * From Jan. 1. § Net. a From July 1. c Two weeks.

UNITED STATES OF AMERICA.

Chesapeake & Ohio	Sept. 21	1,066,000	+ 54,000	†	38,209,000	+ 2,531,000
Chicago G.W.	" 14	371,000	— 25,000	—	—	—
Colorado & South'n	" 21	601,000	+ 26,000	†	12,774,000	+ 1,700,000
Denver & Rio Gran.	" 21	310,000	+ 40,000	†	19,757,000	+ 2,281,000
Louisv'e & Nashv'e	" 14	1,614,000	+ 348,000	†	52,276,000	+ 8,098,000
Minn. S.P. (Soo) §	Aug. 31	961,000	+ 19,000	†	22,248,000	— 378,000
Missouri Kansas	Sept. 21	910,000	+ 142,000	†	29,471,000	+ 5,104,000
Southern	" 21	2,340,000	+ 37,000	†	79,350,000	+ 10,853,000

§ Includes Wisconsin Central. † From Jan. 1. † From June.

FOREIGN RAILWAYS.

Alcoy and Gandia	Sept. 29	Ps. £ 16,000	+ Ps. £ 7,000	†	Ps. £ 436,520	+ Ps. £ 71,580
Antofagasta (Chili)	" 30	50,220	+ 14,265	†	1,591,769	+ 272,550
Arauco	Aug. 31	10,000	+ 1,000	†	76,000	+ 13,700
Argentina N.E.	Sept. 29	900	+ 6,900	†	103,800	+ 13,698
Bilbao R. and Canta	Aug.	3,012	+ 3,445	8	27,665	+ 8,853
Bolivar	"	11,000	+ 2,755	2	22,000	+ 7,683
Brazil	June *	M3,926,000	+ M886,822	†	M2365,100	+ M274,027
Brazil Gt. Southern	Sept. 29	M18,420,000	+ M4,100	†	M212,990	+ M33,700
B. Ayres & Pacific	"	64,000	+ 13,000	†	860,000	+ 238,000
Do. Central	Aug.	26,365	+ 1,371	2	50,775	+ 1,077
Do. Gt. South'n	Sept. 22	114,722	+ 8,255	†	3,400,014	+ 601,310
Do. Western	" 23	36,000	+ 21,000	†	457,000	+ 156,000
Central Argentine	" 29	4,000	+ 15,000	†	995,000	+ 493,100
C. Ur'g'ay of Mte V.	" 29	15,721	+ 4,202	†	198,817	+ 55,744
Do. East'n Ex.	" 29	3,788	+ 354	†	51,210	+ 3,874
Do. North'n Ex.	" 29	2,910	+ 1,383	†	36,844	+ 13,273
Do. West'n Ex.	" 29	1,968	+ 90	†	20,900	+ 114
Cordoba Central	" 22	7,000	+ 19,690	†	396,350	+ 20,895
Costa Rica	July 28	2,672	+ 2,828	†	13,882	+ 7,925
Cuban Central	Sept. 29	10,351	+ 1,573	†	159,460	+ 30,646
Dorada Extension	Aug.	9,500	—	†	74,400	+ 10,400
Egyptian Felta	" 31	6,938	+ 1,129	†	89,309	+ 14,308
Entre Rios	Sept. 29	1,700	+ 11,500	†	165,500	+ 9,100
French Sante Fé	Dec.	81,752	+ 1,139	12	1,080,727	+ 156,858
Gt. South. of Spain	Sept. 22	Ps. 84,923	+ 31,375	†	Ps. 328,292	+ Ps. 593,055
Gt. West. of Brazil	" 29	16,200	+ 2,400	†	478,450	+ 124,350
Havana Central	" 22	70,993	+ 1,038	†	83,423	+ 9,800
Inter. of C. Amer.	Aug. c†	9,042	+ 5,428	†	208,871	+ 29,351
La Guaira and Car.	Sept.	5,750	+ 1,020	†	68,750	+ 3,600
Leopoldina	" 29	40,039	+ 8,018	†	1,125,255	+ 199,654
Manila (N. & Sth.)	Apl. 6	10,389	+ 1,997	†	10,389	+ 1,997
Midland Uruguay	Aug.	12,766	+ 4,172	†	24,894	+ 6,653
Mogana	June	M1,656,000	+ M473,379	†	M7,042,000	+ M274,041
N. W. of Uruguay	"	£ 21,500	+ £ 1,225	9	£ 43,500	+ £ 7,292
Nitrate	Sept. 30	28,522	+ 1,159	†	568,876	+ 79,973
Paraguay Central	" 21	2,660	+ 910	†	37,200	+ 8,120
Paulista	June *	M2,188,000	+ M94,265	†	M9,909,000	+ M410,641
Peruvian Corpa	Aug. †	S 979,430	+ S 83,530	†	S 1,954,340	+ S 223,100
Salvador	Sept. 21	£ 12,461	+ £ 2,939	†	£ 187,551	+ £ 59,734
S. Paulo (Brazilian)	" 23	40,351	+ 3,559	†	1,036,669	+ 18,531
Sorocabana	June *	M1,514,000	+ M291,539	†	M9,333,000	+ M115,078
Taitai	Aug. *	21,175	+ 1,417	2	240,815	+ 1,507
United of Havana	Sept. 30	35,985	+ 5,522	†	466,579	+ 69,509
West'n of Havana	" 29	5,365	— 537	†	90,472	+ 11,888
Zafra and Huelva	Aug. *	12,809	— 290	†	90,265	+ 940

* Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

COLONIAL RAILWAYS.

Beira	July *c	£ 54,645	— £ 7,933	10	£ 651,261	+ £ 7,990
Canadian Northern	Sept. 30	\$1,104,400	+ \$19,400	†	\$10,591,800	+ \$19,400
Canadian Pacific	" 30	\$3,631,000	+ \$129,000	†	\$109,161,000	+ \$8,438,000
Gr. Trk. Main Line	" 30	316,719	+ 7,775	†	7,944,494	+ 899,050
Gr. Trk. Western	" 30	44,533	+ 1,135	†	1,469,784	+ 29,578
Detroit G. H. & M.	" 30	14,520	+ 2,475	†	512,015	+ 1,417
Gr Trk Pac Prairie Sc	" 21	21,371	+ 7,388	†	268,058	+ 80,167
Mashonaland	May *	65,700	+ 2,798	8	442,673	+ 17,515
Mid. of Westn. Aus.	June †	5,170	+ 315	10	89,206	+ 1,185
New Cape Central	Aug. 18	1,441	— 36	†	59,695	+ 7,840
Rhodesia	July *c	89,593	— 105	†	840,938	+ 43,602

* Months. † July 1. † Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year	No. of Mths.	Amount.	In. or Dec. on last year.
		Dols.	Dols.		Dols.	Dols.
Atcholson T. & S. Fé	Aug.	4,825,000	— 314,000	1	4,790,000	+ 720,000
Atlantic Coast Line	July	426,000	— 33,000	7	6,899,000	+ 181,000
Baltimore & Ohio ..	"	3,083,000	— 33,000	7	17,530,000	+ 296,000
Canadian Northern	Aug.	593,200	— 478,800	2	1,498,100	+ 269,000
Canadian Pacific ..	"	3,818,000	— 1,650,000	8	28,575,000	+ 512,000
Chesapeake & Ohio	July	978,000	— 378,000	6	7,777,000	+ 789,000
Chicago & N.W. ..	"	2,502,000	+ 54,000	6	13,772,000	+ 1,544,000
Chicago Burl. & Q.	"	2,689,000	+ 164,000	7	20,983,000	+ 2,182,000
Chicago G.W.	"	298,000	— 26,000	7	1,784,000	+ 447,000
Chicago Mil. & S.P.	"	2,638,000	+ 561,000	7	13,487,000	+ 1,942,000
Chicago, Rock I.&P.	"	1,695,000	— 262,000	7	11,850,000	+ 1,014,000
Colorado &Southern	"	509,000	+ 127,000	7	3,250,000	+ 659,000
Cuba	"	229,018	— 29,296	1	229,018	— 29,286
Delaware & Hud. ..	"	674,000	+ 18,000	7	3,324,000	+ 1,955,000
Denver & Rio Gran.	"	510,000	— 246,000	7	4,387,000	+ 434,000
Erie	"	1,237,000	— 499,000	7	6,086,000	+ 4,302,000
Gr. Tr. Main Line ..	Aug.	£ 216,700	+ £ 88,950	8	£ 1,484,500	+ £ 247,000
Grand Trunk Westn	"	£ 6,250	+ £ 38,450	8	£ 30,450	+ £ 303,150
Detroit G.H. & Mil.	July	£ 7,050	+ £ 61,050	8	£ 53,450	+ £ 93,150
Gt. Northern ..	"	2,649,000	— 439,000	7	11,939,000	+ 652,000
Illinois Central ..	"	1,351,000	+ 328,000	7	11,003,000	+ 2,732,000
Kansas City Southn.	Aug.	409,000	+ 81,000	7	2,953,000	+ 538,000
Lehigh Valley ..	July	1,271,000	+ 49,000	7	5,959,000	+ 1,184,000
Louisville & Nashvl.	"	1,772,000	+ 289,000	7	9,992,000	+ 60,000
Minn. S.P. (Soo)] ..	"	1,042,000	— 499,000	7	5,307,000	+ 2,049,000
Miss. K. & Texas ..	"	697,000	+ 79,000	7	3,658,000	+ 1,958,000
Missouri Pacific ..	"	1,874,000	+ 753,000	7	11,861,000	+ 5,721,000
New York Cent.&H.	"	5,348,000	— 372	7	26,337,000	+ 4,021,000
N.Y. N. Haven & H.	"	1,586,000	— 791,000	7	11,905,000	+ 665,000
New York Ont. & W.	"	357,000	— 49,000	7	919,000	+ 200,000
Norfolk & Western.	"	1,802,000	— 314,000	7	12,016,000	+ 1,574,000
Northern Pacific ..	"	2,394,000	+ 5,000	7	16,606,000	+ 1,457,000
Pennsylvania East						
and West Lines ..	"	11,445,000	+ 213,000	7	51,050,000	+ 10,449,000
St. Louis & San F.	"	1,635,000	+ 529,000	12	16,759,000	+ 3,343,000
Seaboard Air Line..	"	514,000	+ 47,000	6	3,999,000	+ 94,000
Southern	"	1,882,000	+ 600,000	12	40,937,000	+ 2,953,000
Southern Pacific ..	Aug.	6,217,000	+ 537,000	8	49,391,000	+ 9,736,000
Union Pacific ..	"	3,483,000	— 891,000	8	26,499,000	+ 454,000
Wabash	"	1,075,000	— 49,000	8	7,896,000	+ 40,000

COMPANY MEETINGS.

THE PEARSON AND KNOWLES COAL AND IRON CO., LTD.

The 44th ordinary general meeting of the above company was held at the company's offices, Warrington, on Thursday, Sir J. S. Harwood Banner, M.P. (chairman of the board of directors), presided.

The Secretary read the notice convening the meeting.

The Chairman, in moving the adoption of the directors' report, explained that the balance-sheet would be published when the directors were in a position to submit settled accounts. He stated that after payment of the dividend and bonus there would be left a considerable balance which could be dealt with by appropriation to reserve and writing off any fresh capital expenditure. He added: I should like to have explained to you more fully the additional capacities of all our works, and how the works are being utilised for the purpose of assisting the Government in every possible way to carry on the war, but, as you know, we are under very strict censorship as regards the information which we may give to the public, and I must leave it to your powers of observation in looking at our various works, and in criticising any additional buildings, chimneys, or machinery to judge how largely we have increased the capacity of our joint undertakings. Nearly all this expenditure has been done at the instigation of the Ministry of Munitions, especially at Partington, where, as you know, we own the whole of the ordinary share capital. The report of the directors of the Partington Steel and Iron Co., Ltd., refers particularly to the extensive addition to the works there, and to the fact that for the purpose of meeting such expenditure the balance of the ordinary share capital, £100,000, has been issued. This £100,000 ordinary share capital of Partington has been taken up by this company. The shares were applied for on May 9 last, and they were allotted to us on June 4, subject to the sanction of the Treasury, which was granted on July 1. The report of the Partington Steel and Iron Co., Ltd., also refers to the fact that during the financial year that company has acquired two iron ore properties, in one of which sinking operations have commenced, and the other is already in working order, and providing very good stone for the blast furnaces. One or two other items of expenditure I may mention which have been to the advantage of our workers—namely, that in Rylands Brothers we have acquired extra land for purposes of the recreation ground, and we have built a canteen for the comfort of the workers, which will shortly be in operation. We have also built a canteen at Partington for the same purpose, and at these works we have purchased a plot of land for a canteen, the plans for which are all but ready. Continuing, the Chairman said: I am afraid I cannot give you the details of the Coal Control, as they are still, more or less, a secret, and I should be under serious penalties if I divulged the arrangement. I may say, however, that they are not unduly generous, and that the instructions we receive to vary our regular deliveries to customers and to act contrary to contracts which we have made are a serious and continual pain and labour. Now, there is one point which I should like to refer to, as it is very much in the minds of the financial community at the present time. It is in reference to the way in which reserve funds and capital expenditure should be dealt with as regards the rate of dividend paid. I should like to enlarge upon the subject, but I will limit myself to saying that we still adhere to what we have always done in this room in keeping our capital expenditure down, and I trust to the good sense and understanding of the country to appreciate the real position of distribution of dividends, and not to be led away by statements which are based upon jealousy of capital receiving a reasonable and proper return. I do not think that I need add much more except to state that, in view of the increased capacity which our works have reached for the purpose of meeting those deficiencies in production of iron and steel which have had to be made good owing to the war necessities, we feel that there are numerous grave problems to be tackled if the iron and steel trade is to have an economic future. We await the proposals of the Government to carry out the demands of the Paris Conference, and we ought not to sit down and do nothing.

Mr John J. Bleckly, in seconding the resolution, said: As a controlled establishment we are in a special sense servants of the Government, and have to do as we are told, but nevertheless I am bound to say that the principles laid down by the authorities as governing excess profits are commercially unsound and dangerous. Although the Act has already been in operation for more than two years, the finance department has not even yet decided what profits this company really made in the years 1913 and 1914, although the figures presented to them have been approved by the auditors, accepted by the assessor of taxes and certified by the chairman and managing director. One other question I should like to refer to. At the request or on the instructions of the Ministry of Munitions, we, in common with all the principal iron and steel makers, have largely extended our works, and the production of iron and steel after the war will be fully 50 per cent. greater than it was in 1914. If the old fiscal system, which the war has so thoroughly discredited, is to be scrapped, well and good. Every ton of iron and steel we can all make will be required for Imperial purposes, and can be profitably manufactured to the benefit of not only the employers and workmen, but of the whole community, but if the old dumping system is to be reinstated, then woe to the future prosperity of the country and to the promises

and prospects so freely held out of improved conditions of labour after the war, and all the bright prospects of recovered colonial trade and Imperial expansion. It is surely high time that a clear declaration of policy on this question should be made by the Government—if "wait and see" is to govern the position the lessons of the war have indeed been thrown away.

The resolution was carried.

PRINCE LINE.

The 23rd ordinary general meeting of the Prince Line, Ltd., was held at the Station Hotel, Newcastle-on-Tyne, on Saturday, the Right Hon. Lord Furness (the chairman of the company) presiding.

The Secretary (Mr. H. E. Weddell) read the notice convening the meeting.

Mr. R. S. Paterson (Messrs. Broads, Paterson and Co., auditors) read the auditors' report.

The Right Hon. Lord Furness, in moving the adoption of the report and accounts, said: The profit for the year, after making the necessary provisions for taxation, &c., amounts to £430,816 15s. 4d., as against £495,328 7s. 8d. last year, which you will notice shows a difference of some £64,500. There are, of course, several factors which have contributed to this decrease. In the first place, the increase from 60 per cent. to 80 per cent. in the excess profits duty took effect on January 1 this year, consequently six months of the company's trading, to June 30, is subject to the increased taxation. In the second place, those of you who are conversant with shipping matters will know that the Government scheme for liner requisition came into force in March last, so that our steamers have from time to time automatically come under this scheme during the last three months of the financial year, with a consequent reduction in earnings. Further, there are the heavy and increasing working expenses, cost of upkeep, and war risk insurances, the latter falling particularly heavily upon us, as we are compelled by our line requirements to insure to the full cost of replacement. You will notice from the accounts that we propose to pay the same dividend as last year—namely, 30 per cent. An interim dividend of 5 per cent. was distributed in March last, and a final dividend of 25 per cent. will be posted to the shareholders within the next few days. I regret to say that the four 10,000-ton steamers building, referred to by the late chairman of the last meeting, have not yet been delivered, the work having been retarded by Government demands on the builders and by shortage of labour. In the course of the year we have contracted for two further steamers to be built, and we have also purchased the "Mongolian Prince." Since the close of the financial year we have also acquired the "Siberian Prince," which is a sister ship. One of the principal functions of the Ministry of Shipping is to divert vessels from such lines as are not directly trading with this country, and place them in trades where they can directly serve the needs of Great Britain and the Allies. This course is fully warranted by the nation's requirements, and is one that should have the support and approval of everyone. At the same time, these channels of trade have been secured for British shipping by private enterprise and many years of individual toil, and there is no doubt that before the war they afforded a considerable source of revenue for this country. For that reason, though it may now be necessary to lay them bare to foreign competitors, it is of paramount importance the British owner should be placed in such a position that he at least has a reasonable prospect of regaining these trades, when he once again has the surplus tonnage to engage in them. The past management of this company with great foresight inaugurated a fund for the protection of their trades. It could not, however, have foreseen a menace as extensive as the one now before us, and I think you will agree that our first duty is to augment this fund as far as it lies in our power.

You will observe that we propose setting aside the sum of £250,000 to this fund, bringing the same to a total of £700,000, and I am sure that this will meet with the full approval of the shareholders, particularly as, if I read the future aright, it will not be within our means to make such a provision next year.

Mr. F. W. Lewis, in seconding the motion, said: I congratulate you upon the position which your company has attained—undoubtedly the result of much studious care by your late managing director—and I congratulate myself upon being associated with you. Whilst I think the accounts before us may be regarded as very satisfactory, as the chairman has told you, we cannot look forward to anything like the same results being achieved during the current year. The fortunes of war are probably recoiling upon the Prince Line to a greater extent than upon the majority of shipowners, but nowadays particularly is a broad-minded spirit essential, and we do not cavil at regulations which are aimed at achieving the greatest common good in the national interests, even though they may in practice entail some inequality of treatment. At the same time, as business men, we must do everything within our power to protect the interests entrusted to our care. One of the most valuable assets of your company is its regular trades between distant ports—an asset of national as well as commercial value—and whilst our vessels are being diverted into other routes of greater urgency from the national point of view, we must keep as tight a grip as possible upon these trades, hence the need for strengthening the company's reserve. Although the present outlook is not in any means encouraging, we are determined that there shall be no halt in the progress of the Prince Line.

The resolution was carried unanimously.

BOOTS CASH CHEMISTS (EASTERN).

The twenty-fifth ordinary general meeting of Boots Cash Chemists (Eastern), Limited, was held on Monday, September 24, at the Midland Grand Hotel, St. Pancras, Sir Jesse Boot, Bart., J.P., chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, said: I am glad to be able to congratulate our shareholders on the results of the year's trading. The business is being steadily strengthened. We have this year added some thousands of pounds to the reserve and contingency funds, and the amount carried forward has been increased from £17,372 to £19,279. We are trying—as far as is possible by the exercise of business foresight—to secure for our shareholders a steady and desirable dividend, free from fluctuation. This is our main object also in respect of all our associated companies, which are equally interested in the observations which I am about to offer. After a reasonable dividend has been secured, we desire our employees to share in the results of the trading. For the last six years those who are shareholders in any of the companies have been paid an extra 2½ per cent. per annum on all the shares they hold. Two years ago I mentioned that the parent company was beginning the manufacture of a number of fine chemicals which before the war were made only in Germany. To accommodate these undertakings and their accessory research laboratories we have had to erect extensive new buildings, and we have put down plant and apparatus for this purpose alone of a value of no less than £200,000. I believe that this outlay will be fully justified by results. I consider that in this range of our undertakings we are rendering an important national service in a two-fold direction. We have supplied very many tons of aspirin to the Allied Governments at continuously reduced prices. We have long been engaged in the manufacture of phenacetin, and have installed special apparatus for the purpose. We have sent tons of this abroad to meet the foreign demand, but for which prices here must have ruled much higher than the present current rate. Owing to the war the demand is enormous; when our plant is complete we shall be able ourselves to supply almost entirely the normal British demand. Atropine is another fine chemical which at present is exceedingly scarce, but of which we have made a large quantity. These are but examples of a number of the synthetic drugs we have been engaged on. In addition to dealing with the chemicals formerly made in Germany, our research department has been busily engaged in working out details for the manufacture in quantity of some remarkably efficient articles introduced to the medical profession by Dr. Dakin, who published the formulae of them for the public good. Two of these—Chloramine-T and Halazone—have been extensively used with admirable results. There is just one other subject to which I wish to allude. As you are doubtless aware, the British Fire Prevention Committee is a powerful body of technical experts, which has the support of most of the large manufacturers in the kingdom, who stand to suffer serious loss in consequence of fire. This committee, which meets from time to time to investigate the best appliances for the prevention of fire and the best means of fighting fire and securing the protection and safety of firemen, has paid particular attention to a new treatment for burns, the formula for which had been published in the *British Medical Journal*. Desiring to secure a standard and uniform article, they have contracted with us to prepare a standardised product under the name of "Burnol," a special compound of antiseptics and paraffin, which is really a marvellous treatment for burns. We have, of course, special facilities for its production on a large scale, which are denied to smaller firms.

I come now to the vacancy on the board of directors caused by the death of my friend Sir James Duckworth, which has since remained unfilled, and the proposal which I am about to make will mark a new departure in the history of the company. It is that the new director should be a lady. That, of course, is quite in sympathy with the general tendency of the time. During the last 30 years it has been my privilege to be associated with my wife, Lady Boot, in the intimacy of business as in that of private life, and of her judgment, capacity, and taste they speak most highly who know her best. Lady Boot has a long business experience which few women of the time can claim to equal, and it is no secret to those who have any inside knowledge of this company's affairs that to her belongs the credit of having largely assisted me in bringing our shops up to their high standard of artistic excellence in the matter of their fittings and adornment. Lady Boot has also, for many years, been responsible for the development of what I may call the toilet and gifts branches of our business—in all their manifold forms—and I need not say how attractive these departments have proved to the women of this country. But that is only one of the reasons why I propose that Lady Boot should take the vacant place on the board of the company. The other is of even greater weight. It is that, as the staff of the company becomes more and more recruited from women, there should be a woman member of the board who has special sympathy with, and knowledge of, their wants and feelings; and I consider that in this respect especially it would be a most useful thing to bring her upon the board so that her wise and beneficent influence may be exercised directly in the future, as it has been exercised indirectly for so many years past.

Mr. P. S. Waring seconded the resolution, which was carried, and on the motion of the Chairman, seconded by Mr. E. S. Waring, Lady Boot was unanimously elected a director of the company.

LEACH'S ARGENTINE ESTATES.

The fifth ordinary general meeting of Leach's Argentine Estates, Ltd., was held on Friday at Winchester House, Old Broad Street, E.C., Mr. Wm. Edmund Leach (chairman of the company) presiding.

The Acting Secretary (Mr. W. F. Yaxley) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, dealt first with the various items in the balance-sheet seriatim. Proceeding, he said that the profit and loss account showed the nett profit in Argentina as £331,237, which compared favourably with the figures of former years, and was the highest recorded since the incorporation of the company. This satisfactory result was due mainly to the high prices realised for the company's production of sugar and alcohol. They deemed it prudent to reserve out of profits the sum of £50,000 for contingencies. That was a conservative measure which would doubtless meet with the approval of the shareholders. Not only did it strengthen the cash position for the time being, but it would provide liquid funds to meet the extra expenses which they would undoubtedly have to face so soon as the war was over. At the time of the general meeting a year ago, they had anticipated reaching a total output of 19,000 tons of sugar, but the deterioration of the cane, which had suffered from the August frost, was so rapid and severe that they only reached 17,490 tons. The total production of the country was estimated at 88,490 tons, but it only had actually reached about 84,000 tons, of which the Province of Tucuman had accounted for 40,000 tons. Their production of alcohol, which reached over 2,800,000 litres, had been sold at very satisfactory prices, and had realised a profit approaching £30,000. As foreshadowed in his remarks last year, their fruit and coffee plantations were very badly hit by frost. The loss had been provided for before arriving at the figure of profit for the year. Considering the terrible damage done in other districts, they had every reason to be thankful that a large proportion of their crop was already harvested when the severe frost of August touched their estates. Its effects, however, were not limited to last year, and it might be of interest to the shareholders to know something of what had occurred in connection with the Argentine crop now rapidly being concluded. Following on the frost there had been a long drought at an important period of the cultivation—viz., in the early months of the year, from which the cane fields in the Tucuman district never recovered, and until the month of March their own prospects had been not over bright. A favourable period of two months then helped to put a fresh complexion on the matter, and he thought that the actual situation might be summarised as follows:—The stocks carried forward in the Republic in June last amounted to 10,000 tons, and the total production was estimated at 90,000 tons, of which Tucuman was expected to contribute 46,000 tons. The importation authorised amounted to 106,000 tons, and their own crop was estimated to reach 19,500 tons. Their increased production was due to an unprecedented ripeness of the cane, the yield of sugar having reached at one time 11.24 per cent. of the cane crushed, while the average to date was 9.80 per cent., against 7.40 per cent. for last year. As the season had opened with prices still higher than the average of last year, though they were now slightly lower than at the commencement of the crop, the board looked forward to presenting satisfactory accounts twelve months hence. Regarding excess profits duty, he would like to express the appreciation of the directors at the granting of a statutory percentage of 11 per cent. in place of the normal 6 per cent.

Mr. Samuel Taylor seconded the motion, which was carried unanimously.

The Bank of Montreal, Threadneedle Street, E.C., announce that in order to provide additional banking facilities for the Canadian Forces, they have arranged to open a second West-end branch, and have taken temporary premises at Victory House, Cockspur Street, Trafalgar Square. The new office will be known as their Trafalgar Square branch, and will be opened for business as soon as the necessary alterations are complete.

The London County and Westminster Bank announces that in order to prepare the dividend due December 1st the balances of the several accounts on the Cape of Good Hope 4 per cent. stock loan of 1883, and Western Australia 3 per cent. stock, 1916-36, and 3½ per cent. stock, 1927-47, will be struck on the evening of November 1st.

LIFE ASSURANCE AT MINIMUM RATES.

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ISSUE OF NATIONAL WAR BONDS.

£5 % BONDS.	Repayable 1st October, 1922, at 102 %;
£5 % BONDS.	Repayable 1st October, 1924, at 103 %;
£5 % BONDS.	Repayable 1st October, 1927, at 105 %;
AND	
£4 % BONDS.	Repayable 1st October, 1927, at 100 %.
("Income Tax Compounded.")	

**Interest payable half-yearly on the 1st APRIL and 1st OCTOBER.
FIRST DIVIDEND PAYABLE 1st APRIL, 1918.**

PRICE OF ISSUE £100 PER CENT. PAYABLE ON APPLICATION.

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND are authorised by the Lords Commissioners of His Majesty's Treasury to receive on the 2nd October, 1917, and thereafter until further notice, applications for the above Bonds. Applications may be lodged at any Office of the Banks hereafter mentioned.

The Principal and Interest of the Bonds are chargeable on the Consolidated Fund of the United Kingdom.

Bonds of this issue, and the interest payable from time to time in respect thereof, will be exempt from all British taxation, present or future, if it is shown in the manner directed by the Treasury that they are in the beneficial ownership of a person who is neither domiciled nor ordinarily resident in the United Kingdom of Great Britain and Ireland.

Further, the interest payable from time to time in respect of £5 per cent. Bonds of this issue will be exempt from British Income Tax, present or future, if it is shown in the manner directed by the Treasury that the Bonds are in the beneficial ownership of a person who is not ordinarily resident in the United Kingdom of Great Britain and Ireland, without regard to the question of domicile. Where such a Bond is in the beneficial ownership of a person entitled to exemption under these provisions the relative Coupons will be paid without deduction for Income Tax or other taxes, if accompanied by a declaration of ownership in such form as may be required by the Treasury.

Interest on the £4 per cent. Bonds will be exempt from liability to assessment to British Income Tax other than Super-Tax. For the purposes of Super-Tax and in computing total income for the purposes of Exemption, Abatement, reduced rate of Income Tax on earned or unearned income, &c., the income derived from such interest will be treated as if the amount received represented the net income after deduction of Income Tax at the full normal rate. There will, however, be no title to repayment of Income Tax in respect of such untaxed interest.

Bonds of this issue will be accepted at their nominal value, with due allowance for any unpaid interest thereon, by the Commissioners of Inland Revenue in satisfaction of amounts due on account of Death Duties, Excess Profits Duty or Munitions Exchequer Payments; provided, in the case of Death Duties, that such Bonds have formed part of the Estate of the deceased continuously up to the date of death from the date of the original subscription or for a period of not less than six months immediately preceding the date of death, and, in the case of Excess Profits Duty or Munitions Exchequer Payments, that they have been held continuously by the firm, company or other person, liable for such Duty or Payment, since the date of the original subscription or for a period of not less than six months before such Duty or Payment becomes due and payable.

Holders of £5 per cent. Bonds of this issue may convert their holdings within 14 days after any half-yearly interest date (viz., 1st April and 1st October), and as on such interest date, into £5 per cent. War Loan, 1929-1947, at the rate of £100 £5 per cent. War Loan, 1929-1947, for each £95 nominal value (excluding any redemption premium) of £5 per cent. National War Bonds surrendered; and holders of £4 per cent. Bonds of this issue may convert their holdings at the same times, and in like manner, into £4 per cent. War Loan, 1929-1942 ("Income Tax Compounded") at the rate of £100 £4 per cent. War Loan 1929-1942, for each £100 nominal value of £4 per cent. National War Bonds surrendered.

The first dividend on a holding of £5 per cent. War Loan, 1929-1947, or of £4 per cent. War Loan, 1929-1942, issued in lieu of National War Bonds converted, will represent interest from the date of conversion to the next succeeding interest date of the Loan into which the Bonds have been converted.

In the event of future issues (other than issues made abroad or issues of Exchequer Bonds, Treasury Bills, or similar short dated Securities), being made by His Majesty's Government, for the purpose of carrying on the War, Bonds of this issue will be accepted at par as the equivalent of cash for the purpose of subscriptions to such issues, and an allowance will be made for any interest accrued on Bonds so accepted.

The Bonds will be issued in denominations of £50, £100, £200, £500, £1,000 and £5,000, and the interest thereon will be payable half-yearly by Coupon, the first Coupon on each Bond representing interest from the date on which application is lodged, and payment made for the Bond at any office of one of the Banks hereafter mentioned.

Bonds of this issue may be registered free of cost in the Books of the Bank of England, or of the Bank of Ireland, as

1. "Transferable in the Bank Transfer Books," or
2. "Transferable by Deed."

Allotments may be obtained in Registered Form or in Bonds to Bearer at the option of the applicant.

Holdings of Registered Bonds, which will be transferable in any sums which are multiples of a penny, may be re-converted at any time, in whole or in part (in multiples of £50), into Bonds to Bearer with Coupons attached.

Dividends on Registered £5 per cent. Bonds of this issue will be paid without deduction of Income Tax, but the income derived from such dividend will be assessable to Income Tax in the hands of the recipients at the rates of tax appropriate to their respective incomes. Dividend Warrants will be transmitted by post.

Applications for Bonds, which must in every case be accompanied by payment of the full amount payable in respect of the Bonds applied for,

may be lodged at any office of the following Banks at any time at which such offices are open for business, viz.:-

Bank of England.	London City and Midland Bank, Ltd.
Bank of Ireland.	London County and Westminster Bank, Ltd.
Bank of Liverpool, Ltd.	London Joint Stock Bank, Ltd.
Bank of Scotland.	McGrigor, Sir C. R., Bart., and Co.
Barclay's Bank, Ltd.	Manchester and County Bank, Ltd.
Beckett and Co.	Manchester and Liverpool District Banking Co., Ltd.
Belfast Banking Co., Ltd.	Martin's Bank, Ltd.
Bradford District Bank, Ltd.	Mercantile Bank of Scotland, Ltd.
British Linen Bank.	Munster and Leinster Bank, Ltd.
Capital and Counties Bank, Ltd.	National Bank, Ltd.
Child and Co.	National Bank of Scotland, Ltd.
Clydesdale Bank, Ltd.	National Provincial Bank of England, Ltd.
Cocks, Biddulph and Co.	North of Scotland and Town and County Bank, Ltd.
Commercial Bank of Scotland, Ltd.	Northamptonshire Union Bank, Ltd.
Coutts and Co.	Northern Banking Co., Ltd.
Cox and Co.	Nottingham and Nottinghamshire Banking Co., Ltd.
Dingley and Co.	Parr's Bank, Ltd.
Dingley, Pearce and Co.	Provincial Bank of Ireland, Ltd.
Drummonds.	Royal Bank of Ireland, Ltd.
Equitable Bank, Ltd.	Royal Bank of Scotland.
Fox, Fowler and Co.	Sheffield Banking Co., Ltd.
Gillett and Co.	Shilston Coode and Co.
Glyn, Mills, Currie and Co.	Stillwell and Sons.
Guernsey Banking Co., Ltd.	Tubb and Co.
Guernsey Commercial Banking Co., Ltd.	Ulster Bank, Ltd.
Gunner and Co.	Union Bank of Manchester, Ltd.
Halifax Commercial Banking Co., Ltd.	Union Bank of Scotland, Ltd.
Hibernian Bank, Ltd.	Union of London and Smiths Bank, Ltd.
Hoares.	West Yorkshire Bank, Ltd.
Holt and Co.	Williams Deacon's Bank, Ltd.
Isle of Man Banking Co., Ltd.	Yorkshire Penny Bank, Ltd.
Lancashire and Yorkshire Bank, Ltd.	
Lloyds Bank, Ltd.	
London and Provincial Bank, Ltd.	
London and South Western Bank, Ltd.	

or they may be forwarded by post to the Bank of England Loans Office, 5 and 6, Lombard street, E.C. 3.

CONVERSION OF

£4 10s per cent. War Loan, 1925-1945.

£5 per cent. Exchequer Bonds, 1919.

£5 per cent. Exchequer Bonds, 1920.

£5 per cent. Exchequer Bonds, 1921.

£6 per cent. Exchequer Bonds, 1920.

Holders of the above issues, in pursuance of the options granted in the several Prospectuses relating thereto, may convert their holdings, in whole or in part, into the following Bonds of the present issue, at any time during the continuance of the issue of such Bonds, viz.:-

- £5 per cent. National War Bonds, repayable 1st October, 1924;
- £5 per cent. National War Bonds, repayable 1st October, 1927, or
- £4 per cent. National War Bonds, repayable 1st October, 1927 ("Income-tax compounded.")

Holders who convert will receive an allotment at the rate of £100 National War Bonds for each £100 £4 10s per cent. War Loan or Exchequer Bonds converted.

National War Bonds issued in exchange for converted holdings will carry interest from the dates on which the relative requests for conversion have been lodged with the Bank of England. A separate dividend will be paid for interest, if any, accrued to date of conversion on a converted holding. Where a request for conversion of a holding in any issue, whether "registered" or "to bearer," is lodged after the balance of such issue has been struck for the preparation of a dividend and before the date on which the said dividend is due, such conversion will be effected as on the latter date.

N.B.—Applications for the conversion of Stock, inscribed or Bonds registered in the Books of the Bank of Ireland, should be forwarded to the Bank of Ireland, Dublin.

Stock registered in the Books of the General Post Office, and Bonds issued by the General Post Office, will not be convertible at the Bank of England. They will be convertible at the Post Office under the arrangement set forth in the separate Prospectuses issued by H.M. Postmaster-General.

A commission of one-eighth per cent. will be allowed to Bankers, Stock-brokers, and Financial Houses on allotments made in respect of cash applications for this issue bearing their Stamp, but no commission will be allowed in respect of applications for conversion.

Applications must be made upon the printed forms which may be obtained, together with copies of this Prospectus, at the Bank of England; at the Bank of Ireland; of Messrs Mullens, Marshall and Co., 13, George street, Mansion House, E.C. 4; and at any Bank, Money Order Office, or Stock Exchange in the United Kingdom.

Bank of England, London.
1st October, 1917.

The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

Vol. XL.—No 1,032.]
NEW SERIES.

[Registered as a
Newspaper.]

SATURDAY, OCT. 13, 1917.

[Price 6d.]

CONTENTS.

Passing Events:— Meat Prices — Food Control — Tea Famine — Economy in Food Consumption — United Indigo and Chemical Co. — Allies and Alsace — Australian War-Time Profits Tax Assessment Bill — Argentine Railway Strike — Cuban Ports Co. — Egyptian Cotton Crop — Swedish 3½ per cents. — German Vessels in Peruvian and Uruguayan Ports — Northern Banking of Belfast — British Bank for Foreign Trade — Palmers Shipbuilding and Iron — Birmingham Small Arms — United Dairies — Niger Co. — Prestea Block A (pp. 367-71).

Leading Articles:— Why Delay the Premium Bonds? — Vital Problems in France — The German Colonies — By-the-Way War Notes (pp. 372-5).

Money and Credit Notes:— Smaller Floating Balances — Bank Return — Bankers' Clearing House Appeal: "Pay in Early" — Drop in Amsterdam Exchange — New Adherents to Federal Reserve (United States) System — Silver (pp. 376-8).

Answers to Correspondents (p. 375).
The Week's Stock Markets (pp. 378-9).
London Produce Markets (pp. 379-80).
Letters to the Editor (p. 381).
Notes on Books (pp. 381-2).

What Balance Sheets Tell:— Partington Steel and Iron Co. — The Glenboig Union Fire-Clay Co. — Scottish Malt Distillers — Barsi Light Railway Co. (p. 380).

American Business Notes:— Mr. F. Kent on the Sterling Exchange — U.S. Senate — Income for the Current Year — Excess Profits Tax (pp. 382-3).

Insurance News:— Wesleyan and General Society's Weekly Premium Business — United States Soldiers' Insurance Bill — Joint Association Scheme — Prudential War Bonds Scheme (p. 383).

Tea, Oil, and Rubber:— Rubber Market — Harrisons and Crosfield (p. 384).

Mining News:— Transvaal Gold Production — Native Labour Returns — Sneyd Collieries — Wilson's and Clyde Coal — Gold Production — American Copper Production (p. 384-5).

Company Meetings:— Birmingham Small Arms Co. — United Dairies — Kinta Kellas Rubber Estates — Assam Railways and Trading (pp. 386-7).

The Week in Mines (p. 384).
Dividends Announced (p. 385).
Public Income and Expenditure (p. 385).
Mining Returns for September (p. 387).
Traffic Returns (p. 388).
Oilfields Items (p. 388).

THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - - - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital £4,000,000
Paid-up Capital 1,800,000
Reserve Fund 2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, São Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Mankos (Agency). CHILE—Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71 Old Broad Street, E.C. 2.

Subscribed Capital £1,276,747 10 0
Paid up Capital 669,670 0 0
Reserve Fund and Undivided Profits .. 375,680 11 8
Reserve Liability of Proprietors .. 606,962 10 0

REMITTANCES made by CABLE.
DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital Yen 48,000,000
Capital Paid Up Yen 36,000,000
Reserve Fund Yen 21,300,000

Head Office: YOKOHAMA.

Branches and Agencies at

Antung-Hsien.	Harbin.	Nagasaki.	Shanghai.
Bombay.	Honolulu.	Newchang.	Singapore.
Calcutta.	Hong Kong.	New York.	Sydney.
Changchun.	Kobe.	Osaka.	Tientsin.
Dairen (Dalny).	Liaoyang.	Peking.	Tokyo.
Fengtien (Mukden).	Los Angeles.	Ryojun (Port Arthur).	Tsinanfu.
Hankow.	Lyons.	San Francisco.	Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.
K. TATSUMI, Manager.

CANADA.

THE BANK OF BRITISH NORTH AMERICA.

Established 1836.

INCORPORATED by ROYAL CHARTER 1840.

PAID-UP CAPITAL .. £1,000,000. RESERVE FUND .. £620,000.
Head Office:—5, GRACECHURCH STREET, LONDON, E.C.

Court of Directors,

Lt.-Col. F. R. S. BALFOUR. Lieut. E. GEOFFREY Hon. A. R. MILLS, M.P.
J. H. BRODIE. HOARE, R.N.V.K. Major C. W. TOMKINSON.
J. H. MAYNE CAMPBELL. F. LUBBOCK. G. D. WHATMAN.
E. A. HOARE.

Deposits received at rates which may be obtained on application.

Current Accounts opened.
Coupons purchased.

ALL KINDS OF BANKING BUSINESS TRANSACTED.

UNION BANK OF CANADA.

INCORPORATED 1865. HEAD OFFICE: WINNIPEG.

PAID-UP CAPITAL \$5,000,000
REST AND UNDIVIDED PROFITS \$3,600,000
TOTAL ASSETS EXCEED \$100,000,000

The Bank has over 300 Branches in Canada, and Agents in the principal cities in America. GENERAL BANKING BUSINESS CONDUCTED.

Deposits Received for fixed periods at favourable rates, which may be ascertained on application to

London Offices: 8, PRINCES STREET, E.C. 2, and 28, MAYMARKET, S.W. 1.

New York Agency: 48, Wall Street.

BANKS.

STANDARD BANK OF SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province, to the Imperial Government in South Africa, and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL	£6,194,100
PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

BOARD OF DIRECTORS.

Wm. Reiersson Arbuthnot, Esq.	Horace Peel, Esq.
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K.C.M.G.	Right Hon. Lord Sydenham, G.C.S.I.,
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James Fairbairn Finlay, Esq., C.S.I.	H. L. M. Tritton, Esq.

HEAD OFFICE: 10, CLEMENTS LANE, LOMBARD ST., LONDON, E.C. 4.

New York Agency 68, WALL STREET.

OVER 250 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, South-West Africa Protectorate and the Belgian Congo, and with the Bank's Agencies in New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED and COLLECTED.

MAIL and TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK issues CIRCULAR LETTERS OF CREDIT available in all parts of the world.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE and SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, Etc., received.

EXECUTOR and TRUSTEE BUSINESS undertaken.

The Officers of the Bankers bound not to disclose the transaction: of any of its customers.

FRANCIS SHIPTON, London Manager.

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA, 38, Bishopsgate, London, E.C. 2.

INCORPORATED BY ROYAL CHARTER.

Capital, £1,200,000. Reserve Fund, £1,900,000.

Court of Directors.

SIR MONTAGU CORNISH	WILLIAM HENRY NEVILLE
TURNER, Chairman.	GOSCHEN, Esq.
SIR HENRY S. CUNNINGHAM,	THE RIGHT HON. LORD GEORGE
K.C.I.E.	HAMILTON, G.C.S.I.
THOMAS CUTHBERTSON, Esq.	WILLIAM FOOT MITCHELL,
SIR ALFRED DENT, K.C.M.G.	Esq.
Managers: T. H. WHITEHEAD and T. FRASER.	[Esq.]
Sub-Manager: W. E. PRESTON.	

Bankers:

THE BANK OF ENGLAND.
THE LONDON CITY AND MIDLAND BANK, Limited.
THE LONDON COUNTY & WESTMINSTER BANK, Limited.
THE NATIONAL PROVINCIAL BANK OF ENGLAND, Limited.
THE NATIONAL BANK OF SCOTLAND, Limited.

The Corporation buy and receive for collection Bills of Exchange, grant Drafts and transact general banking business connected with the East.

DEPOSITS OF MONEY are received for fixed periods on terms which may be ascertained on application. Interest payable half-yearly, 30th June and 31st December.

FARROW'S BANK

Incorporated under the Joint Stock Companies Acts. LIMITED

Authorised Capital, £1,000,000. Shares Issued, 700,000.
Shareholders, 4,000.

Chairman - - - - - Mr. Thomas Farrow.

EVERY DESCRIPTION OF JOINT STOCK BANKING TRANSACTED.

CURRENT ACCOUNTS opened and interest paid where approved Credit Balances are maintained.

DEPOSIT ACCOUNTS. Interest paid according to notice of withdrawal.

Write or call for Special Booklet to

HEAD OFFICE:

1, CHEAPSIDE, LONDON, E.C. 2.

73 Branches throughout the United Kingdom.

A.H. & Co

THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837. LIMITED. INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,980,000; together £3,980,000

Reserve Liability of Proprietors

Total Capital and Reserves

HEAD OFFICE - - - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

BANKS.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	£1,500,000
Capital Issued	1,125,000
Capital Paid Up	562,500
Reserve Fund	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

INSURANCE.

ALLIANCE ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C. 2.

ASSETS EXCEED £24,000,000.

Chairman:

The Hon. N. CHARLES ROTHSCHILD.

The operations of the Company embrace all branches of Insurance.

Full information respecting

ESTATE DUTY AND

CHILDREN'S EDUCATIONAL POLICIES

issued by the Company may be obtained on application to the Head Office as above, or to any of the Offices or Agencies of the Company.

O. MORGAN OWEN, General Manager.

A PRACTICAL PENSION POLICY FOR WOMEN WORKERS.

"After the heat and turmoil of the day.
The sheltered haven of the peaceful years."

A leaflet entitled

"AFTER"

giving full particulars of a new and attractive scheme will be sent post free on application to the

NATIONAL PROVIDENT INSTITUTION,
48 GRACECHURCH STREET, LONDON, E.C. 3.

NOTICE.

THE STOCK EXCHANGE.

NOTICE.

MEMBERS of the STOCK EXCHANGE are NOT ALLOWED to ADVERTISE for business purposes, or to issue Circulars or Business Communications to persons other than their own Principals. Persons who advertise as Brokers or Share Dealers are Not Members of the Stock Exchange or in any way under the control of the Committee. Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature. A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew-lane entrance to the Bank of England, or obtained on application to

EDWARD SATTERTHWAITE,

Secretary to the Committee of the Stock Exchange

Committee Room, The Stock Exchange, London, E.C. 2.

The Investors' Review.

Vol. XL.—No. 1,032.
New Series.

SATURDAY, OCT. 13, 1917.

(Registered as a Newspaper.) Price 6d.

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One Year, £1 5s. 0d. Six Months, 12s. 6d. Three Months, 6s. 6d.

For the Colonies and Abroad the charge is

One Year, £1 8s. 0d. Six Months, 14s. 0d. Three Months, 7s. 0d.
Short of Three months the Price is 6½d. per Copy Inland, and 7d. Abroad, Post Free.

Cloth cases for binding the Half Yearly Volumes price 1s. 6d., postage 4d. extra. Bound Volumes 15s. 6d., or 16s. 3d. post free.

Cheques and P.O. Drafts should be made payable to

"Investors' Review,"

Norfolk House, Norfolk Street,
London, W.C.

Telephone No.:
Gerrard 9132.

Telegraphic Address:
"Unveiling, London."

The Editor cannot undertake to return rejected communications.

Letters from correspondents must, in every case, be authenticated by the name and address of the writer.

The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of *Company Meetings*, and they cannot accept responsibility for statements made therein.

ANSWERS TO QUERIES.

One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

Telegrams advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

Private Letters in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

Passing Events.

Judging by public form there was a very pretty quarrel between Mr. Prothero as Food Producer and Lord Rhondda as Food Controller, and apparently Mr. Prothero has won. At any rate, the farmers have gained the concession of 67s. per cwt. live weight for meat till July 1 next, whereas the Food Controller proposed to pay only 60s. after January 1. It is an extremely complicated subject, and we are not sufficiently expert in it to attempt to decide whether or not 60s. could be regarded as a reasonable price. Evidently a great many farmers, taking all the factors into consideration, came to the conclusion that it was not, and they threatened to allow supplies to become automatically exhausted. You may compel a man to sell what he has at a certain price, but no machinery has been invented to compel him to produce at that price. Last week Mr. Prothero said that "the position is deplorable, and may soon become serious. The case of the arable farmer is briefly this. He is willing in the national interest to produce winter beef at the lowest rate of profit which will save him from pecuniary loss, provided that distributors are treated in the same way. He strongly objects, however, to the demand that he should pay money out of his own pocket in order that other sections of the community may pay less for their meat than it costs to produce, and he bitterly resents the attempt to enforce that demand by a campaign of abuse to set public opinion against him. The result is that in many parts of the country preparations for winter feeding are entirely suspended, neither cake nor stores are bought. Meanwhile time is rapidly passing. Without any complications of this sort the meat situation is sufficiently serious to need careful handling. You can alter wages or prices with a stroke of the pen. But it takes at least three years to produce finished cattle, and at least three years to remedy a mistake." As we have said, we cannot judge between the two sides in a case of this sort, but it is obvious that if any large number of farmers stopped feeding and breeding cattle our plight would have been vastly more serious than if the situation had been left to work out its own salvation without interference. On the other hand, it is suggestive and not very reassuring to find that the Food Controller has had to give way on such a vital point of his policy. It is very hard to believe that

farmers as a class would be prepared to "cut off their noses to spite their faces"; yet, either they were prepared to do that or Lord Rhondda made a deplorable mistake.

That brings us back to a point which we have frequently raised. Is all this elaborate system of control of any real benefit to the country or the consumer? Gibbon, if we remember rightly, puts the distribution of free bread rations among the leading causes of "the decline and fall of the Roman Empire." We have not gone so far as that, but the price of the loaf has been fixed at a level which involves the country in a huge loss (of which no official estimate has been given), with the result that the consumption has enormously increased at a time when it is most urgently demanded that there should be greater economy than ever. Take the case of sugar. We have always insisted that as we drew some 75 per cent. of our pre-war supplies from enemy countries, the gap could only be filled by Government purchases, and so long as the distribution was left automatically to the regular traders very little inconvenience was experienced. But as soon as "Control" was introduced we had sugar queues and a famine, although the Sugar Commission handed out 10,000 tons a week more than would have provided ¼ lb. per head—50 per cent. more than the supposed ration which very few families have been able to get hold of. Now we are to have sugar tickets for ½ lb. per head, and we see it is boasted that over 50 million forms of sorts have been issued, and many millions more are to follow with local committees and all sorts of confusions. This at a time when there is a most terrible shortage of paper and every capable person is required for useful work! We suppose we shall have bread cards next, with a few hundred million more forms, more officials and committees. Then in the spring we ought to have cards for potatoes and onions and turnips, in case we should forget that we are a law-abiding and well-governed people.

In the meantime we are definitely threatened with a tea famine. It is reported that many shops are completely sold out, and in others you cannot buy more than ½ lb. at a time. Yet by no stretch of the imagination can it be maintained that there is any shortage of

tea in the world. The output this year is as large as it has ever been, and we control practically all the supplies. What, then, is the trouble? We cannot fathom it. All we may say is that it affords an excellent illustration of the danger and difficulty of official interference with a highly organised trade. Up to the end of last year the price of tea had not advanced more than was legitimately required by the increased cost of freight and insurance. But when the Ministry of Food was instituted officialdom could not leave well alone. First there was one stupid regulation, then another. Traders did not know where they were, and an uncalled for element of speculation was introduced into the business. Prices rose and rose, for no earthly reason except that nobody knew what the Government might do next, and the consumer has now to pay about double what he need have done if the "Control" could only have been persuaded to keep its hands off. This may be a flagrant example of outside interference with the regular processes of supply and demand, but are we sure that it is any less meretricious in other cases? No, we are not sure.

There cannot be the slightest hesitation about constantly insisting on the necessity for the most rigid economy in the consumption of foodstuffs of all descriptions; not only at present, but for a long time to come. But we could wish that the protagonists who set out to educate the public on the subject might be persuaded to do a little clear thinking about some of the arguments they put forward. It may be said that the end justifies the means, but statements that are demonstrably wrong have usually quite the opposite effect to what was intended, and there has been so much loose talk about a world shortage of supplies that the man in the street may be forgiven if he dismisses the whole thing as a "put-up job"—a bogey to scare frightened children. We know it is not that, but we have a right to expect reliable information from the only people who are in a position to know all the facts, and we do not get it. On the contrary, we get floods of inspired articles in the daily Press which are, to say the least of it, far from convincing. Everyone knows that, quite independent of war, there are good harvests and bad, but, with the world organised as it is, a deficiency in one quarter is almost invariably compensated for elsewhere. Even in this tiny island of ours it generally happens that if one section has a bad season others do fairly well; taking the world as a whole, it is most rare to find that the weather is really malevolent in widely separated districts at the same time. Last year, unfortunately, was one of the worst we have experienced in this respect, but, broadly speaking, not a man was withdrawn from productive labour in the United States, South America, or India, from which we draw most of our supplies.

Conditions are generally better this year. Canada and Australasia have done well, in spite of the large numbers of men who have joined the Overseas Forces, and if production in the United States is not up to the average the war has nothing to do with it. Argentina has a large surplus to export when there is sufficient tonnage available to carry it. Russia is temporarily removed from the list of exporters, but there is no reason to believe that crops are seriously deficient, although questions of transport may create an artificial scarcity in places. France, which used to be practically self-supporting, requires a good deal of assistance, and the Allied Armies in the field consume much more than they would do in civil life; but against this we may set the fact that the Central Powers are almost entirely cut off from the outside supplies which they took in normal times. What, then, does the alleged "world shortage" resolve itself into? A bad season in some districts—no uncommon experience—a scarcity of tonnage, which will be gradually remedied, and the temporary elimination of Russia's surplus supplies. We do not wish to minimise the effect of these influences, greatly aggravated by the inflation caused by war borrowings, but it is absurd to talk as though the devastation of Belgium

and part of France (mainly the industrial, not the agricultural, part) must have the effect of upsetting the productive equilibrium of the rest of the world, without making any allowance for the stimulus which high prices invariably give to increased output. So far as the Allies are concerned, and as long as there is no breakdown in their machinery of credit, the spectre of famine may be dismissed as an extremely remote contingency. Acceptance of that view does not in the least detract from the desirability of strict economy, for which there are scores of sound reasons, but some of the views that are expected to pass for argument merely foster food-hoarding and other stupidities among the unthinking. Carlyle, we are afraid, was right when he said that we are mostly—well, foolish people.

With German competition eliminated, British dye-manufacturing companies are making substantial profits. Prior to the war they were admittedly out-classed by their Teutonic competitors, who by efficient research and organisation had practically captured a trade which is of supreme importance to the great textile industries of this country. As soon as supplies of German dyestuffs were cut off the textile trades of Lancashire, Yorkshire, and other centres were face to face with a difficulty of the first magnitude, for without sufficient supplies their operations in many branches of manufacture would have become severely curtailed, if not entirely suspended. But energetic efforts were made by various firms in the industry to cope with the situation, and during the past three years wonderful progress has been made. One of these undertakings is the United Indigo and Chemical Company. For the year ended June, 1914, the net profits of this concern only amounted to £7,600. In the year following a jump to £28,800 took place, and 1916 witnessed a further remarkable increase to £53,000. The profits for the financial year ended June last were not quite so large, but £45,800 is a very substantial figure, and the shareholders have no grounds for complaint, particularly as, owing to the fact that less provision is made for excess profits duty, the available surplus is somewhat larger than in the previous period. The sum of £24,000 as compared with £34,000 is set aside as provision for this impost, leaving an available net profit of £19,350, an increase of £2,980. The preference and ordinary shares again get 20 per cent., and after providing for these disbursements, which require £14,060 and £3,875 respectively, there remains the sum of £11,428, which, added to the amount brought in, raises the carry forward to £26,570. In the balance-sheet, cash is up £4,760 at £24,960, stock-in-trade is £3,460 more at £56,360, and the investment in War Loan has been increased £3,030 to £13,685. A year ago, the excess profits duty liability was included in the item sundry creditors, and as this time provision for this contingency is made after striking the balance, creditors show a big shrinkage, being £33,180 down at £17,000. The liquid position on the whole is a very comfortable one, realisable assets exceeding current liabilities, including estimated excess profits provision and disbursements, by £27,560.

It is not to be imagined for a moment that any Allied statesman can have been taken in by the blustering "No" of Baron von Kuhlmann with reference to the surrender of Alsace and Lorraine, the provinces wrenched away from France. But the Germans themselves were doubtless deceived by this kind of display, a display prompted by the extremities into which militarism has brought the German peoples, and by the urgency of subscriptions for the seventh War Loan. That division, however, should be raised between France and Great Britain by the clumsy pretence that these distressed portions of France alone stand in the way of peace, and that the Belgian infamy might be parchmented over, are notions which could be acceptable only to the *Junker* mind. Alsace and Lorraine lie at the bottom of all the trouble, have kept Europe in a nightmare of armed peace ever since the crime of 1871

was perpetrated. It might not be going too far to say that the sufferings we are now called upon to endure have their root in our obedience to Prussian hypnotism at that crisis of the world's history in 1870-71. If we had intervened then to protect France from Prussian brutality and to forbid the perpetration of a monstrous infamy, German militarism might have received its death-wound six-and-forty years ago. Mr. Asquith did well, therefore, to emphasise the facts in his speech at Liverpool on Thursday evening, and to expose in the plainest language alike the impudent insolence of the German official attitude towards Alsace-Lorraine and the clumsy tortuosity of the Chancellor's utterances about Belgium. He thus put a stop, let us hope, to the fussings of peace-dupes and cranks here, of people who, wholly ignorant of the principles underlying this great conflict and at stake for all mankind, catch at any peace phrase, however hollow and deceptive, and cry out, "Negotiate; negotiate." We cannot negotiate with liars, thieves, robbers, and murderers. It is impossible, and the indiscreet and uninstructed pacifists in all countries must be made to recognise that it is so.

The new Australian War-time Profits Tax Assessment Bill differs very materially from the original measure. A very important change is that, instead of the statutory percentage being, as originally proposed, 6 per cent. for a business carried on by a company, and 7 per cent. in the case of any other business, the statutory percentage is to be fixed at 10 per cent. An exemption was at first proposed for any accounting period after June 30, 1915, of £200, where the war profits did not exceed the pre-war standard of profits by that amount. This is now altered, and a sliding scale of taxation substituted, so that a company will be allowed to make £200 of excess profits, without becoming subject to the tax, but for every £2 by which the profits exceed that figure the exemption limit will be reduced by £1. Thus on an excess war income of £204, the taxable amount will not be £4, but £6, and the exemption will consequently disappear on an excess income of £600. Several new exemptions are granted. These are agricultural, fruit-growing, dairy farming, new pastoral industries begun since the war, gold mining, and businesses commenced since August 4, 1914, which derive all their profits from the recovery of waste products of any materials used in making munitions. An important addition to the definition clause relates to wasting assets, which include mines (other than coal mines), quarries, timber rights, and any other asset which through the gradual removal of the substance becomes exhausted. Another interesting feature of the Bill allows for the deduction of all rates and taxes, including Commonwealth and State land and income taxes, in calculating excess profits. Interest from Commonwealth war securities is not to form part of war-time profits. In these and similar respects the proposed legislation for excess profits taxation represents an appreciable advance upon our own methods, for up to the present no allowance is made here for wasting assets as such in computing either income-tax or excess profits tax. The measure will remain in force until the end of an accounting period after the end of the June next following the declaration of peace.

In the Argentine the railway position is very unsatisfactory. The latest strike news offers little prospect of any immediate settlement, and the dividends of the Buenos Ayres Western and the Buenos Ayres Great Southern will, it is to be feared, be followed by equally discouraging announcements by the other lines. In the case of the Buenos Ayres Western the distribution is 1 per cent., making 3 per cent. for the year, while the Southern pays 2 per cent., or 4 per cent. in all. For the previous year 5 per cent. was paid in each case. Fortunately the crop outlook remains bright, accounts from all quarters of the agricultural zone testifying to the excellence of the climatic conditions prevailing. As the question has recently arisen as to whether the wheat re-

quirements of Great Britain and her Allies are likely to be met by the United States and the British Dominions and Argentina be left without an adequate outlet for her surplus, it is interesting to note that the Spanish Ambassador has recently asked the Argentine Government for information as to the probable results of the wheat harvest. He is credited with the statement that the Spanish Government contemplates making large purchases of Argentine wheat, and that measures would be taken to secure the requisite ships for its transport to Spain. Japan also appears to be interested in Argentine wheat, an official having been sent from that country on a mission, whose principal object is, it is understood, to make arrangements for the purchase of wheat for Japan. It is to be hoped that the projected increase in railway freight rates will materialise in December next. The Buenos Ayres and Pacific, the Great Southern, the Western, the Central Argentine, the Cordoba Central, and the Santa Fé Railway companies have now made their replies to the note of the Director-General of Railways, and taken altogether, says the *Review of the River Plate*, these documents present a strikingly eloquent picture of the present-day situation of the railway industry in the Argentine Republic. The figures given by some of the companies afford convincing proof of the justice and equity of the projected increase. In each reply stress is laid upon the fact that as the value of all commodities has more or less doubled in recent years, it is but just that the companies, whose expenses have been enormously increased, should be entitled to a share, at least, in those increased values. The legality of the projected increase seems beyond question, seeing that Argentine Government laws and Governmental contracts are serious and binding Acts, and not mere scraps of paper.

We are glad to learn that there is every prospect of the long-standing dispute between the Cuban Government and the Cuban Ports Co. being satisfactorily settled. The committee representing the bond and stock holders who have been conducting negotiations for the past four years, have received information that an arrangement is likely to be effected on the basis of the company's bonds being exchanged for an equivalent amount of internal Government bonds bearing the same rate of interest and secured on 50 per cent. of the Port dues. Originally the bonds had the security of the whole of certain assigned revenues, but as 50 per cent. of the total dues is ample to cover the service of the bonds, the change is of more academic than practical interest. The position with regard to the stockholders is not yet made very clear, but it is understood that the assets of the company will be retransferred to them, so they will not fare so badly. It is well to have an eyeglass of this kind removed, especially in times like the present.

Egypt has recently fared well at Fortune's hand, and if the new cotton crop comes up to expectations and is realised at satisfactory prices the country should in an economic sense be soon enjoying halcyon days. As the picking of the new crop has only just commenced anything in the nature of an accurate forecast is impossible, but authorities anticipate a crop of about 5½ million cantars against last year's yield of something over 5 million cantars, and an outturn of some 4,800,000 cantars in 1915. Cotton values are somewhat lower than was the case a few months ago, but they are still very satisfactory from the producer's point of view, and it certainly looks as if the crop will realise a much larger sum than in the two preceding years. If anticipations are realised the Egyptian security market is likely to receive a greater share of attention than is the case at the present time.

Among the many anomalies brought about by the dislocation of the exchanges the extraordinarily high price of Swedish three and a-half per cent. occupies a prominent place. Before the war the sight rate on Stockholm was 18.159 kroner per £1; it is now only about

12.775. In other words, the pound sterling, which in normal times was worth 18.159 kroner, can now be purchased for 12.775 kroner. These Swedish bonds are in sterling denominations, and as they are being rapidly redeemed in Sweden it is a profitable operation to buy the securities for remittance purposes. An exceptional demand has, therefore, sprung up for them, which has forced the price up to a level at which the yield is something under 3 per cent. With conditions as artificial as they are the price may, of course, go higher still, but, on the other hand, the pendulum is just as likely to swing in the opposite direction. In our opinion holders would do well to realise that they have in these Swedish bonds a security whose present value is not based upon intrinsic merits, but upon a combination of fortuitous circumstances which must one day cease to operate. The present anomalous level of the Swedish exchange is chiefly ascribable to an excess of exports consequent upon the blockade and shortage of tonnage. Any slight easing of the present state of affairs would have a very upsetting effect, while peace when it comes would undeniably bring about a great recovery in the exchange and a heavy fall in the value of the bonds. It is always policy to take a good profit when one is shown, and we do not think the case of these Swedish bonds constitutes an exception. Besides, here is an instance where patriotism and self-interest go hand in hand.

With shortage of tonnage the great pressing problem of the moment, the breaking off of diplomatic relations with Germany by Peru and Uruguay, is of great interest to those concerned with the trade and finance of these countries. According to Lloyd's there are 10 German vessels in the two Peruvian ports of Callao and Mollendo of a total gross tonnage of 48,872. Six of these vessels are steamers, and five of them are large ships averaging nearly 7,000 tons. In Uruguayan ports eight large German steamers are stated to be sheltering. It is said that the engines of these German steamers have been badly disabled, but it is to be hoped that every endeavour will be made to put these vessels in service at the earliest possible moment.

Conforming to what is becoming a more and more decided tendency among limited companies to reduce the nominal value of their shares to a level at which the small investor may take a hand, the Northern Banking Co., Ltd., of Belfast, proposes to divide its £50 shares into £10 shares. There will be no difference either in the liability or the amount which may be callable. At present the shares are £50 each, with £10 paid, an equal amount callable, and £30 reserved in the almost impossible event of winding-up. From now onwards it is proposed that the shares shall be £10 each, with £2 called up, £2 callable, and £6 in reserve. It makes no difference to the actual position, but the point is of importance from the practical point of view, and we think the directors are right in taking the step they have done. In the old days it was considered derogatory for a company to issue shares under £10. Then it came down to £5, and a firm basis seemed to be established at £1. But the Rubber market popularised the 2s. share, and proved by the success of the earlier companies that this was the point at which hoardings could be most effectively attracted. We are not at all sure that this development is to the good ultimately, but we have the position writ large on all recent developments, and must accept it as it stands. Anyhow, it ought to give a good lead to our Treasury bosses, who still live in the clouds—apparently—and cannot be brought down to actualities until it may be too late, as might easily happen. We deal with this aspect of the question more fully elsewhere, but the decision of the Northern Banking Co. to reduce the nominal value of its shares helps to emphasise our contention. Last year this company made a nett profit of £81,500, and it again pays 13 per cent. on the "A" shares, and 6½ per cent. on the "B" shares. No important changes are shown in the balance-sheet figures. Notes in circulation are up £100,000 at £1,356,000,

and deposit, &c., accounts have increased £760,000 to £7,610,000. Cash balances have gained £500,000, investments £800,000, and discounts, &c., £1,150,000, with the result that the total of the balance-sheet is nearly a million higher at just over £10,000,000. Evidently the bank has secured a good share of the increased business, which has been experienced in the north of Ireland equally with other industrial centres elsewhere, and we gather that in other directions it has been doing patriotic duty in a quiet way.

We cannot detect many signs of real progress in the report of the British Bank for Foreign Trade, Ltd., for the year to April 30. The scheme of writing down the capital by 30s. per share has taken effect, and the amount shown as paid-up is now £840,000, a decrease of £360,000. Current and deposit accounts have been reduced by £1,140,000 to £686,000, which does not indicate a very flourishing state of affairs, and loans to customers have been cut down £240,000 to £460,000, so that in this direction also a policy of curtailment has had to be adopted. Cash is up £75,000 at £175,000, but Russian Government and other securities, taken at the market price of August 31, 1916 (since when there has been a considerable depreciation), are £345,000 lower at £751,000, and the holding in Russian Bank shares has been further reduced by £30,000 to £42,000. On the other hand, there was an improvement in profits, the gross being £69,400, and the nett £19,640, which raises the credit balance to £31,500. It is stated that the immobilisation of some of the bank's assets through the war has resulted in a loss of revenue, but the directors are satisfied that such loss is temporary, and solely due to the cause stated. We are afraid, however, the bank has not sufficiently strong backing to command the complete confidence which is essential to the success of an enterprise of this kind.

Last year's meeting of Palmers Shipbuilding and Iron Co., Ltd., was a purely formal affair, no accounts being presented owing to various important questions with the Ministry of Munitions being unsettled. Some of these matters still remain open, but the directors have decided to close and issue the balance-sheet, leaving any necessary adjustments to be made in the accounts for subsequent periods. Accordingly we now have the figures for the year to June 30, 1916, and they do not make a very favourable showing as compared with either 1915 or 1914, but this is doubtless in large measure due to provision for war taxation. At any rate, the profits for the twelve months are returned as £63,250, a decrease of £68,000 as compared with the previous year, and after paying interest the nett profit is £70,000 less at £33,750. At June, 1915, a debit balance of £61,000 was converted into a credit of £42,770, and this is now increased to £76,520. No dividend can, however, be paid either on the preference or ordinary shares until the prior lien debentures are discharged, and of these £173,600 is outstanding. No preference dividend has been paid since the end of 1907, and the outlook is therefore not very cheerful, but the position is perhaps better than the figures by themselves would indicate. Good progress has been made with modernising the iron and steel works, notwithstanding the difficulties and delays caused by the war, and some of the new plant is already at work. Large extensions and alterations in the steel works and blast furnaces have also been made at the request of the Ministry of Munitions, and the company will get the full benefit of this in the future. Creditors show an increase of £52,000 at £473,000, but this includes provision for war taxation. Work in progress, stores, &c., are £147,000 higher at £2,156,000, debtors are £152,000 up at £308,000, and cash is £93,000 higher at £112,000. During the year £183,000 was spent on capital account, including the purchase of shares in the Palmers Hebburn Co., Ltd., and the total now stands at £1,063,000. It will be interesting to see what progress the company has made in the past year, and we hope the accounts will not be too long delayed.

Among the many undertakings which have been of inestimable service in the carrying on of the war the Birmingham Small Arms Co. takes a prominent place. Its wonderful organisation and plant, well equipped for the production of certain specialities, have done a veritable yeoman's work for this country and the Allies. As a controlled establishment the company has had many book-keeping adjustments to make with the authorities, and last year the directors were unable to present a balance-sheet. A week ago the accounts for the period ended July, 1916, made their appearance, and now the report covering the financial year ended July 31 last has come to hand. The nett profit for 1916, at £381,800, is some £26,900 below that of the previous period, but as before arriving at this figure provision had been made for excess profits duty in respect of the 1915 period and for munitions levy for 1916, the real nett obviously showed an improvement. In the financial year ended July 31 last nett profit further advanced to £428,000, a particularly satisfactory improvement when it is borne in mind that from January to end July the profits were subject to an 80 per cent. impost. No increase has been made in the rate of distribution, 20 per cent. being paid as in 1915, but in this connection it will be recollected that in 1915 the ordinary capital was increased 50 per cent. by capitalising the reserve, and that a much larger amount is being disbursed to the shareholders than was the case two years ago. At that time the dividend required £155,400, whereas in the past two years it has called for the large sum of £230,100. The sum of £150,000 has been set aside to reserve each year, as against £133,500 in 1915, and notwithstanding its depletion in 1915 the fund now amounts to the substantial figure of £400,000. After providing for disbursements and the reserve allocation there remains £170,300 to go forward, as against £162,600 in 1915. With the exception of cash and bills, which fell from £207,800 to £14,400, all the chief items in the 1916 balance-sheet show expansion. In the 1917 document freehold land, buildings, plant, machinery, &c., appear at £879,200, compared with £1,047,450 in 1915. Stock is valued at £1,064,900, in contrast to £352,530, and investments are returned at £1,077,620, against £704,930. Sundry debtors, although substantially smaller than in 1916, are at £361,500 nearly £227,000 larger than in 1915. Cash and bills total £240,000, as compared with £207,780 two years before. The expansion in the various asset items is reflected in sundry creditors, which have gone up from £366,050 in 1915 to £1,228,500.

The important scheme for the amalgamation of the retail dairy businesses in London made further progress when the United Dairies, Ltd., received the sanction of its shareholders for the increase of the capital from £1,000,000 to £4,000,000 by the creation of 1,500,000 each of preference and ordinary shares. The scheme as outlined by the chairman, Mr. Reginald Butler, is certainly an ambitious one, and it apparently involves, not only most of the joint-stock companies engaged in the business, but also it is evidently hoped to bring in most of the large private retailers. There cannot be any doubt that the present system of distribution is an extremely costly one, involving overlapping in many directions, and under proper management the public would probably be much better served by a large combine which could handle supplies satisfactorily and make the distribution less costly. Details are naturally withheld for the present, but judging from the statements made at the meeting this week, the scope of the proposal is very wide, and we shall watch developments with great interest.

For the year 1914 the Niger Co., Ltd., made a loss of £31,000, and no dividend could be paid, but 1915 witnessed a splendid recovery with a nett profit of £134,000. Further progress was made last year, trading profits being £8,000 higher at £162,900, although £20,000 more had to be paid in Colonial taxes. Moreover, profits on tin working were £18,000 higher

at £45,500, but £15,000 more is written off for depreciation, and after making ample allowance for war contingencies, the nett profit is £160,650. With £11,500 more brought in the available balance is £186,320, an increase of £23,000, but the directors are content to repeat the dividend of 10 per cent. and carry £26,750 more to reserve, raising it to £385,000. Owing to the deduction of income-tax at a higher rate, the dividend distribution is smaller, and the carry forward is increased by £11,500 to £37,070. It is stated that the company's purchases of produce in Africa have exceeded all previous records, but this has been concurrent with unprecedented difficulties in maintaining supplies and marketing produce, mainly owing to the increasing scarcity of tonnage. Rates of freight advanced beyond all previous experience, and an export tax on palm oil and kernels also came into operation. Fortunately the directors took precautions some time ago to safeguard the position of the company as a very large importer of oil-bearing seeds, for which there has been an increasing demand, and this has proved of great advantage. Shipments of tin ore exceeded those of the previous year by 1,300 tons, and resulted in a substantial increase in royalties. With a view to facilitating development of operations in new directions, the company has recently acquired for cash practically the whole of the shares of the Company of African Merchants, Limited. The large increase in the company's business is reflected in an advance of £687,000 in sundry creditors and of £506,000 in sundry debtors, the former totalling £1,112,000 and the latter £1,196,000. Stocks, &c., have risen £145,000 to £1,141,000, and cash is £57,000 higher at £92,000. The company is in a strong position, and may be trusted to hold it even in bad times.

That very disappointing West African gold mining concern, the Prestea Block A, is not doing much to redeem its reputation. The report for 1916, which has just been issued, shows that operations actually resulted in a loss of £9, which compares with a profit of £62,526 in 1915. A sum of £35,025 is written off for depreciation, and after making an allowance for other charges, there is a total debit of £35,971. This is deducted from the credit balance of £81,551 standing at reserve account, and that fund now amounts to £45,579. The output of gold was £401,681, equal to 29s. 6d. per ton milled, as compared with £418,122 in 1915, equal to 29s. 9d. per ton. Costs apparently rose from 25s. 4d. to 29s. 6d., owing to the increased price of mining materials and supplies. The company, whose issued capital amounts to £1,049,876, has never paid a dividend during the fourteen years of its existence.

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Two facts are comforting to the mind in the revenue returns for the past week. First the income from taxation and State monopolies was £19,885,000, an increase of £6,853,000 on the receipts of the previous week. Then the stimulus given to the investment of savings by the new series of Exchequer bonds offered for sale is seen in the £6,154,000 received from that source. This sum, moreover, is exclusive of sales made through joint-stock and private banks which have not yet been brought into account, but help to this extent does little to relieve the steadily augmenting pressure upon the country's available resources. Last week, for instance, the total expenditure came to £149,481,000. This was no doubt a considerable reduction on the previous week's total, which was £207,397,000, but it was also much higher than the outlay of a fortnight ago, for that was only £94,067,000. We say *only*, although the smallest figure is more than the country spent in a year a quarter of a century ago. The daily expenditure, however, for the war and other necessities of the week was much less, just £8,000,000, or, on supply services alone, about £7,000,000. Interest on the war debt absorbed £3,868,000 last week, that amount probably representing for the most part discount on bills negotiated. But necessarily when we add to such expenditure the imperative necessity of financing the floating debt we come to huge aggregates. Last week, for example, £77,962,000 of supply Treasury bills was paid off, being due, together with £15,500,000 of temporary advances and £3,765 of Exchequer bonds. These repayments, which aggregated £93,466,000, necessitated large recourse to credit over and above the amount of due debt cancelled because of the heavy daily expenditure on account of the war. Consequently during the week the Government raised £69,139,000 on new supply Treasury bills, and received £26,067,000 from other war debt sources, besides obtaining £24,000,000 borrowed temporarily. Add the £6,154,000 of new Exchequer bonds sold, and we arrive at £126,210,000 as the total amount added in one guise or another to the debt of the nation during the week. Deduct from this the amount of debt repaid, and we arrive at about £33,000,000 as the nett amount by which our national debt was increased, and this was not enough to meet all the week's obligations by £3,386,000, which was the amount of the draft upon the Exchequer balances now brought down to £18,319,000.

A dry recital like this is as a warning cry to the Government to take measures to increase the power of the Treasury to attract money now running to waste on the racecourses, and in other forms of gambling, in extravagances of personal expenditure, and in many other ways. The strongest objection to the Exchequer bond form of borrowing is that it appeals only to the comparatively small section of the community familiar with financial terms and usages. The Exchequer bond is eminently useful and most respectable, an excellent form for lenders of that type, but it is of very little use as an attraction for the wage-earner. Not one working man in a thousand knows anything about debt in this form, or how to deal with and in it, and, consequently, the many millions of the money now being earned every week by men and women doing war work are for the most part running to waste. There is no other phrase for it. Only £850,000 came in last week from the sale of Savings Certificates; and probably not one-half of that amount was paid over by the working classes as such. Why, then, does the Government so persistently put aside the small premium or "bonus" bond? They have the example of France, as we have continually insisted, of Belgium, aye even of Germany, Austria and Hungary, to say nothing of Rumania. This form of debt has been used to finance many municipalities in France and Belgium especially, and nobody can say that the population has been at all demoralised by their use. A country banker has told this writer that he knows of an instance where a com-

paratively small-sized manufacturing firm has instituted a premium loan of its own, organised its staff to contribute continuously and with system, and arranged prizes, or premiums, or bonuses when the bonds are drawn, ranging from £200, the highest, down to very small amounts. So successful is this experiment that already many thousands of pounds have been accumulated through it and invested in Government loans. And as an instance of the attractive power of this form of debt, our informant declared that some of the men were putting by as much as £6 a week. That illustration is given to show how unwise the Government is to neglect this, at present, abounding supply of investable wealth.

Another reason deserves a word. So far as we have observed, and unfortunately we have recently had an opportunity of studying the average middle-class mind rather closely, the true position of the country has hardly begun to be realised by the bulk of the people, and the Government probably merely reflects the average ignorance and indifference to consequences which it finds in all grades of what is called society; but it will not do to rest in this attitude much longer, and one most powerful motive which should egg on the administration to make efforts to interest every class of the community in the future solvency of the country and the empire is that there is probably safety for us all in endeavouring so to shape our debt policy as that every class, nay every individual, in the nation should have deep and wide personal interest in its prosperity. As now handled and spread the great mass of debt piling upon our backs every week in consequence of this war—a debt the Germans are now too impoverished to do much to help us to sustain for years to come—is held in comparatively few hands, and if we do not succeed in bringing the working classes, men and women, to take a, for them, more vital share in providing the means for carrying on this war, the consequence of the present markedly unequal and partial distribution of the Government promises to pay will be class divisions, jealousies, possibly even revolts. It should, therefore, be the study of the Chancellor of the Exchequer to interest every individual in the public debt by becoming personally a creditor of the State, so that all should look to receive something from the payment of interest or from the distribution of "plums," and thus have the most powerful of all motives for sustaining law and order, as the phrase is. We do not want to end this war as the Napoleonic wars were ended, with a few people immensely rich, a larger number very well-to-do, and a still bigger number with some kind of "stake in the country"—but the whole mass of them together representing only a minute group in the population. We shall not hang together in a moral sense if we create divisions and contrasts in a material one. Have our wise men at the Treasury ever given a thought to this aspect of the premium bond question? We can assure them it is a much more important and vitally interesting one than the sentimental moralities of the Nonconformist or any other conscience.

Vital Problems in France.

People who have followed the trend of events in France during the last ten years were well aware that in the spring of 1914 the country was on the verge of a political as well as a financial crisis. In order to ascertain the causes which led to the unsatisfactory financial position, one has to go back several years, and take into consideration many factors. The big banks in England confine themselves to banking pure and simple, and decline all responsibility in the matter of investment. As a rule, they simply pass on to their clients wanting to invest, suggestions made by their selected brokers, who are usually amongst the most cautious members of the Stock Exchange. Contrary to this, the French banks laid themselves out to control the money of their *clientèle*. For several years previous to the war they devoted most of their energies to floating and placing new issues amongst their customers, and in

order to achieve success some of them established a wonderful organisation. The managers of all their branches were paid a commission on all the new issues they placed. In big centres men were employed specially to approach the public, a relation of some well-known member of the clergy being selected to call on the rich ladies of the place, while a different type of man was sent to interview people with more advanced views.

This policy was helped by the difficulty encountered by the French people in getting sound industrial and commercial securities at prices giving them a good yield. The shares of the successful companies were standing at such high prices that the yields were small and unattractive. In connection with this, one has to remember that in France the best business is private, and in many cases a family affair. It is as a rule very well managed, but in such an extremely cautious manner that developments and expansion are rendered exceedingly slow.

A good many of the ventures floated as limited liability companies had proved disappointing. They were mostly over-capitalised, and poorly managed by boards of directors who, in many cases, had their own axes to grind. They were often over-staffed, the influential shareholders insisting that their protégés should be provided with a billet. Even the shares of the moderately successful of the small undertakings did not appeal to the public, as they were difficult to realise. Provincial bourses are few in France, and cannot be compared in size and importance to the numerous provincial stock exchanges of Great Britain, where local securities are dealt in daily, and always find a market.

Is it to be wondered at that under the guidance of the banks, the influence of the weekly circulars issued by some of them, and the puffing in the Press, the French public followed the lead given to them? They were attracted by the prospects of a fixed and good yield, and the word "government guaranteed," "municipal guaranteed," &c., which always appealed to them. The vogue of new issues was soon over. Issuing houses and banks outbid each other in placing inferior securities, over which they used to realise positively outrageous commission. The public, disappointed over some of them, began to get suspicious, and would not respond any more. An outcry was started all over the provinces that the banks were draining away the money of the country to the detriment of native industries, which could not find the capital required.

At the beginning of 1914 the position was anything but a happy one. A big share of the savings of the country had been dispersed all over the world, and some of the banks were very uncomfortable, with a lot of unplaced paper in their safes, and a discontented clientèle. Matters were getting serious when the war broke out. We may remark here that while all this had been going on, the more enterprising Germans were getting extremely influential in the *haute finance* of Paris. Well organised and not afraid to take risks, they were also pushing their way into many industries with a rapidity which was stopped by the outbreak of hostilities.

France, when peace is declared, will find herself with an enormous debt (before the war it was twice as big as the British debt), and devastated districts which will have to be built up again. This is a big task, but not beyond the recuperative power of the nation. The French are a people with quick and inventive brains. If they have not made the most of them during the last thirty years, it is due to the want of method, proper organisation, and the fear of losing money, so strong amongst thrifty people. This last point makes them very reluctant to risk anything in new enterprises or in the development of old ones on a large scale. It is all very well to say that the Germans will not be allowed to take the place they had in France before the war, but unless the French people are prepared to take up all the enterprises themselves, the country will

be the loser. The catastrophe has, however, opened the eyes of the French; it has given them a confidence in themselves which they did not possess before. What they want are new methods, and to see "big." They are to understand that the *usine de famille* is a thing of the past, which no longer answers the requirements of the day. Very big combinations with large financial resources are the only means by which an industry can go ahead, pay high wages, and hold its own in all the markets of the world.

Conservative as the French are, there will be many difficulties in the way. Small vested interests will talk a good deal about "trust," "accapareur," &c., but common sense will soon do away with all this. They will get over petty jealousies amongst themselves, a sentiment stronger in the Latin than in the Northern races. The presence in France of large numbers of Anglo-Americans, people extremely practical and pushing, will have its effect also on the mentality of the nation. After their past experience the French will realise that financial methods which have led to the dispersion of part of their capital are wrong, and must be thoroughly reorganised, and their resources devoted to the development of their own industries. They ought to find in them good and remunerative investments. The general public will have a much greater interest in the success of native undertakings.

With their wonderful adaptability there is every hope of seeing the French entering with vigour into new conditions, and regaining within a few years their former prosperity.

The German Colonies.

The fate of the German colonies at the close of the war is a question of very grave importance. What may be termed, for convenience, the "Union of Democratic Control" school of politicians are extraordinarily anxious for the restoration of these colonies to Germany. Though these politicians are professedly opposed to all "Imperialism," on closer examination of their proposals, it always appears that an exception must be made in favour of Germany. The principal ground for this exception seems to be that Germany, deprived of her colonies, will assuredly fight sooner or later to get them back; the fact that, though in peaceful possession of them, and, as the publication of many diplomatic documents since the war has shown, by no means "hemmed in" by England, but accorded extraordinary freedom to extend both her political and commercial spheres of influence, she still entered on the present wholly aggressive war for world predominance is strangely overlooked.

General Smuts, who is specially competent to deal with the question, and who certainly is not an aggressive Imperialist, has touched on some of the grave dangers which might arise if Germany was left with a free hand in Equatorial Africa, in which region she could raise and drill an enormous body of valuable native troops. The "Democratic" politician is very fond of emphasising the statement frequently made by Mr. Asquith and other statesmen that England did not enter on this war to obtain territorial advantages for herself. That is true; but England did enter on this war and is continuing this war for one foremost reason, and that is to obtain security for herself and her Empire, as well as for the other nations engaged in the struggle. The question of the use which Germany might make of the manpower of Africa is very important, but perhaps even more vital to the continued existence of the British Empire is the use she might make of the harbours and river mouths which came under her control.

The progress of the war has made very plain that even the most powerful Navy can make but little impression on a well-established submarine base. Napoleon said that Antwerp in hostile hands would be a pistol directed at the heart of England; the developments of modern warfare have only given greater force to that observation. Zeebrugge and Ostend, both as submarine and aeroplane bases, have shown most dis-

agreeable efficiency, and, without for a moment under-rating what our Navy and Flying Services have been able to do against them, it is clear that up to the present time no attack that they can make is likely to bring about the complete destruction of these hornets' nests until the armies of the Allies can advance sufficiently to threaten them in the rear. It is only necessary to look at the map of Africa and the positions of the conquered German colonies, extending from Togo-Land and German S.W. Africa on the West Coast to German East Africa on the East Coast, to see how submarine depots at these points would effectively cut off the whole mercantile traffic and maritime communications of this country alike to India and the Far East, and to Australia and the Pacific, both by the Cape route and the Suez Canal route. And this is the German idea.

Of that there is no doubt. A German writer has proposed the fortification of the whole coast of German West Africa, pointing out the achievements of the *Emden* and the *Karlsruhe*, unprovided with a naval base, and that with a fortified German Africa the trade of England would be at Germany's mercy. Herr Solf, the German Colonial Secretary, has emphasised the fact that when Germany gets back her colonial possessions, they must be made capable of resistance. The idea that Germany could be effectively bound by any agreements at the conclusion of peace not to fortify her ports or to train and drill native armies or to carry on a piratical submarine warfare is ludicrous so long as not only the German Government, but the German people, remain in their present state of mind. For example, in a recent issue of the *Tägliche Rundschau* it is declared that: "In the overseas world the German nation must stand on its own independent bottom. Therefore, immediately peace is concluded, the German authorities, *without troubling themselves about agreements or conventions, when these are found to hamper the national requirements*, must devote themselves wholeheartedly to the policy of 'Take.' What has been ours in Africa must be made ours again, *somehow and by any means.*"

Apart from this vital question of the safety of sea communications, there are the interests of the native peoples of these regions to be considered. In many cases they have welcomed in every way the advance of the British Armies, and have given them much assistance; and to hand them back to the Germans, whose vengeance can be imagined, would be an act of gross treachery. A curious circumstance about the principles of the Union of Democratic Control is that they are only regarded as binding when likely to turn to the advantage of Germany, but are thrown aside when they might possibly work to the advantage of England. Thus one most sacred dogma is that provinces are not to be transferred from one Government to another without the consent of the inhabitants. It is hoped by means of this dogma to retain Alsace-Lorraine for Germany, owing to the fact that large numbers of Alsatians and Lorrainers in their loyalty to France left the conquered provinces after 1871, while German emigrants have been encouraged to settle there.

Still, if there be any value in this principle of taking the opinion of the inhabitants of a district as to the Government they prefer, it should apply all round. But the natives of Africa and of the Pacific Islands are not regarded as capable of having or expressing an opinion. Yet, without suggesting that a plebiscite of these wild tribes is possible, there is not the slightest doubt that if the choice between German and British rule could be fairly put to them, in tribal meeting, as it were, our Empire would be considerably enlarged. A striking illustration of this truth is to be found in the case of Samoa. Samoa has had the remarkable experience of being governed first by England and then by Germany; she has had opportunities of comparison denied to most colonies; and no visitor to Samoa before the war had any doubt as to the preferences of the Samoan natives. Rupert Brooke, who made a short stay in the islands, has recorded how emphatic this was, and how he and other English visitors were constantly asked: "When will England fight Germany and take back Samoa?" Well, Samoa has been taken back; and is the faith and

trust of these people who have given us their loyalty—very likely more than we deserve—to be betrayed? No white nation has a clean sheet in dealing with the dark races; but this war has, at any rate, proved that the English have been successful in enlisting the attachment of subject peoples where Germany has wholly failed.

The final argument in favour of the necessity of colonies to Germany as an outlet for her surplus population had not much substance even before the war; and the war has rendered it absurd. Baron von Rechenberg, formerly Governor of German East Africa, wrote as lately as February of this year:—"For a number of years immigration into Germany has been much greater than emigration from Germany. . . . Even in times of peace German agriculture had not a surplus, but a shortage of labour, and it cannot possibly accord with our interests to increase the shortage by encouraging emigration. . . . Regrettable as it is, there can be no question at the conclusion of peace of acquiring extensive territory for settlement; there is no appropriate country, and there are no farmers to settle on it."

It is hardly possible to go behind such an authority as Baron von Rechenberg; and his views only make the truth more clear. Germany wants colonies, not for settlement, but to form convenient fortified outposts with a view to a more successful world war in the future.

By-the-Way War Notes.

Were it not that the intensity of the conflict now raging in Flanders attracts all minds and keeps the *Entente* nations in expectation of a decisive, though not, alas! a crowning victory in that blood-stained field, there would be much in the political utterances of the German functionaries of autocracy to occupy attention. We, however, must say little about them because costs of production more and more restrict available space.

A continuous battle has been going on around Ypres since July, and this week's fighting has been the most arduous of all, because our armies, with the support of a heroic French army on their left, has been struggling amid tempests of rain and seas of mud to drive the Germans off those heights that overlook the Houthulst Forest and command all the low countries around. Once the Allies are in possession of Passchendaele and Westroosebeek it will become almost impossible for the Germans to cling to the coast of Belgium from Ostend or Zeebrugge to the French frontier. They may have to evacuate Lille also, and many other places. These objectives are worth striving for, and as we write a victory of the utmost importance seems at hand. It might have been complete before to-day (Thursday) but for the break in the weather, which made the advance of our soldiers something altogether heroic in its steadfast endurance. None the less is victory certain, we have no doubt of that, and the consumption of fighting pawns among the Germans is exhausting to an extent that is carefully hidden, and which we fail to realise. East and west, north and south, day and night continuously the hosts of the two abandoned autocracies are being consumed.

Financially also their position is quite as hopeless as it is on the battlefield and at sea, and as it will soon be in the air. A great parade of solicitations for subscriptions to the seventh German Loan has been made in Holland by profuse advertisements in the newspapers. It has not produced much response, and the temper of the Dutch people towards German credit may be gauged by the fact that the best newspapers, like the loyally pro-Ally Amsterdam *Telegraaf*, have refused to insert these advertisements. A Labour paper, also, which did give space for the display of these puffs has been compelled by the remonstrances of its readers to withdraw them. What can the tyrants of the German people offer creditors of the Empire as security? Lies, and only lies; false pretences that mock. They have no assets left now of any solid kind. Their industries are

suspended, except where occupied by the war work which is destructive of all wealth. Their foreign commerce is gone, and although combinations are elaborated and schemes put forward for heavy subsidies to restore the mercantile marine when peace returns, they cannot lead to anything substantial because there will be no money left in Germany with which to make these plans materialise. And if the money could be found the world will have no room for many a year to come for German trading ships. None of the German mercantile navy which has been seized by the Allies will be returned to Germany when the war ends. There will not be enough of it to indemnify us even if all the ships now laid up in German ports were also to be handed over to cover the losses inflicted upon Allied and neutral merchant vessels by the insane savagery of German methods of warfare.

All the more encouragement is there for the Allies to persevere, to strike hard everywhere, and as continuously as physical conditions will permit, and likewise all the greater necessity. There must be no rest this winter for the German conscripts, nor any peace talk with their masters. Von Kuhlmann, true to his character, has been vapouring and blustering this week with a view to try and create division amongst the Allies, hinting that Germany will give up Belgium, and the seized portion of Northern France, but will not surrender Alsace or Lorraine, the French claim to which alone hinders peace in his view. He is a liar. One may read these effusions, and also the would-be cunning bounce of Michaelis about Germany's will and power to claim and take back all her Empire, all her pan-Germanic, but no attention can be paid to them. We are compelled to fight on and on until the German people, or what is left of them, recognise that they have been betrayed by their tyrants, that their moral sense has been twisted and dehumanised until they now stand before the world as the most degraded amongst civilised peoples. When they come to that mental condition and acknowledge their crimes it may be time to talk with them of peace. Meanwhile, let us beware of their efforts to "organise sympathy." Let us also be careful not to lay too much stress upon such disclosures as that of the War Minister, Von Kapelle's admission that there have been mutinies in the navy. Probably the disturbances there have been far greater than is admitted, for in all likelihood the bottled-up navy has been denuded of men to furnish crews to the submarines who are now being sunk daily by us, and the loss of these men cannot have failed to affect the morale of those left in harbour to rot in idleness. That idleness, this unending consumption of men in a U-boat warfare which is worse than simple piracy, has probably a greater influence in producing discontent or revolt than the alleged propaganda of Russian revolutionaries. We know nothing, however, about the impelling forces, and judge that von Kapelle's disposal of the blame is intended to mislead. So no stress whatever must be laid upon any such disclosures and admissions, or upon the talk of food conditions in Germany, of weariness and discontent in the army, of revolts amongst Socialists, and scenes of opposition in the well-in-hand, come-to-heel Reichstag. We have simply to go on strenuously with the work in hand, and during the winter now upon us it is probable that our own and American airships will be exceedingly busy, and play an increasing part in the war, probably a determining part.

Last week's shipping losses were rather higher than those of the week before, 13 ships of 1,600 tons gross, and upwards having been sunk compared with 9 in the previous week, so that including the one ship of less than 1,600 tons gross, and the 3 fishing vessels sunk, the total losses of the week were 17 compared with 11 in the previous week. Any increase disappoints, but, taking the returns all over, the enemy is not recovering any of the advantage he held in April last. And the French losses of the week were only 3 vessels above and 2 under 1,600 tons capacity. The Italians also lost only 2 large steamers of over 1,500 tons and 2 smaller ones. We have no doubt whatever, therefore, that in regard to our own shipping slight

increases like that of last week mean nothing in the way of increased German sea boat efficiency, and in no way give the lie to the emphatic statement of General Smuts—who is not a man to speak so definitely without sure knowledge—that the submarine pestilence is being mastered. We are destroying more of the enemy's subsimmersibles than they can replace by building fresh ones, the eminent South African soldier and statesman said, and as the American help becomes more effective we may be sure that the German power to do evil will be further and further reduced. Has not the United States 100,000 airmen in training? And will not the Allies have machines to correspond?

Answers to Correspondents.

Deane.—The immediate future is not cheerful, and prices may go still lower, but the present state of affairs cannot continue, and better days will come again when business can be carried on under more normal conditions.

T. R. V.—We do not like the concern; it is better left alone.

L. F. C.—The stock is quite a good one, but you might offer it at 95. If it does not go, no matter; if it does, you can find something equally good to take its place.

W. D.—The concern is in good hands, but it will be some time yet before dividends can be earned. If you are prepared to wait and go without interest, the shares are a fair lock-up purchase for a moderate sum.

Novice.—You can only do so by selling your present holding. It is not worth while doing that.

M. D.—The one repayable in 1927. Conversion can be effected within 14 days of any interest date, during the life of the bond.

C. R. M.—(1) There is no recent news, and there can be none for some time yet, we fear. (2) The price has risen considerably from the lowest point touched. They may not move much further at present, but we think you should hold on, as the company ought to get to work quickly as soon as business can be recommenced.

Vane.—(1) Look fully priced, and might be sold. (2) Also fairly high, and not much prospect of further appreciation at present. (3) More scope for improvement, as there is still a considerable area available for cultivation.

A. J. M.—We hear there have been considerable changes for the better, but the business is a speculative one. The shares will probably rise, but we cannot recommend them as a permanent holding.

Granite.—The estate is little more than half cultivated, and a good deal of the ground planted is not yet in full bearing. Excess profits will hamper the company for the present, so the shares look fully priced. If you buy now you must be prepared to wait. They are 28. shares.

H. G.—If you sell, the difficulty is to replace the investment with something equally good yielding so high a return. The company is well managed, and financially sound. Should they rise to a price bringing the return under 6½ per cent., it might be advisable to sell.

L. J. (Midlothian).—A distribution of part, if not all, arrears is expected about the end of the year. The company made a successful deal recently, which has improved its position. We think you might wait a little longer before selling.

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Apparently the applications for the new Exchequer bonds have been sufficient to lessen the supplies of floating credit in the open market. Accordingly, call money has become more than ½ per cent. dearer than it was a week ago, and most of the business in day-to-day loans is done at 4½ per cent. A week ago the rate was 3½ to 4 per cent. Paucity of available supplies, however, have not yet disturbed the seven-day quotation, which remains at 4½ per cent. As for discount rates, they continue as before, and will be found unaltered in our table. General business, in fact, remains at its customary level, but discount rates, although quotably unchanged, do exhibit a somewhat upward tendency, probably because of the aforesaid Exchequer bond absorption.

And the Bank return shows that market money has been utilised during the week to reduce market advances. Other deposits are down £9,120,000, and other securities lower by £9,427,000. There is also a reduction of £326,000 in public deposits, and of £464,000 in Government securities. The reserve, too, is £88,000 lower, notwithstanding a decrease of £151,000 in the active note circulation. It is accounted for by a decline of £239,000 in the coin and bullion, but though the reserve is slightly less, its proportion to the liabilities is 1½ per cent. larger at 20 per cent., because the liabilities of the Bank on deposits have been so much reduced.

It will conduce much to the smooth working of business if the customers of banks will follow the advice tendered to them by the Bankers' Clearing House. It is to pay in as early in the day as possible, instead of holding back their cheques and other moneys until after two o'clock. By organisation, all payments might be made by half-past twelve, or at latest one o'clock, and the bulk of them should be made the first thing

in the morning. As a rule, cheques, bills, &c., coming in during the day could be put in the safe, and held over until the following morning. That is certainly a perfectly feasible habit for the retail trader to adopt, and by arranging thus to pay in once a day only, and early in the day, business would be much helped, and the women clerks who now form such a large portion of bank staffs would benefit by being released earlier in the afternoon.

The principal feature in the foreign exchange market this week has been the marked weakness of the Amsterdam exchange, which has fallen to about 108l. 70c. per pound sterling. At present there is a very limited market for this exchange, owing to the absence of the usual telegraphic advices from Holland, coupled with the virtual suspension of exports from this country. The quotation at present therefore is none too reliable, in consequence mainly of the absence of advices from Amsterdam. On the other hand, the Scandinavian and other neutral exchanges are moving in our favour, which is rather extraordinary on the face of it owing to the new restrictions on exports.

The war has revealed in a rather striking manner the weakness of the United States Federal Reserve system owing to the fact that a large number of banks and trust companies have remained outside the system. The heavy borrowings made by the Government have had the effect of transferring large sums from the market which were temporarily held up pending their disbursement again through the member banks. This has frequently caused great stringency for a time in the New York market, and led to absurd flurries in money rates. At the instance of the Government the principal banks and trust companies who were outside the system have now decided to join, including the Guaranty Trust Co., and the Central and Bankers' Trust companies. It is thereby hoped to control the money market more easily than has hitherto been possible, and there is no doubt that co-operation will tend to ease the task of raising the enormous credits required by the Government for war purposes.

SILVER.

The silver market has been depressed this week by sales of the metal on China account coming at a time when the demand has been slack. Therefore, silver is just 2d. per oz. lower than it was a week ago at 44½d. per oz. The last India currency return, says Mocatta's circular, shows a further increase in the reserve of rupees, which now stands at about 29 crores, and is higher than at any time this year. From Messrs. Montagu we learn that thousands of tons of Mexican silver dollars have been imported into the United States in the few months prior to September for melting and resale as bullion. The same circular states that the stock of silver in Bombay on the 9th inst. consisted of 3,500 bars, or 200 bars more than the week before. In Shanghai the stock on October 6 was about 24,100,000 ozs. in sycee, and \$14,900,000, an increase of 900,000 ozs., but showing no change in dollars compared with the return of September 29.

INDIAN CURRENCY RETURN.

	Oct. 7.	Sept. 30.
	Lakhs of Rs	Lakhs of Rs
Notes in circulation	—	1 08 43
Reserve in silver coin and bullion	29.50	29.57
Do. gold coin and bullion (India) ..	17.62	15.85
Do. (out of India)	1.53	1.53
Do. securities (Government of India)	10.00	10.00
Do. (British Government)	51.48	51.48

INDIAN GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the reserve was held on September 30 and August 31:—

	Sept. 30.	Aug. 31.
In India—	£	£
Gold	15,000	45,000
In England—		
Cash placed by the Secretary of State for India in Council at short notice ..	6,062,154	6,000,043
British and Colonial Government Securities (value as on September 30, 1917)	27,431,499	16,742,581
British Government Securities since purchased (cost price)	—	10,192,856
	33,508,653	32,980,480

Applications for the Rs. 90,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,03,55,000. Of these, Rs. 82,71,000 were allotted in deferred transfers, and Rs. 7,29,000 in immediate transfers. Tenders for bills and deferred transfers at rs. 4 29-32d. and for immediate transfers at rs. 5d. received about 44 per cent. The amount to be offered next Wednesday is again Rs. 90,00,000.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, October 10, 1917.

ISSUE DEPARTMENT.

Notes Issued	£ 71,676,685	Government Debt	£ 11,015,100
		Other Securities	£ 7,112,900
		Gold Coin and Bullion ..	£ 53,226,685
		Silver Bullion	—
	£ 71,676,685		£ 71,676,685

BANKING DEPARTMENT.

Proprietors Capital ..	£ 14,513,000	Government Securities ..	£ 58,271,720
Reserve	£ 3,691,294	Other Securities	£ 88,944,316
Public Deposits (including		Notes	£ 29,998,320
Bancheer, Savings		Gold and Silver Coin ..	£ 2,262,064
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	£ 42,186,150		
Other Deposits	£ 119,625,251		
Seven Day and other Bills	£ 20,775		
	£ 179,476,470		£ 179,476,470

Dated October 11, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year, Oct. 11.		Oct. 3, 1917.	Oct. 10, 1917.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,177,521	Rest	3,628,838	3,091,294	—	537,544
55,135,356	Pub. Deposits ..	42,512,214	44,116,150	—	326,051
109,360,502	Other do. ..	128,741,973	119,625,251	9,119,722	—
27,515	7 Day Bills ..	16,421	20,775	4,354	—
	Assets.			Decrease.	Increase.
42,188,051	Gov. Securities ..	58,735,220	58,271,720	9,467,489	—
102,773,484	Other do. ..	98,371,795	88,944,316	463,500	—
37,292,359	Total Reserve ..	32,348,421	34,210,444	87,977	—
				9,983,320	9,983,320
				Increase.	Decrease.
36,854,070	Note Circulation ..	41,823,955	41,678,315	—	150,640
55,696,429	Coin and Bullion ..	55,727,376	55,488,759	—	238,617
22 7/8 p.c.	Proportion	18 p.c.	19 1/2 p.c.	1 p.c.	—
6	Bank Rate	5	5	—	—

PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended Oct. 6.)

REVENUE.	EXPENDITURE		
	£		
Customs	1,176,000	National Debt Service ..	2,430,307
Excise	525,000	Interest, etc., on War Debt	3,807,588
Estate, &c., Duties ..	526,000	Development & Road Imp.	—
Stamps	753,000	Payments to Local Taxation	270,330
Land Tax and House Duty	—	Other Consolidated Fund	—
Property and Income Tax	3,857,000	Charges	32,048
Excess Profits Tax ..	7,394,000	Supply Services	49,650,000
Land Values	—	Bullion Advances	50,000
Post Office	300,000	For Advance for Interest	—
Crown Lands	—	on Exchequer Bonds under	—
Sundry Loans	30,003	Capital Expenditure	—
Miscellaneous	6,001,731	(Money) Act, 1914	—
Bullion advances repaid	—	For Treasury Bills	77,962,000
For Treasury Bill for Supply	69,139,000	Expenditure (certificates	—
5% Exchequer Bonds, 1922 ..	159,000	under War Loan Act, 1916	—
6% Exchequer Bonds, 1920 ..	—	Other Debt under War Loan	—
National War Bonds ..	6,154,000	Act, 1914-16	—
War Expenditure Certificates	—	For Exchequer Bonds under	—
War Savings Certificates ..	850,000	Section 61 of Finance Act,	—
4% War Loan, 1929-1942 ..	—	1916, and Section 34, 1917	3,765
5% War Loan, 1929-1947 ..	—	Under Telegraph (Money)	—
Other Debts created under	—	Act, 1913	—
War Loan Act, 1915, and	—	Under Post Office (London)	—
Finance Act, 1916	26,067,084	Railway Act, 1913	—
Telegraph Money Act, 1913	—	Under Military Works Acts	—
Under Post Office Rly. Act,	—	Under Housing Act, 1914 ..	—
1913	—	Public buildings Expendi-	—
Under Military Works Acts,	—	ture Act, 1903	—
1907-1903	—	Old Sinking Fund, 1907-31 ..	—
Under Public Buildings ..	—	Old Sinking Fund, 1910-11 ..	—
Under Housing Act	—	China Indemnity	—
Repayment of Advance for	—	Depreciation Fund	—
Interest on Exchequer	—	Suez Canal Drawn Shares ..	—
Bonds, 1904	—	Temporary Advances repaid	115,500,000
China Indemnity	—	Increase in Exchequer	—
East African Protectorate	—	balances	—
Loan repayment	—		
Suez Canal Drawn Shares ..	—		
Ways and Means Advances	124,000,000		
Decrease in Exchequer	—		
balances	3,386,270		
	£ 149,481,088		£ 149,481,088

Excluding sales through banks which have not yet been brought to account.

CURRENCY NOTES.

Return of Currency Notes for the week ended October 10, 1917.

	Issued.	Cancelled.	Outstanding.
£1 notes	£ 4,009,336	£ 3,007,714	£ 132,227,951
10s. notes	1,344,542	1,195,045	33,401,810
Note certificates	1,400,000	250,000	17,400,000
Previous total	715,537,578	534,783,335	—
	722,340,456	539,237,695	183,108,761

Ratio of gold held against notes, this week, 17.10 p.c.; last week, 17.32 p.c.

LONDON BANKERS' CLEARING

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,156,000	313,726,000	—
May	1,778,706,000	1,454,116,000	324,590,000	—
June	1,486,612,000	1,147,630,000	338,982,000	—
July	1,454,156,000	1,239,193,000	215,763,000	—
August	1,627,367,000	1,161,782,000	465,585,000	—
September	1,348,117,000	1,136,590,000	211,727,000	—
October	392,265,000	337,388,000	54,877,000	—
" 10	381,976,000	326,800,000	55,096,000	—
Total	14,712,586,000	11,942,388,000	3,803,260,000	—

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Sept. 14, 1917.	Sept. 7, 1917.	Sept. 15, 1916.
	£	£	£
Gold coin and certificates ..	81,611,200	82,886,600	50,061,600
Gold Settlement Fund ..	76,929,200	79,170,600	25,051,200
Gold with foreign agencies ..	11,000,000	10,500,000	—
Total gold held by banks ..	169,540,400	172,557,200	75,115,000
Gold with Federal Res. Agent ..	104,094,000	98,955,800	37,032,200
Gold Redemption Fund ..	1,800,000	1,443,600	178,800
Total gold reserves ..	275,434,400	272,956,600	112,526,000
Legal tender notes, silver, &c. ..	1,270,000	10,121,600	1,570,600
Total reserves ..	285,266,800	283,078,200	114,106,600
Bills discounted—Members' ..	33,666,600	33,643,400	5,542,600
Bills bought in open market ..	31,689,000	34,038,800	16,511,000
Total bills on hand ..	67,155,600	60,833,000	22,060,400
U.S. Gov. long-term sec. ..	9,011,600	9,078,800	9,313,000
U.S. Gov. short-term sec. ..	8,473,200	8,488,200	1,807,800
Municipal warrants ..	42,800	40,800	4,742,800
Loans on gold coin and bullion ..	—	—	—
Total earning assets ..	84,713,200	85,891,000	37,991,000
Due from other Fed. Res. banks ..	1,310,800	2,472,000	5,787,400
Uncollected items ..	44,924,400	43,397,000	—
Total deductions, from gross dep.	46,215,200	45,799,200	5,787,400
5% Fed. Fund as Fed. Res. bknts ..	100,000	100,000	10,000
All other resources ..	61,600	74,100	503,800
Total resources ..	416,268,000	414,942,800	5,585,600
Capital paid in ..	11,830,000	11,851,000	11,003,000
Government deposits ..	4,320,400	7,952,000	8,039,800
Due to members Res. account ..	227,858,200	227,705,100	—
Due to non-members—clearing ac.	10,124,200	10,467,800	—
Members' bank deposits—net ..	—	—	102,868,600
Collection items ..	31,253,600	30,822,400	—
Total gross deposits ..	273,556,400	276,983,800	110,008,400
F.R. notes in actual circulation ..	128,914,400	124,259,800	35,881,800
F.R. bknts in circulation ..	1,512,200	1,378,800	642,800
All other liab. in for Gov. dis.	491,200	39,200	69,400
Total liabilities ..	41,348,800	44,442,000	15,555,600
Gold res. ag. net deposit liab ..	74.3%	70.5%	70.5%
Gold & lawful money reserve ..	78.8%	79.0%	73.0%
against net deposit liabilities ..	—	—	—
Gold res. ag. F.R. nts in a circ ..	82.2%	80.8%	104.3%

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Oct. 6, 1917.	Sept. 29, 1917.	Sept. 22, 1917.	Oct. 7, 1916.
	£	£	£	£
Loans	792,284,000	779,176,000	774,994,000	69,904,000
Reserve held in own Vaults ..	16,972,000	18,580,000	20,132,000	8,405,600
Reserve held in Fed. Res. Bk. ..	76,088,000	74,350,000	76,680,000	33,492,000
Cash in own Vaults ..	17,392,000	16,780,000	16,061,000	—
Reserve held in Other Depos. ..	22,478,000	18,282,000	17,382,000	10,784,000
Net Demand Deposits ..	711,081,000	704,964,000	679,932,000	630,544,000
Net Time Deposits ..	4,456,000	41,400,000	40,818,000	31,400,000
Circulation ..	6,426,000	6,312,000	6,366,000	6,423,000
Excess Lawful Reserve ..	16,582,000	13,201,000	11,064,000	16,000,000
Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits				

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Oct. 6, 1917.	Sept. 29, 1917.	Sept. 22, 1917.	Oct. 7, 1916.
	£	£	£	£
Loans	166,848,000	168,772,000	169,418,000	143,882,000
Specie	11,500,000	11,846,000	11,320,000	11,712,000
Deposits	169,440,000	170,400,000	171,660,000	13,500,000
Legal Tenders ..	2,912,000	2,972,000	3,088,000	1,934,000

BANK OF FRANCE (25 francs to the £).

	Oct. 4, 1917.	Sept. 27, 1917.	Sept. 20, 1917.	Oct. 5, 1916.
	£	£	£	£
Gold in hand ..	131,374,760	131,290,920	131,217,880	193,617,840
Silver in hand ..	10,391,280	10,114,400	10,405,400	13,404,200
Bills discounted ..	29,111,800	22,994,400	22,829,160	20,456,200
Advances ..	43,843,000	43,797,520	43,976,640	47,433,760
Note circulation ..	85,180,156	839,793,160	838,241,240	680,145,760
Public deposits ..	1,091,760	1,514,280	1,294,920	2,343,320
Private deposits ..	115,988,480	116,409,440	103,528,000	90,081,680
Foreign Bills ..	69,000	44,000	104,800	80,380

Proportion between bullion and circulation 26.05 per cent., against 26.57 per cent. last week. Advances to the State £476,000,000; increase, £10,000,000. The adjourned payments of drafts in Paris on account of the moratorium £20,721,920, decrease £17,200, and at the branches £25,744,240, decrease £36,600.

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Sept. 22, 1917.	Sept. 15, 1917.	Sept. 7, 1917.	Sept. 23, 1916.
	£	£	£	£
Total Coin & Bullion	125,573,150	125,410,650	125,202,950	124,629,350
Treasury Notes	38,210,950	35,720,850	35,353,100	10,601,950
Bills discounted	563,297,950	549,862,100	549,998,200	378,895,900
Advances	449,750	503,500	471,450	482,200
Note circulation	480,178,650	473,760,850	471,662,100	343,018,900
Deposits	298,669,950	275,217,650	275,723,750	183,987,050

Clearing House return during August, £386,111,330.

IMPERIAL BANK OF RUSSIA (10 roubles to the £).

	Oct. 6, 1917.	Sept. 29, 1917.	Sept. 21, 1917.	Oct. 6, 1916.
	£	£	£	£
Notes in reserve	12,200,000	12,400,000	12,980,000	10,740,000
Gold	129,340,000	129,520,000	129,500,000	155,620,000
Gold in reserve abroad	230,880,000	—	230,890,000	205,500,000
Loans and Discounts, including Treasury Bonds	1,567,160,000	1,525,950,000	1,489,800,000	503,430,000
Circulation note issue	1,666,100,000	1,538,700,000	1,585,000,000	744,260,000
Deposits, including Treasury deposits	338,850,000	353,300,000	341,640,000	22,590,000

BANK OF ITALY (25 lire to the £).

	Aug. 31, 1917	Aug. 20, 1917	Aug. 10, 1917	Aug. 31, 1916
	£	£	£	£
Total cash	41,455,600	41,027,320	38,235,199	43,996,120
Inland Bills	25,424,570	24,580,320	22,939,480	19,311,080
Foreign Bills	832,600	832,840	832,840	833,280
Advances	13,608,680	12,332,280	13,645,760	7,713,920
Government securities	8,783,400	8,815,000	8,789,240	8,801,080
Circulation	187,716,520	184,004,480	185,314,120	136,584,200
Deposits at notice	23,487,760	23,658,800	22,759,280	14,845,520
Current accounts	13,620,280	13,120,840	13,187,720	13,939,280

BANK OF SPAIN (25 pesetas to the £).

	Sept. 29, 1917	Sept. 22, 1917	Sept. 15, 1917	Sept. 30, 1916
	£	£	£	£
Gold	77,023,822	76,422,309	75,323,692	46,939,246
Silver	29,335,389	29,367,883	29,335,676	30,103,076
Foreign Bills	3,639,815	3,608,879	3,604,669	3,966,786
Discounts and Short Bills	28,853,869	28,978,636	29,205,770	24,448,954
Treasury Account, &c.	25,319,158	25,276,593	25,186,471	28,758,267
Notes in Circulation	105,790,271	105,227,014	105,293,497	90,368,764
Current Accounts, Deposits	38,533,344	38,369,345	37,720,417	30,255,378
Dividends, Interests, &c.	2,299,466	1,623,080	1,680,852	2,555,661
Government Securities	6,411,528	6,557,638	6,215,245	1,871,053

BANK OF SWEDEN.

	Sept. 8, 1917.	Sept. 1, 1917.	Aug. 25, 1917.	Sept. 9, 1916.
	£	£	£	£
Gold	11,363,000	11,360,000	11,366,000	9,250,000
Balance abroad and Foreign Bills	7,965,000	7,760,000	7,590,000	9,369,200
Swedish and Foreign Govt. Securities	2,898,000	3,377,000	3,416,000	3,787,000
Discounts and Loans	10,592,000	10,757,000	9,734,000	3,987,000
Notes in circulation	26,310,000	26,371,000	24,138,000	19,230,000
Deposits at notice	6,518,000	7,510,000	8,246,000	5,712,000

BANK OF NORWAY.

	Sept. 22, 1917.	Sept. 15, 1917.	Sept. 7, 1917.	Sept. 22, 1916.
	£	£	£	£
Gold	7,031,000	7,142,000	7,142,000	6,279,000
Balance abroad and Foreign Bills	4,131,000	4,041,000	4,177,000	5,714,000
Gov't Securities	707,000	707,000	705,000	767,000
Discounts & Loans	16,308,000	15,864,000	15,954,000	6,395,000
Notes in Circulation	16,530,000	16,668,000	16,500,000	12,272,000
Deposits at notice	8,295,000	7,941,000	8,341,000	4,195,000

SWISS NATIONAL BANK (25 francs to the £).

	Sept. 29, 1917.	Sept. 23, 1917.	Sept. 15, 1917.	Sept. 30, 1916.
	£	£	£	£
Gold and silver	15,974,312	15,842,956	15,843,816	13,758,944
Bills	9,103,148	8,587,113	8,127,132	7,697,088
Note circulation	23,208,236	21,545,556	21,373,000	18,860,340
Current and deposit accounts	4,457,000	6,034,256	5,215,784	4,746,164

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Oct. 9, 1917.		Oct. 11, 1917.	
		Sellers.	Buyers	Sellers.	Buyers.
Amsterdam	Cable transfers	10 50	10 80	10 55	0 65
	Three months' bills	Nom.	Nom.	Nom.	Nom.
Paris	Cable transfers	27 52½	27 57½	27 52	27 57
	Three months' bills	27 92½	27 97½	27 92	27 97
Switzerland	Cable transfers	2 31	22 40	22 15	22 22
	Three months' bills	22 65	22 75	22 50	22 60
Petrograd	Cable transfers	30 5	30 8	30 4	07
Genoa, &c.	Cable transfers	36 80	36 90	36 80	36 90
Spain	Cable transfers	20 38	20 48	20 30	20 40
	Three months' bills	54½	55½	54½	5½
Lisbon and Oporto	Cable transfers	108	114	108	114
Copenhagen	Cable transfers	15 05	15 15	15 08	15 18
Christiania	Cable transfers	14 85	14 95	14 85	15 00
Stockholm	Cable transfers	12 85	12 95	12 75	12 90

NETHERLANDS BANK (12 Florins to the £).

	Sept. 29, 1917	Sept. 22, 1917	Sept. 15, 1917	Sept. 30, 1916
	£	£	£	£
Gold and Silver	56,911,666	56,812,666	57,007,500	49,476,416
Bills and Advances	12,636,666	12,035,583	11,971,750	14,669,333
Note circulation	67,613,583	65,583,333	65,865,000	58,621,333
Deposits	5,658,916	7,046,666	6,678,833	8,830,083

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques	Francs to £1	25.22½	27.53	27.53
Amsterdam, cheques	Florins to £1	12.107	11.12½	11.80
Italy, sight	Lire to £1	25.22½	36.80½	36.80
Madrid, sight	Pesetas to £1	25.22½	20.30	20.29½
Lisbon, sight	Pence to milreis	532d.	31d.	31d.
Switzerland, sight	Francs to £1	25.22½	22.40	22.22½
Christiania, sight	Kroner to £1	18.159	14.65	15.15
Stockholm, sight	Kroner to £1	18.159	12.60	12.94
Copenhagen, sight	Kroner to £1	18.159	15.00	15.15
Petrograd, sight	Roubles to £1	94.57	3 4½	30½
Alexandria, sight	Piastres to £1	97½	97½	97½
Bombay, T.T.	Sterling to rupee	1/4	1/4½	1/4½
Calcutta, T.T.	Sterling to rupee	1/4	1/4½	1/4½
Hong Kong, T.T.	Sterling to dollar	—	2/10½	2/9½
Shanghai, T.T.	Sterling to tael	—	4/2½	4/0
Singapore, T.T.	Sterling to dollar	—	2/4½	2/4½
Yokohama, T.T.	Sterling to yen	24.58d.	2/1½	2/1½
New York, cable	Dollars to £1	4.86½	4.76½	4.76½
Buenos Aires, T.T.	Pence to dollar	47.58d.	49½d.	49½d.
Valparaiso, 90 days	Pence to peso	—	15½d.	14½d.
Montevideo, T.T.	Pence to dollar	51d.	53½d.	54½d.
Rio de Janeiro, 90 days	Pence to milreis	16d.	13½d.	13½d.

OPEN MARKET DISCOUNT.

	Last week	This week
	Per cent.	Per cent.
Thirty and sixty day remitted	48—1½	48—1½
Three months	48—1½	48—1½
Four months	48—1½	48—1½
Six months	48—1½	48—1½
Three months fine inland bills	5—1	5—1
Four months	5½—1	5½—1
Six months	5½—1	5½—1

BANK AND DEPOSIT RATES.

	Last week	This week
	Per cent.	Per cent.
Bank of England minimum discount rate	5	5
short loan rates	—	—
Bankers' rate on deposits	4	4
Bill brokers' deposit rate (call)	4	4
" 7 and 14 days' notice	4½	4½
Current rates for 7 day loans	4½	4½
" for call loans	3½—4	3½—4

The Week's Stock Markets.

From the Stock Exchange point of view, the National War bonds issue has proved something in the nature of a damp squib. So far we only know to a small extent how the money has been coming in, but the first few days' subscriptions are usually a good indication of the attitude of investors with regard to an important offer of this description, and if the rule applies in this case, the result is undoubtedly disappointing when the necessities of the Exchequer are considered. However, it is early yet to try and form any estimate of how much money the new bonds are likely to produce, and there is still room to hope for the best. It was expected that they would have a considerable effect in curtailing Stock Exchange business, and there was quite a possibility that old stocks would be thrown on an unwilling market for the purpose of exchanging into the National bonds, but there has been no indication of the kind so far. On the contrary, the record of dealings has been wonderfully good—larger than for some time past—and such markets as Home Railways, instead of showing weakness, displayed exceptional strength. There has also been a steady appreciation in Consols, the earlier War Loans, and India stocks, so that even here the National bonds have not proved a serious competitor. All the symptoms indicate that investors are mainly desirous of securing a higher rate of interest than round about 5 per cent., and things with some sort of sporting chance for preference. Explosive shares are still being run after on the expectation of an advance in connection with the proposed combine. Whether this is wise we need not stop to inquire at the moment; it is sufficient to note the fact. Oil shares also have been more prominent, although, with few exceptions, they must be regarded as extremely speculative. And all the time the absorption of Rubber shares goes on uninterrupted, because the dividends are high and the future of the industry looks fairly secure for a good many years to come. We have no doubt that a great many of the buyers of these things would do far better

to put their money into National bonds, but, in any case, it is evident that the latter have plenty of vigorous competitors.

It is possibly significant of the rather unsatisfactory start which the National War Bond issue has made that business on the Stock Exchange this week has shown a very decided

	Last Week	This Week		Last Week	This Week
Consols.....	55	56	N.S.W. 4½ 5 yr. bds.....	96½	97
War Loan 3½.....	85½	85½	" 4½, 1922-7.....	91½	91½
" 4½.....	100½	100½	" 5%, 1921-3.....	96½	96½
" 5%, 1920-17.....	94½	95½	" 5½, 1920-2.....	9½	9½
" 4½, 19 9-17.....	100	100	New Zealand 4½, 1920.....	84½	84½
India 3½.....	55½	56½	Queensland 4½.....	80½	80½
" 3½.....	65	66½	" 4½, 1920-5.....	92	92
Australian 5½, 1920-22.....	99½	99½	Union of S. Africa 4½.....	92	92
Canada 4½, 1940-60.....	81	81	1920-5.....	92	92
" 4½, 1920-5.....	93½	93½	Victoria 4½, 1920-5.....	92	92
N.S.W. 4½, 1933.....	82½	82½	Westn. Aus. 4½.....	81	81
Argentine 4½, 1900.....	65	65	French War Loan, 5%.....	79½	79½
Belgian 3½.....	60	60	Japan 4½ (1st), 1905.....	90½	90½
Brazil, 1913.....	71½	71½	" 5%, 1907.....	92½	92½
" 5%, 1914.....	80½	80½	Mexican 5%, 1899.....	69	69
Chinese 1896.....	92½	92½	Russia 4½.....	54½	54
" 1912.....	81½	81	" 4½, 1919.....	60	60
Egypt Unified 4½.....	84	84	" 5%, 1906.....	70	69
Caledonian defd.....	8½	8½	London and N.-W.....	90½	91½
Gt. Central pf.....	13	13½	London and N.-W. dfd.....	23	24
" dfd.....	6½	6½	Do red. pf. 1914.....	92	92
Gt. Eastern.....	35	35½	Metropolitan.....	23½	24½
Gt. Northern dfd.....	36	37½	Do. 5% pf.....	77	77
Gt. Western.....	84½	85½	Met. District.....	16½	16½
Lanes. and Yorks.....	64	65	Midland dfd.....	56½	56½
London Brighton defd.....	57½	60	Nth. British dfd.....	13½	14
London Chatham ord.....	8½	9½	Nth.-Eastern.....	97½	98½
			Sth.-Eastern dfd.....	27½	31
Canadian Pacific.....	167½	166	Chesapeake.....	57	57
E. Indian Guar. 4½ debs.....	86	86	Erie.....	25	24
Grand Trunk ord.....	9	9½	Southern.....	29½	29½
Do. 1st pf.....	56	59½			
Do. 3rd pf.....	21	22½	Cent. Argentine ord.....	60½	58½
Antofagasta dfd.....	126½	127	Leopoldina.....	39	39
Brazil Common.....	5	5	Mexican ord.....	19½	19½
B. A. & Pacific.....	40	39½	San Paulo (Brazilian).....	82½	180
B. A. Gt. Southern.....	74½	72	United of Havana.....	83	83½
B. A. Western.....	71½	69½	London & S.W.....	12	12½
Anglo-South American.....	7½	7½	London City & Midland.....	7½	7½
Bank of Australasia.....	116	116	London County & West.....	14½	14½
Bank of N.S. Wales.....	34½	34½	London Joint Stock.....	23½	23½
Barclay & Co. "A".....	74	73	Nat. Prov. of Eng. (£10½ pd).....	27	27
Do. "B".....	118	118	Do. (£12 pd).....	31	31
Capital & Counties.....	22½	22½	Parr's.....	29	29
Chartered of India.....	66	67	Standard of S.A.....	102½	102½
Hongkong & Shanghai.....	83	84	Union Discount.....	102	102
Lloyds.....	23½	24	Union & Smiths.....	23½	23½
London & Provincial.....	16½	16½			
London & Brazilian.....	24	23½	Kynochs.....	37 6	39/6
Armstrong, Whitworth.....	19/6x	19/6x	Mon Nickel ord.....	38	38
Birmingham Small Arms.....	53/6	55/1	South Durham Steel.....	36/6	37/6
Cammell-Laird.....	62x	62x	Thornycroft.....	18½	18½
Cargo Fleet.....	23/3	23/6	Vickers.....	39/3	39/3
Dorman, Long.....	40/3	40/3	Fine Cotton Spinners.....	30/	30/6
Associated Cement.....	3½	3½	Forestral Land.....	49/3	49/3
Borax dfd.....	40/0	41/6	Furness, Withy.....	49/6	49/3
Bovril.....	19/6	19/6	Harrods Stores.....	2½	2½
Brazil Traction.....	46	46	Hudson's Hay.....	6½	7½
Briti-B Amer. Tobacco.....	18/3	18/3	Imperial Tobacco "C" pf.....	14/6	34/6
British Aluminium.....	31x	32/	Lever Bros. "C" pf.....	20/6	30/6
Briti-B Oil & Cake.....	30/0	29/9	Lyons, J.....	4½	4½
Brunner, Mond.....	4½	4½	Marconi.....	3½	3½
Castner-Kellner.....	3½	3½	Maypole Dairy dfd.....	25/1	25/3
Coat.....	6½	6½	National Steam Car.....	19/6	19/6
Courtaulds.....	6½	6½	Pears, A. & F.....	14½	14½
Cunard.....	3½	3½	P. & O. dfd.....	320	324
Dennis Bros.....	30/6	30/6	Royal Mail.....	113½	113½
Eastern Tel-graph.....	14½	14½x	Underground Inc. Bds.....	83	83½
Eastmans.....	10/0	9/3			
English Sewing Cotton.....	52/6	52/6	North Caucasian.....	12/9	12/
Anglo-Egyptian "B".....	25/1	29/1	Roumanian Cons.....	49	50
Baku (10s).....	2/6	2/	Royal Dutch (100 gulden).....	58	58
Burmah.....	6½	6½	Shell.....	10/9	10/6
Lobitos.....	2½	41/9	"pies (10/-).....	1½	1½
Malakop Pipeline.....	3/	3/	Ural Caspian.....		
Mexican Eagle pf.....	3½	3½			
Anglo-Java Rub. (2/-).....	7/11	7/11	Mullinaw 2/-.....	61/2½	61/2½
Anglo-Malay 2/-.....	15/7½	15/6	Pataling 2/-.....	45/1	45/1
Ayer Kuning £1.....	52 x	52/6	Port Dickson 2/-.....	41/1	41/1
Bukit Mertajam 2/-.....	5/6	5/6	Rubber Trust £1.....	31/3	31/1½
Bukit Sembawang 2/-.....	3/7½	3/7½	Sapumalkande £1.....	28/	28/½
Carey United £1.....	47/9	48/3	Selangor.....	37/3	37/3
Chersonese.....	3/8	3/9	Sialang £1.....	76/3	70/
Gula Kalumpung £1.....	37/1	37/1	Singapore Para 2/-.....	4/10	4/10
Highlands £1.....	63/6	64/9	Singapore United 2/-.....	3/6½	3/6½
Java Para £1.....	35/6	35/3	Taping 2/-.....	4/8	4/8
Johore Rubber Lands £1.....	39/9	39/6	Tanjong £1.....	91/	93/
Lang-n Java £1.....	40/9	48/9	Tanjong Malim £1.....	40/	39/6
Linggi 2/-.....	30/6	30/6	Tebrau £1.....	78/	78/
London Asiatic 2/-.....	9/6	9/6	United Serdang 2/-.....	12/4½	24½
Malacca £1.....	5½	5½	Vallambrosa 2/-.....	25/6	25/6
Malayalam £1.....	39/1	38/1			
Abbotston (10/-).....	4/9	4/9	Gt. Boulder (2/-).....	12/9x	13/
Bechuanaland Exp.....	7/1½	7/9	Kysht m.....	2	2
Brakpa.....	5½	5½	Ma-honaland Agency.....	5/4½	5/9
Brook Hill Prop. (8/-).....	5/10	49/6	Meyer & Charlton.....	5½	5½
Cam & Moor.....	10/1	12/	Modder "B".....	8½	8½
Central Mining (£12).....	6½	6½	Do. Deep.....	7½	7½
Chartered.....	16/1	15/1½	Mysore.....	3½	3½
City Deep.....	3½	3½	R and Mines (5/-).....	3/6	3/6
Cons. Gold Fields.....	30/6	1½	Rio Tinto (£5).....	66½	68½
Cons Langlaate.....	21/0	22/	Ru so-A-i tic.....	3½	3½
Crown Mines (10/-).....	2½	2½	Spring Mines.....	3½	3½
De Beers d.d. (£2 10s).....	13½	13½	Ta-ganyika.....	1½	1½
East Rand.....	6/3	7/1	Tanayik.....	1½	1½
Gould.....	2	40/6	Van Kyn Deep.....	3½	3½
Gov. Areas Mod.....	3½	3½			

improvement. On Monday there is usually a fair accumulation of orders, after which dealings tend to taper off, but this week the number of bargains recorded has increased day by day until it has almost reached the Monday level. Business has been well distributed throughout most of the leading markets, and it is significant that 5 per cent. War Loan, Con-

sols, Indian issues, and others have been extremely firm and wonderfully active. Colonial loans opened well, but afterwards there was very little interest taken in them, which is not altogether surprising, in view of the stocks with which they have now to compete. In the Foreign market, Chinese bonds showed remarkable strength, and the reports of the terrible damage caused by the flooding of the Yellow River seemed to be ignored. Japanese issues also were good. Spanish showed strength, and Peruvians were strong, while Cuban Ports naturally responded well to the proposed settlement of the dispute with the Government. Brazilians and Mexican 5 per cents. were weak, the latter dropping as much as 2 points, but Uruguays improved a fraction. Greeks and Russians both gave way a little.

Home Railways have been an extremely firm market throughout the week, the whole list showing fractional gains almost daily. The only outstanding points of importance were Brighton deferred, South-Western ordinary, and Great Northern deferred, but the market generally showed a very firm front. Of course, in these days it does not take very much buying to move prices, and it would be a mistake to attach too much importance to the movements. Americans were dull mostly, and Eries and Denvers were particularly weak. International Mercantile Marine opened well, but afterwards followed the drift of the rest of the market. Canadian Pacific were scarcely mentioned, but Grand Trunks recovered fairly well after their recent severe depression. On the other hand, Canadian Northern income bonds dropped 5 points on the passing of the interest. Mexicans were weak, and Argentine have shown little resiliency, owing to the poor dividend announcements just made. Very few other foreign railways were mentioned, but San Paulo at one time showed a fair amount of strength.

Bank shares were scarcely mentioned, and, except for a little business in Hongkong and Shanghai and National India, there was scarcely anything doing. Breweries have moved irregularly. Allsops and Ind. Coopes were weak, but Bass was firm, and Watney deferred, after dropping 2 points, recovered and finished firm. Guinness also showed strength, but there was very little business in them. In the Iron and Steel section Explosives were most prominent, and most of the leading shares continued their previous advance. Other things were very nearly neglected, and Canadian Car and Foundry gave way rather sharply. Among Land shares, Hudson's Bays still reflected the satisfactory land sales for the past six months, but Niger shares gave way rather sharply, because, in view of the excellent business the company was known to be doing, it was hoped that a larger dividend would be paid, and the regular 10 per cent. caused some disappointment. Pekin Syndicate shares also were weak, doubtless owing to the floods in the district in which the company operates. Shipping shares, as a rule, were dull, but P. and O. deferred and Indo-China were particularly good on amalgamation rumours. Among Telegraphs, Marconis were firm, but nothing happened in the Textile group, and Tramways were flat. Miscellaneous Industrials showed some strength in spots, Dairy companies and Associated Cement being prominent, but Cities Services dropped as much as 10 points.

Oil shares, as a rule, began rather poorly with Russians notably weak, but otherwise there was a good demand for such things as Royal Dutch, "Shells," Burmahs, Trinidad Leaseholds, and Anglo-Egyptians. A fair amount of business was transacted, and the market looked fairly healthy at the finish. Rubber shares opened very quiet, but, in spite of the fact that the tendency of the raw material has been downward, a renewal of buying orders came on the market and the activity again became quite pronounced. The investing public who are on the outlook for high dividend-paying shares are still more enamoured of this section than of any other, and it looks as though the business will continue for quite a long time to come.

LONDON PRODUCE MARKETS.

SUGAR.—No change was made in quotations during the week.

COFFEE.—A steady tone prevailed in the spot market, with a fair business passing while East Indian descriptions formed the bulk of offerings at public sales. The terminal market again proved inactive, though quotations remained steady.

Cocoa.—Limited supplies at public sale encountered good competition at full to dearer prices, supplies being made up of 1,790 bags Colonial and 4,886 foreign, the latter including 3,927 bags Guayaquil in prize. Privately there was a good business passing in Trinidad, African, and Guayaquil at firm rates.

TEA.—10,000 packages Indian and 14,500 Ceylon represented the offerings in auction this week, and with keen competition firm to dearer prices were secured. "D" class again moved in sellers' favour.

SPICES.—Small supplies at public sales passed off firmly. Eastern nutmegs, 63's, limed, sold, 2s. to 2s. 1d.; and mace, 2s. 10d. to 3s. 3d., being rather firmer. Japan chillies realised 63s. 6d. to 65s. 6d.; and African ginger, 57s. to 58s. Private market for pepper remained firm, with a fair demand. Black Singapore, fair, snoot, sold to 1s. 3d.; and Muntok, 1s. 6½d., while fair Zanzibar cloves were again dearer at 2s. Tapioca steady, quiet. Fair flake, spot, quoted, 6d.

RICE—Steady, but quiet, beans and peas being unaltered.

HEMP.—Manila and New Zealand grades remain at fixed prices, but East India kinds continue in good request at full prices. At public sales East Indian kinds sold at firm rates.

SHELLAC.—Market firmer, and a fair business transpired. T.N., October, sold at 227s. to 233s.; December, 230s. to 239s., 237s., and 238s.; January, 232s.; and March, 236s. to 242s. and 241s.

GAMBIER ruled firm. Block, afloat, quoted, 60s., c.f. and i., Liverpool.

RUBBER quiet, and values easier for Plantation grades. Plantation crepe, spot, sold, 2s. 9d. to 2s. 7½d.; October, 2s. 9d. to 2s. 7½d.; November-December, 2s. 9d. to 2s. 8½d.; January-March, 2s. 10½d. to 2s. 9½d.; smoked ribbed sheet, spot, done, 2s. 7d. to 2s. 6d.; January-March, 2s. 8½d. to 2s. 8d.; fine hard Para, spot, 3s. 5d.; soft fine ditto, 2s. 7½d.

COPRA market remains quiet, and without change in quotations.

TALLOW quiet, and prices nominally unaltered in the absence of auctions.

CORN (Mark Lane).—Business has been confined mainly to wheat and flour since last Monday, while of imported oats a fair

CURRENT PRICES OF CHIEF ARTICLES WEEK ENDING OCTOBER 12, 1917

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt., duty 14½, 98% polarisation	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Crossbred	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granulated	nom.	nom.	Greasy Crossbred	nom.	nom.
First marks	nom.	nom.	New Zealand	nom.	nom.
f.o.b., spot	nom.	nom.	(scoured) Merino	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Greasy Crossbred	nom.	nom.
French Cube	nom.	nom.	Cape snow white	nom.	nom.
prompt	nom.	nom.	Indiarubber p. lb.		
Crystallised, West	nom.	nom.	Plantation, Spot		
India ..	2 6 9	2 6 9	Crepe ..	0 2 8½	0 2 7½
Best, 88% f.o.b.	nom.	nom.	Coal —per ton		
Ten —per lb., duty	d. s. d.	d. s. d.	Durham, best	nom.	nom.
1½ lb.			Seconds ..	nom.	nom.
Indian Pekoe ..	11-2 0½	10-1 6	East Hartlepool	nom.	nom.
Broken ..	1 3-2 0	1 0-3 1	Seconds ..	nom.	nom.
Orange ..	1 0-2 7½	1 3-2 11	Steamers, best	30 0	30 0
Broken ..	1 3-2 11½	1 3-3 7	Seconds ..	27 0	27 0
Pekoe Souchong	11-1 6	11-1 3	Lead —per ton.		
Ceylon Pekoe ..	11-1 6	10-1 6	English Pig ..	nom.	nom.
Broken ..	1 0-1 3	1 0-1 3	Foreign soft ..	£ 30½-£ 29½	£ 30½-£ 29½
Orange ..	1 0-1 6	1 0-1 3	Juliceliver —p. lb.		
Broken ..	1 3-3 3	1 3-3 10	bottle first-hand	nom.	nom.
Pekoe Souchong	11-1 0	1 0	Iron —per ton		
Cocoa —per cwt., duty 6d. per lb.	s.	s.	English Ingots	£ 213-244	£ 243-244
Trinidad—per cwt.	87 0-92 0	87 0-94 0	Do, bars	£ 214-45	£ 244-215
Grenada ..	73 0-88 0	76 0-89 0	Standard cash	£ 246	£ 246 10 0
West Africa ..	58 0-67 0	60 0-68 0	In Plates, per b.	nom.	nom.
Ceylon Plantation	67 0-82 0	70 0-85 0	Copper —per ton		
Guayaquil Arriba	95 0-97 0	96 0-98 0	English, Tons	nom.	nom.
Coffee —per cwt., duty 42½ per cwt.			per ton ..	nom.	nom.
East India ..	82 0 104 6	82 0-114 6	Best Selected	£ 119-£ 123	£ 119-£ 123
Jamaica ..	67 0-120 0	67 0 20 0	Sheets ..	£ 151	£ 151
Costa Rica ..	78 0 100 0	78 0 100 0	Standard ..	£ 110-110½	£ 110-110½
Provisions —			Jute —per ton.		
Butter, per cwt.			Native brats for		
Australian finest	206½-209½	nom.	shipment	£ 18 10	£ 18 10
Irish Creameries	226½-231½	nom.	Oil —		
Dutch ditto ..	nom.	nom.	Linseed per ton.	£ 58-£ 63	£ 58-£ 63
Russian finest	nom.	nom.	Rape, refined ..	£ 71	£ 71
Paris baskets ..	215½-238½	230½-235½	crude ..	£ 66	£ 66
Danish finest	300½ expt.	nom.	Cotton Seed, refined	£ 60	£ 60
Buttany rolls ..			ditto, refined	£ 67-£ 69½	£ 67-£ 69½
doz. lb. ..	25½-26½	25½-26½	Petroleum Oil,		
Bacon —per cwt.			8 lbs.	1/8½	1/7½
Irish ..	161½-162½	161½-162½	Water White	1/9½	1/8½
Continental ..	162½	162½	Oil Seeds, Lins.	—	—
Canadian ..	162½	162½	Acuita—per ton	29 15 0	29 15 0
American ..	157½-165½	157½	kape ..	30 0 0	30 0 0
Hams —per cwt.			Iron —per ton		
Irish ..	184½	184½	Cleveland Cash	nom.	nom.
Canadian ..	146½	146½	Tobacco —du		
American ..	110½-137½	110½-137½	Manufactured		
Cheese —per cwt.			7½ to 8½ per lb.		
Dutch ..	nom.	nom.	Maryland & Co.	nom.	nom.
Canadian ..	nom.	nom.	per lb. b. and		
English Cheddar	137½	137½	Virginia ..	8-2 1	8 2 1
Wilt's loaf ..	nom.	nom.	Kentucky leaf	7-11	7-11
New Zealand ..	nom.	nom.	Latakia ..	2 0-5 0	2 5 0
Rice —per cwt.			Madras ..	6 6 6	6 6 6
Japan ..	29 6	29 6	ditto	nom.	nom.
Rangoon 2 stars ..	26 3	26 3	Cigars , duty 10½		
Eggs —per 120			per lb. ..	2½ upds	2½ upds.
English ..	30 0-32 0	33 0-35 0	Timber —Wood		
Irish ..	30 0-32 0	30 0-33 0	Pitch, pine ..	30½-40½	30½-40½
Danish ..	30 0-32 0	32 0-33 0	ditto ..	38½-700½	38½-700½
Spelter —			Turpentine —		
G.O.B. as to position			American Spot ..	3 12 3	3 12 6
.. ..	£ 54-£ 50	£ 54-£ 50	Gopra —per ton	46 0 0	46 0 0
Flour —per sack.					
Country Straight					
Runs ex Mill ..	44½	44½			

trade result d in American grades, the tone all round remaining steady and quotations with-out material change. Wheat—Home grown continues in light supply, at 73s. 6d. per qr., 504 lbs. Imported—No. 1 Northern Manitoba, landed, 79s. 6d.; No. 2, 78s.; and No. 3, in similar position, 76s. Manitoba No. 5, 71s. Flour—Country straight runs, 44s. 3d. per sack, ex mill; Iron Duke nominal, at 75s., ex store. Maize—Supplies remain temporarily cleared. Barley—English, 62s. 9d. per qr. Oats—American white clipped, No. 2, 61s.; Canadian Western No. 2, 63s. 6d., both landed.

COTTON (from our Manchester Correspondent).—The tone of the market throughout the week has been strong, and prices have again gone against buyers. Numerous spinners and manufacturers have added to their engagements and strengthened their position. The labour trouble at Oldham has caused some uneasiness, and, owing to the strikes being unauthorised, a settle-

ment may not be easily accomplished; but drastic action is being taken by the Control Board to force the operatives to carry out the instructions decided upon by the local committees. Reports of frost in the American belt have resulted in a further rise in prices, but to-day there has been some reaction, and perhaps on the whole the upward movement has been rather overdone. The inquiry in cloth for abroad has been more extensive than for a long time back. India shippers, after being indifferent operators, have placed orders on a freer scale in a variety of goods, but grey shirtings are still neglected. Although a little more inquiry has been met with for China, the off-take for that market has not been at all important. A rather increasing trade has been done for the minor outlets East and West. Burnley manufacturers have done well, and are now in a stronger position. Producers of bleaching cloths have also extended their engagements. More activity has been reported in home trade fabrics. A large turnover has transpired in American yarns for home use at hardening rates. The margin of profit for spinners is better than for some time back. Certain counts and qualities are comparatively scarce. A few more sales have been put through in export yarns for India and France. Increased activity has also been experienced in Egyptian yarns, there being freer operations in carded and combed descriptions.

What Balance Sheets Tell.

PARTINGTON STEEL AND IRON CO., LTD.

Before the war a considerable amount of new capital was sunk in this concern, and it is presumably because of the difficulty of establishing a datum line for the assessment of excess profits agreeable to both the company and the Government that the delay in presenting the accounts is due. The directors again announce a dividend of 10 per cent. on the ordinary shares, but for the second year in succession no accounts are forthcoming. We should imagine the concern must be doing very well with its well-equipped blast furnaces, Siemens steel plant, rolling mills, and by-product ovens, and when the accounts do appear they ought to make a very satisfactory showing. Although the dividend at the present time is restricted to the existing rate, in the event of the general reserve becoming as large as the par value of the preference shares, the ordinary shareholders would be entitled to a further participation in profits. The company is evidently pursuing an energetic expansion policy. During the last financial year two iron ore properties have been acquired, and extensive additions are being made to the works. In connection with the expenditure involved, the balance of the ordinary share capital has been issued.

THE GLENBOIG UNION FIRE-CLAY CO., LTD.

This Lanarkshire undertaking has again had a remarkably successful year. The profit for the period ended August 31 last went up £39,690 to £71,930, the dividend is raised from 20 per cent. to 35 per cent., and £12,000, against nothing a year ago, is set aside to reserve. Profit is struck apparently before providing for excess profits duty, but the company has a substantial carry-forward of £22,580, a sum of £15,550 above that of the previous year. The larger profit made is naturally reflected in the balance-sheet. Cash is £18,630 higher at £22,560, debtors are up £6,430 at £41,580, and a further £2,620 of War Loan has been taken up. Creditors have increased £4,880 to £19,750. We should imagine there is likely to be a strong demand for the company's product for a long time to come.

SCOTTISH MALT DISTILLERS, LTD.

The gross profits of this undertaking for the financial year ended July last, after making provision for excess profits duty, represented a slight improvement upon those of the preceding year, but expenses, chiefly owing, apparently, to increased income-tax, absorbed a larger sum, with the result that net income, after setting aside £5,000 to depreciation fund, is £740 down at £21,275. After repeating the ordinary dividend at 7½ per cent., free of tax, and carrying £5,000 to reserve, as before, there remains £3,580 to go forward. During the year sundry debtors have been reduced £15,500 to £2,290, there is £17,430 less at £57,600 under the head of bills receivable, and creditors are slightly lower at £31,860. The sum of £47,500 has been invested in war stock, and cash is £11,160 higher at £90,375. Altogether a greatly improved liquid position.

BARSI LIGHT RAILWAY CO., LTD.

Owing to the restrictions imposed on through bookings of goods for the public and to the uncertainty of local market conditions goods traffic fell away Rs. 1,14,855, but fortunately passenger traffic, consequent upon the large attendance of pilgrims at all the principal fairs, increased by Rs. 1,76,546, so that miscellaneous receipts come out Rs. 58,250 to the good at Rs. 11,24,922. Only Rs. 10,630 of this increase goes in higher working expenses, and net earnings display an improvement of Rs. 47,610 at Rs. 6,44,260. Converted into sterling the net earnings amount to £41,320, an improvement of £3,180, and after providing for debenture service there is, including £11,130 brought in, £41,200 available. Of this £7,220 is transferred to the dividend equalisation fund, bringing it up to £73,500, and an additional £1,740 is set aside as provision for income-tax on undistributed profits. The dividend and bonus are then made up to 8 per cent. as before, leaving £320 more at £11,445 to go forward. In the first two months of the current financial year operations have unfortunately been attended with less satisfactory results. Through booking of pilgrim traffic for the great Ashadi Fair in July was prohibited by Government, and the restrictions on railway traffic throughout India are, we are told, having a serious effect upon goods traffic. Thus from April 1 to August 31 traffic receipts exhibit a decrease of Rs. 90,800 at Rs. 3,88,500.

Letters to the Editor.

THE WOOL INDUSTRY OF AUSTRALIA.

SIR,—In 1870 there were in Australia 41,503,612 sheep. Twenty years after, in 1890, the numbers had increased to 97,881,221. That was before the craze for substituting agriculture for grazing, on the ground that agriculture gives more work, took possession of our politicians and city statesmen. In the 90's of last century and onwards this craze was in full blast, and the interests of wheat-growers, fruit-growers, vine-growers, irrigationists, and bee-keepers were the only interests considered. Wool-growers or squatters were regarded and treated as public enemies. The first step in the campaign against the wool-growers was to fix freight charges for agricultural produce, on all our State railways, at less than one-third of the charge on wool, though wool in bales is the easiest to handle of all country produce. Then from 1890 onwards a series of land laws were passed in all the States of the Commonwealth, making it impossible for the wool-grower to acquire any part of the public estate, in areas or on conditions that would justify the investment of capital. Public lands outside the towns were only sold by ballot in small living areas, the wool-grower or squatter being specially excluded from the ballot. The valuation in these ballots was fixed at about half what the land would have brought at auction without restrictions, and interest on balances due to the Government was fixed at $1\frac{1}{4}$ per cent. The wool-grower would readily have given twice the amount of the Government valuation without restrictions, and paid 5 per cent. on balances for a freehold title. No one was allowed to acquire more than one living area, and the holdings were loaded up with residential and other restrictions which made it impossible for bankers to accept them as securities. Crown leases were still open to the wool-grower, but the bitter enmity of all our Governments was shown in shortening leases, raising rents, assuming the right of resumption, undervaluing and confiscating improvements, with other restrictions and disabilities which made Crown leases unsafe or impossible for the investment of capital. All these things have brought down the numbers of the sheep in the Commonwealth from 97,000,000 in 1890 to about 70,000,000 to-day, a decrease of 27,000,000 in 27 years. These figures are taken from G. H. Knibbs' "Commonwealth of Australia." In the 20 years previous to 1890 the increase of sheep in the Commonwealth was 56,000,000, and it is fair to assume that, but for adverse political conditions, it would have been at least as large in the subsequent 27 years, which would have brought the number now to 153,000,000. With judicious expenditure of capital and labour as from 1870 to 1890, Australia would not be overstocked with 200,000,000 sheep. The United Kingdom, with an area about one-third that of N.S.W., carries almost as many sheep as this State, with more cattle than there are in the whole of Australia. All this has made Australia an impossible place for the investment of capital, and now as a climax, to cap a long record of incompetence and stupidity, we have Judge Higgins' award, which, besides causing endless trouble, puts a tax of over 10 per cent. on the whole wool production of the Commonwealth, at a time when interest rates on overdraft accounts are high and must go higher. This is in addition to land tax, Federal and State income-taxes, shire taxes, accountancy costs, Federal and State, and others too numerous to mention. It means about 18 per cent. on the overdraft money by which so many sheep stations are run, and makes expansion in any direction impossible, and further reduction in the wool-growing industry a certainty. The wheat-growers are in even a worse case with Judge Higgins' "basic wage" on one side, and on the other shipping freights so high that profitable export from Australia will be impossible for many years after the war ends. The wool-grower has taken a lot of killing, because he grew up strong and sturdy, without coddling or protection,

but now I think the politicians, with the help of Judge Higgins and the A.W.U., have got him down, and will give him the *coup de grace* before long. Then Australia will have to look to the coddled and protected irrigationists of Yancoo and Victoria to pay the interest on her debts with their exports of produce.—I am, &c.,

W. E. ABBOTT.

"Murrulla," Wiegen, N.S.W.,
August 2, 1917.

[It will be seen from the date of this letter that it was posted long before our little controversy with the Agent-General for New South Wales started. It presents a very different point of view from that which Mr. Wade asks us to accept, but we are not going to be entangled in a maze of Australian domestic politics just at the moment.—ED.]

Notes on Books.

Britons v. Germans in China. By Dennis K. Moss.
(Hongkong: Daily Press, Limited. Price \$1.)

We heard of this little book first in the columns of *Truth*, which gave such an appreciation of it as induced us to send for a copy. When that copy came, and we saw its insignificant size, and were told that its price was 2s. 6d., we said, "this is indeed dear literature," but when we had read the little book that opinion was abandoned, and we had to admit that although it barely ran to a hundred small pages it was well worth the money. The author is one of the men selected to wind up the businesses of German firms put into liquidation after the war began. His work has given him exceptional opportunities to investigate the methods and inner workings of German firms in the East, and some of what he has found out is set forth in his pages. The story will serve to put heart into those who still live in dread of the revival of German competition when peace returns. Many of our business men seem to be almost as much pre-occupied with the question how to ward off that competition as the Germans themselves are with the, for them, still more formidable question—"How can we get back any of our lost foreign trade?" As in North and South America, Africa, the British Colonies, the United Kingdom, France, and especially in Italy, German mercantile activity made a great parade of overpowering resources in China in the days before the war, and Germans were credited by those who took them at their own valuation with walking round the British merchant and compassing his defeat. That wonderful lunatic, General von Bernhardt, is quoted as declaring that "Hongkong, the greatest emporium of Southern China, has been raised to its present position of eminence chiefly by German industry. In Ceylon, Singapore, Shanghai, and elsewhere the large and dominating firms are in German hands," and the title of his book in which this was said was "Britain as Germany's Vassal."

But another side to the shield became visible when the day arrived to place these German firms under control, and it was found that the great massive and expansive looking fabric of German business was largely a sham. The liquidations, says Mr. Moss, were not commenced until the end of October, 1914, which from a business point of view was a great pity, as in the interval between the declaration of war and the first internment or expulsion of enemy subjects from Hongkong "they had ample time to cover up the tracks of many of the more shady transactions," and also to prevent a great deal of potentially useful information from getting into our hands. Notwithstanding this, the liquidators learned enough to find that the Germans were not the successful traders they bluffed us into believing. Those merchants and accountants who were appointed liquidators found that the disclosed results were so poor and feeble as to lead at first to the supposition that all the Germans in Hongkong had been heavily subsidised by their Government in some way, possibly with the view to a complete subversion of British trade, certainly they were not getting that trade by fair means.

"The existence of a general and organised plot to subvert British trade is hardly credible in view of the fact that their huge, cheap, and unprofitable sales of goods to Chinese in the main consisted of Manchester and Bradford goods," says Mr. Moss, and adds, "The Manchester and Bradford merchants had certainly to thank the Germans for selling their goods for next to nothing, and often at a heavy loss, but the colony of Shanghai did not profit thereby, by reason of the neglected principle that the labourer, be he British or German, is worthy of his hire." Oddly enough, too, all the time even in their own German and Austrian manufactures, these interlopers carried on an astounding cut-throat competition with each other which leaves one in speechless wonder as to where the necessity arose for doing such a business. Why did they not stop at home rather than face the discomforts of a tropical climate without any visible recompense for the same beyond a bare living.

Contrast this with what the British have done. Their portion of the trade, as distinguished from the trade done by the Chinese themselves, probably amounted to over 70 per cent. of the total business done, and "on their portion it is certain they made not two, but twenty times, as much as the Germans did." There are excellent grounds for surmising that there is more than one British firm in Hongkong whose annual profits equalled the total amount made by all the German firms lumped together. The Germans did not invest their money in the colony as the British did, any surplus cash was employed in keeping up appearances; some had fine offices, others fine houses, and "from what we have ascertained, most of them lived far beyond their incomes. Nearly all the juniors, and many of the seniors, were heavily involved in debt to their Chinese staffs." The British may indulge in extravagant living, but certainly not as the Germans did, and yet we have been told here that the German was such a stick-to-work creature, and so plodding and saving of his groschen, that he was bound to beat us. Coming to instances, Mr. Moss tells us that the Germans had a firm grip on many branches of trade, and a practical monopoly of the business in dyes and cotton fancy piece goods, metals, arms, and ammunitions, also of the bulk of the German and Austrian manufactures, so that their overturn must have been immense, and they cannot fail have hurt British firms in many directions; but such was their owliness, or inexperience, or stupid cupidity, that they seemed to have marred every chance they had. One firm actually did an overturn of \$4,000,000 a year in silk, and yet out of that earned only enough to pay the cost of running the department. Another German firm did a huge export trade in Chinese produce, and the annual profits were seldom over £300. In many instances continued and serious losses were the order of the day, but they stuck to it and to their flaring method of business, seemingly content to work at a loss, or often on a margin quite inadequate, in view of the risks accepted, provided only they could make a fine show.

Several firms made a feature of deals in Chinese tin, and the losses they made by these transactions were generally appalling, while in the most favourable circumstances their profits were miserably inadequate. In one specific instance, the result of a long sequence of large and important deals was a profit of $\frac{1}{4}$ per cent. on the turnover. The one idea the Germans had was to secure a big turnover, and one firm is cited, possessing a large staff and a correspondingly large and world-wide trade, whose profits, without deducting managing partner's share, or interest on capital, came to about $1\frac{1}{2}$ per cent. per annum on the turnover. Nearly one-half of this profit was derived from the agency of a certain British insurance company which the firm held. At the time when it was liquidated it was getting nearer every year to actual insolvency. One of the most influential firms amongst the Germans was found to be locally quite insolvent at an early stage in the liquidation. It possessed many valuable agencies which paid handsomely, but, partly owing to lack of

system and methods of "costing," and partly because they fell victims to the prevailing desire for a big show and a big turnover, regardless of results, the agency profits were swamped by losses in other directions. So the story goes on, and the moral of it is that the great foreign trade which Germany did was frothed up to its pre-war magnitude on unsound lines by reckless methods, inspired chiefly by barbarian covetousness and envy, and that the volume of business was maintained and increased in a spirit of foolish emulation in obedience to the craze for hugeness which reflected the megalomaniac condition of the German mind. But all the same, they taught us some lessons our merchants will do wisely not to miss the meaning of.

American Business Notes.

An interesting exposition of the measures taken to prevent collapse in the sterling exchange was given last month by Mr. Frederick Kent at the War Convention of American Business held in Atlantic City. Mr. Kent is one of the vice-presidents of the Bankers' Trust Co. in New York, and is evidently a man of unusual ability and thoughtfulness, because he was able in his address to expound the intricacies of foreign exchanges without losing himself or befogging his reader in technicalities. In a vague manner we know here how all foreign exchanges have been affected by the war. Primarily the highly refined and delicate system of paying international debts carried through among bankers by means of bills of exchange represents the effect of a barter of commodities. If two countries sell each other goods of their own manufacture of an equal value then there will be no question of drawing bills and of negotiating payment of them in a foreign country through other markets, because the account between the two nations would balance each other. But the complications of modern trade are so far-stretching and intricate that the original fact that all trade is barter has become obscured, is practically forgotten in the everyday routine of business. That it remains essentially barter, however, became immediately evident when the war stopped the foreign trade of Germany and caused an unexampled increase in the demand of France and the United Kingdom for United States commodities. The foreign trade of the United States at once became lopsided, as we call it. It bought very little compared with what it sold, its liability to pay interest abroad on its own debt was also much diminished, and the wider the divergence between the purchases and sales, the more reduced the liabilities of the Republic payable abroad, the greater the difficulty in liquidating the account. We should have had to send enormous quantities of gold, all we had in fact, to New York to pay our debts, and even then could not have had nearly enough but for the measures taken by United States bankers, and British and French bankers, to finance debts that could not be actually paid until after the war. The combination formed among these bankers necessitated the shipment of a certain amount of gold which the French and ourselves provided, nearly £200,000,000 having been sent to America during the course of a year or so and used to buy sterling exchange in New York, but our main assistance in preventing a fall in the sterling exchange which would have precipitated disaster in France, Italy, and elsewhere, because the sterling exchange is the one governing exchange of the world, was that restriction was put in Europe on the imports of all commodities not absolutely essential in our food requirements or to the war. A "black list" of traders, too, was drawn up and published by the British Government to prevent business being done for the enemy, the obligations arising from which might have pressed upon exchange resources, and, above and beyond all, the credit of the United States has been utilised to an extent which already amounts for all the Allies together to considerably more than £1,250,000,000. How this mass of debt is going to be liquidated when the war is over it is about time we were beginning to discuss with a view to making provision for payment.

At the close of his address Mr. Kent defined once more why the United States is at war. His words are so pertinent and weighty that they deserve to be repeated here:—"We are not at war with the German nation as such, nor with the Kaiser and his Junker advisers. Our fight is with the beast of jealousy and hatred that has developed in the heart of Germany from years of self-idolatry. Such of its people as are under this hypnotic power neither comprehend the rights of individuals nor of nations. They must be saved from themselves, even as we must be saved from them. The humiliation of disastrous defeat is seemingly their only salvation, for their minds cannot clear until their souls have been cleansed from the passions that now control them. Let us fight this abominable thing that has a great nation in its toils with every power at our command, our manhood, our money, and our brains. But let us not build hatred in our own souls and so destroy the fruits of sacrifice. Rather would we be leaders in those things that when peace is once more on earth will bring happiness and prosperity to the people of all nations, love of our fellow men and the love of God."

Often we have been told in this country to regard the Senate of the United States as a reactionary body. Sometimes we are asked to believe it a corrupt body, and nearly always its class prejudices and subservience to wealth were put forward as a reason for distrusting it. But this venerable body appears to have another character which has been kept hidden from short-sighted strangers like ourselves. It assuredly was violently Protectionist often in past years, and yet it now turns out to be less Protectionist than the House of Representatives. The motives for reducing the taxes imposed by the Bill of the House of Representatives on automobiles and motor cycles, on proprietary medicines, on tobacco and other articles, may not have had anything to do with Free Trade or Protection; none the less, it is true that the Senate has lowered these and increased the direct taxation far more drastically than the Deputies did. Altogether, its war revenue taxation has been increased to an aggregate of £483,350,000, compared with the £374,000,000 provided for by the Lower House. On individual and corporate incomes the war levy proposed by the Senate is £168,450,000, whereas the Lower House asked for less than £120,000,000, and £212,000,000 is asked for by the Senate from excess war profits, whereas the House of Representatives levied for only £40,000,000. The Senate has also swept away sundry vexatious enactments which the House had put in its Bill, and although the revenue to be drawn from incomes, private and corporate, has been much augmented, an increasingly greater pressure falls upon the rich, not upon the poor. The Senate has cut out all provision for taxing publishers or increasing postal rates on second-class mail matter, and the consumption taxes on sugar, tea, coffee and cocoa have also been swept away. It has, therefore, had unusually definite thought for the common people, and that is an excellent indication of the temper governing the law-makers in this crisis of our civilisation. Virtually all the Spanish war stamp taxes have been retained, but a halfpenny tax on bank cheques was struck out. The Senate also struck out the provision in the House Bill for a general tariff increase of 10 per cent. *ad valorem*, and our tariffites are welcome to the news. Other differences there are between the two measures which tend to deepen the same impression that the Senate is humane and liberal, and we hope the grumbling about excess profits tax and ruinous income-tax, which is getting rather loud in America, will now die down lest worse befall.

Altogether the Federal revenue expected under existing or pre-war laws was put at £267,000,000 sterling. With the additional war taxation as arranged by the Senate, the total income for the current year ended June 30, 1918, will be £750,000,000 and already a large portion of this has been spent. Aeroplanes, let it be once again noted, are busy using up the £128,000,000 voted, and £70,000,000 is to be spent on torpedo-boat destroyers.

The excess profits tax on companies is a graduated

one, rising from 12 per cent. on an excess profit of £300 to 60 per cent. on a profit of £12,000 and upwards.

Insurance News.

Some very important changes in connection with the development of the weekly premium business are announced by the Wesleyan and General Assurance Society. A new prospectus has been published, in which not a single table appears which is exactly the same as in the previous prospectus, and several pages of descriptive matter have been added, thus enhancing the value of the publication. Among the new features is the guarantee of a bonus of one-quarter of the premiums paid. Under whole-life and joint-life policies payments of premiums are now to cease on the attainment of age 70 (not 75), provided a policy has then been 25 years in force, or as soon after the attainment of age 70 as 25 full years' premiums have been paid. Included for the first time are new tables for children's endowment assurances with optional endowment terms. The new prospectus comes into operation forthwith. It is claimed that no assurance office has made at one time such a comprehensive revision of its weekly premium prospectus, and an increased volume of new business is anticipated.

The United States Soldiers' Insurance Bill introduces a new principle of great interest to all the belligerent countries. The scheme is formulated on a large scale, over 28 millions sterling being appropriated for naval and military family allowances, £4,600,000 to cover insurance liabilities incurred, and £2,430,000 for compensation, supplies, &c. The scheme is both contributory and compulsory, officers and men being required to allot a minimum of £3 and a maximum of half-pay monthly for the support of dependents, which is supplemented by a Government allowance of from £1 to £6 10s., and more in some cases. For either death or disability which may prevent any profitable occupation the maximum monthly compensation is to be £40. As the average amount of the policies now outstanding in the life assurance companies transacting business in New York State is about £360, excluding industrial business, the amounts fixed under the new scheme are regarded as distinctly liberal, and rates of premiums are low, being considerably below that at which the life offices would quote for similar insurances on the lives of civilians. The State assumes the war risk in respect of men in the forces, the cost of which is, of course, quite unknown, and in addition bears the cost of working the scheme. An estimate as to the probable cost for the next two years is about 111 millions sterling, and the working of the scheme will be watched with the greatest interest.

It was announced at a meeting held last week, and which was attended by representatives representing all classes of insurance business, that satisfactory progress has been made with the scheme for forming a joint association representing insurance offices transacting the different forms of insurance. The main idea of the scheme is to provide a ready means of discussing and dealing with points of common interest and importance to all; hitherto there has been no single representative association able to speak for insurance as a whole. The scheme is supported by tariff and non-tariff offices, whether the head offices are in London or elsewhere.

The Prudential Assurance Company is again to the front with a scheme to assist those who wish to invest in the new War Bonds, but who may find it inconvenient to pay down the full amount of the bond. The Prudential has introduced a National War Bond policy to meet this difficulty, whereby the policy instalments may be spread over five, seven, or ten years. The assured need not decide until the maturity of the policy as to the term of the bond he will take. Should death take place before the instalments are completed a fully-paid bond, together with the current interest, will be given, and no further premiums or instalments will be payable. The company undertakes to purchase National War Bonds to the full amount of the assurances effected under this plan.

Tea, Oil and Rubber.

Nothing of much interest has occurred in the Rubber market this week. Arrivals of the raw material were very small at 330 tons, and the deliveries were only a little larger at 380 tons, so the price slipped back a fraction to 2s. 8d. for standard crêpe, while smoked sheet continues to be quoted at twopence under the standard figure. Buyers of rubber shares, however, evidently regard the present level as quite a satisfactory one from the investment point of view, and they have been sending in orders faster than they could be executed in many cases. There was rather a lull at the beginning of the week, and it looked as though the public had become "fed up," but the Provinces started the movement afresh, and quite a large business was put through in the closing days. We should begin to be somewhat uneasy about the long-continued advance in prices, which generally means trouble sooner or later, but as the buyers have to pay cash for all the shares they purchase there is not much danger. Once a buyer has got his scrip it is like drawing a tooth to get it out of him, and that is the salvation of the market position at present.

Last year, it may be recalled, Harrisons and Crossfield, Limited, made arrangements for the bulk of their subsidiary business to be carried on by separate companies, so as to leave the directors free to concentrate on the main lines of trade which they have developed. This policy appears to have been beneficial; at any rate, the profits for the year to June 30 show an increase of £32,000 at £182,000, in spite of the fact that the business has been carried on under increased difficulties, owing to the restriction of exchange facilities in India and Ceylon, the shortage of freight, and the depletion of experienced staffs in all departments. The amount brought in was £7,000 less, and £3,000 more is written off for depreciation of the preference reserve fund, so that the amount available is £22,000 larger at £152,000. Dividend on the preferred ordinary is again 10 per cent., absorbing £30,000, but the management shares get 700 per cent., against 500 per cent. This takes £52,500, and £25,000, against £20,000, is placed to general reserve, £25,000 is again placed to income-tax reserve, and £5,000 to property reserve, while £7,000 is allocated to staff special reserve, and £5,000 less, at £37,340, is carried forward. New branches have been opened at Kobe and Bandoeng (Java), and the business expands finely. Bills payable show an increase of £212,000 at £393,000, and sundry creditors £204,000 at £422,000. On the other hand, stocks are up £135,000 at £612,000, loans receivable £80,000 at £242,000, bills receivable £53,000 at £150,000, sundry debtors £130,000 at £448,000, investments £52,000 at £550,000, and cash balances £20,000 at £90,000. It has become a great business, owing to the prescience of the management in seeing the possibilities of the rubber industry, and the figures indicate that it is managed on thoroughly sound principles.

The Week in Mines.

A cheerful tone has dominated the mining markets this week, and business has been moderately active. Far Eastern Rand shares have met with good support, and Rhodesian descriptions have been active and strong. The Broken Hill miners have resumed work, and this has had a favourable effect on the shares. Rio Tinto shares have risen substantially on the declaration of an interim dividend of 45 per cent., which is 5 per cent. more than last year, and is the highest interim distribution for the past ten years.

SOUTH AND WEST AFRICANS.

In the South African market New Modders have risen to the new high level of 22½, an advance of ½ on the week. Geduld has improved to 40s. 6d., Gold Mines Investments to 15s. 9d., and Gold Trusts to 24s. 3d., but the Consolidated Mines Selection group has been less active and rather easier. East Rands declined to 6s. 6d. on the loss of over £3,000 on last month's operations, but subsequently recovered to 7s. 3d. There has been quite a lot of selling of City Deep, and the price has fallen 9-32 to 3 13-32. The reason for the weakness is said to be labour shortage, but the fact that the quotation has fallen to 67s. in Johannesburg suggests that developments in the mine are rather disappointing. Diamond descriptions show no changes of importance. In the Rhodesian section Cam and Motors have been actively bought, and are 2s. 3d. higher

at 12s. 3d., while Falcon at 19s., London and Rhodesian at 6s. 6d., and Lonely Reefs at 27s. are all higher. Rises of ¼ are shown in Rezendes at 3 and in Shamvas at 17½. Bwana M'Kubwas have been more actively dealt in than any other shares; they changed hands up to 7s., largely on buying by insiders, but then reacted on profit-taking to 6s. 6d. Among West Africans, Prestecas improved to 5s. 9d.

COPPER AND MISCELLANEOUS.

Interest in copper shares has revived somewhat this week on the Rio Tinto dividend, which exceeded market expectations. The shares have risen 2 points to 68½, and Hampdens at 29s. 3d., Mount Lyells at 25s. 9d., and Mount Morgans at 32s. 3d. are also higher. Broken Hill shares show a general advance on the resumption of work by the miners. British Proprietarys have risen 1s. 3d. to 40s. 9d., South Silvers ¼ to 9½, Norths 9d. to 58s., and Sulphide Pref. 9d. to 42s. 3d. Tin shares have moved irregularly, but Dolcoaths at 11s. and South Croftys at 22s. are both 1s. higher. Despite the fall in the metal, silver shares have been distinctly firmer. Mining Corporations at 17s. 6d. and Casey Cobalts at 8s. 4½d. are about 1s. higher on the week. El Oros have relapsed 1s. to 10s. 6d., and Oroville 1s. to 18s. 6d. Russians show little alteration. Nundydroogs have fallen 9d. to 27s. 9d. Westralians have met with some demand, notably Ivanhoes and Great Boulders.

MINING NEWS.

TRANSVAAL GOLD PRODUCTION.—The production of gold in September amounted to £3,135,807, a decrease of £141,601 on the same month of last year. The following table shows the monthly production since January, 1912:—

Month.	1912.	1913.	1914.	1915.	1916.	1917.
January ..	£ 3,130,830	£ 3,353,116	£ 2,768,470	£ 3,037,058	£ 3,344,948	£ 3,324,418
February..	2,989,832	3,118,325	2,660,186	2,872,406	3,201,113	3,063,976
March	3,528,688	3,358,058	2,917,346	3,202,514	3,384,121	3,343,363
April	3,133,383	3,334,338	2,904,924	3,160,681	3,205,643	3,155,121
May	3,311,794	3,373,995	3,059,340	3,243,347	3,303,377	3,150,618
June	3,202,517	3,173,382	3,049,558	3,208,224	3,235,767	3,127,101
July	3,255,498	2,783,917	3,111,397	3,272,258	3,232,891	3,219,094
August....	3,248,395	3,094,754	3,024,037	3,307,975	3,318,116	3,214,079
September.	3,176,346	2,999,686	2,982,630	3,209,423	3,277,408	3,135,837
October ..	3,265,150	3,051,701	3,116,754	3,388,125	3,365,642	—
November	3,216,955	2,860,788	3,040,767	3,317,534	3,326,253	—
December	3,297,962	2,857,938	2,952,755	3,317,949	3,289,705	—
Total..	38,757,560	37,358,040	35,588,075	38,627,461	39,484,914	28,993,577

For the nine months to date the total shows a decrease of £509,757.

NATIVE LABOUR RETURNS.—For the first time for a long period the returns show an increase amounting to 480 which compares with a decrease of 1,011 in August. There was an increase of 517 at the gold mines:—

Month.	Natives on Gold mines.	Natives on Coal mines.	Natives on Diamond Mines.	Total natives.
September, 1916	197,734	10,239	6,527	214,500
October.....	199,330	10,967	6,358	216,595
November	196,132	11,118	5,928	213,178
December	19,547	11,487	5,194	208,228
January, 1917.....	188,624	11,611	5,591	205,826
February.....	191,095	11,98	6,268	208,931
March	190,028	11,494	6,620	208,142
April	185,975	11,435	6,314	203,724
May	180,168	11,432	5,805	197,405
June	175,727	11,258	5,369	192,354
July	171,053	11,381	5,423	188,257
August	170,817	11,401	5,028	187,246
September	17,334	11,601	4,791	187,726

SNEYD COLLIERIES.—The accounts of this company for the year ended June 30 show a nett profit, after providing for debenture interest, of £64,900 as against £68,500, but if allowance is made for heavier taxation the gross profit was as great if not greater than in the preceding year. The dividend is raised from 15 per cent. to 17½ per cent., the highest rate ever paid, and the participating preference shares get 10 per cent. in all. A sum of £20,000, against £10,000, is placed to reserve, but last year £10,000 was placed to debenture redemption fund. Debentures outstanding have now been reduced by sinking fund purchases to £32,200, and the carry forward is raised from £48,446 to £59,581.

WILSON'S AND CLYDE COAL.—The accounts for the period ended February 28—six months—show that after providing for depreciation and excess profits duty the profit was £111,017. A final dividend of 4s. per share, making 5s. in all, is recommended, the same as for the year ended August 31, 1916, and £41,677, against £30,972, is carried forward. All coal mines have been under the control of the Board of Trade since March 1, and this is the reason for changing the financial year of the company, which in future will end on February 28. Since September, 1916, the average price of coal has fallen 2s. 4d. per ton, owing to reduced foreign shipments, while the miners have been granted another 1s. 6d. per day in wages, and many individual miners are earning from 14s. to 15s. a day.

GOLD PRODUCTION.—The world's production of gold in 1916 amounted to £94,088,414, according to calculations made by the *Engineering and Mining Journal*. This total shows a decrease of £1,622,231, or 1.7 per cent. on 1915, but it exceeds the total for 1914 by £2,068,928, or 2.2 per cent. Last year an increase

Total.....	2,71,764,596	2,076,32,431
Memo.—Treasury Bills outstanding on Oct. 6, 1917.....		£940,28,000

* Includes £435,700, the proceeds of which were carried to the Exchequer within the period of the account.

COMPANY MEETINGS.

BIRMINGHAM SMALL ARMS CO., LTD.

Sir Hallelwell Rogers, chairman, presided at Birmingham yesterday at the annual general meeting of this company. He first moved the adoption of the 1916 balance-sheet, which was presented as a supplementary report. Comparing it with that of 1915, he pointed out that the balance to credit of profit and loss account was less in 1916 by some £27,000. He said this required some explanation in view of the progressive increase in the company's activities since the commencement of the war, and it was due to the fact that the excess profits duty in respect of 1915 was charged against the profits for 1916, as well as the munitions levy payable for the year. The figure at which freehold land, buildings, &c., stood in the 1916 and 1917 balance-sheets was reliable, and full provision had been made for necessary depreciation. He then moved the adoption of the 1916 balance-sheet, and, the motion having been seconded by Mr. Edward Manville (deputy chairman), was agreed to.

The Chairman then moved the adoption of the report for 1917. He said the year had been one of steady increase in the supply of several important munitions of war and of untiring effort of all concerned to meet the ever-growing demand of the Ministry of Munitions. At Small Heath the deliveries of service rifles had been in excess of the company's promises to the Government, and had now reached a steady output, which before the war was hardly dreamt of. A still more important development had been in the manufacture of the Lewis automatic machine-gun, which was being turned out in numbers greater even than the Ministry of Munitions at one time thought possible. In newspaper reports of the fighting on the various fronts constant references were made to the Lewis gun, and soldiers returning on leave were loud in its praises as regarded efficiency, whether in defence or attack, in the air or on land. The country was indebted to this weapon, first, to the ingenuity and patient work of the inventor, Colonel J. E. Lewis; secondly, to a group of Belgian gentlemen, headed by Mr. Joseph Waterkeyn, who a year or more before the war saw the possibility of the gun and formed a company to purchase the European patent rights; and lastly to the Birmingham Small Arms Company, which in 1913 entered into an agreement with the Belgian company and at once commenced the manufacture of models. Orders were placed by the British War Office on the outbreak of war, first in small quantities, but increasing ever since. He did not hesitate to say that when the history of the war came to be written in detail, the Lewis machine gun would have very prominent mention, one of the outstanding advances in weapons of war which contributed so much to the success of the troops. (Applause.)

The Cycle Department, both at Small Heath and Redditch, although occupied to some extent with the supply of military bicycles and motor-bicycles to the English and Allied Governments, which had been required on all fronts, had been largely devoted to the manufacture of parts of aeroplane engines and aeroplanes. At Coventry the Daimler Company's works, also, had been given over entirely to the supply of Government requirements. In the early stages of the war the manufacture of vehicles for the mechanical transport for a time took the whole output.

Later, extensions of the works were undertaken for the manufacture of aircraft engines and complete aeroplanes. Additional plant on a very large scale was put down for the manufacture of heavy tractors, which had been delivered in large quantities. The Daimler Company had further contributed materially to that important innovation in modern warfare known as the "tanks," and at the urgent request of the Ministry of Munitions the company was now commencing on the establishment of a further factory at Small Heath for very important Government work.

All industrial concerns were naturally interested at present in the development of the race after the war, and the directors placed this in the forefront of their policy, believing that our welfare would depend entirely upon the co-operation of capital and labour. From this point of view they were interested in the national alliance of employers and employed, the outcome of which they believed would result in the production of a programme adopted by both parties which should put their mutual relations on a satisfactory footing. They felt convinced that the real workers in the country would not be led away from the essential issues of the future, a due recognition of which was necessary to the welfare of the workers themselves, and that they would not be misled by the few, though noisy, agitators who were advocating an extreme policy which would lead to the destruction of commerce and industry. The directors believed in the soundness of the British workman and public, and therefore had no fears of what was happening in enemy countries. All classes having fought side by side in the war, it was not too much to expect that they would continue to fight side by side in the cause of industry.

The motion was seconded by Mr. Edward Manville, who said one of the first objects of the board was to promote the best possible relations between employer and employed. Meetings between the National Alliance and representatives of labour had produced a most favourable impression, and had shown that

the real representatives of the men in the labour world were broad and liberal minded. If these representatives could carry out with the rank and file the agreements discussed with the Alliance, there need be no misgiving as to the future of industry. One thing they had certainly settled themselves, and that was that there was no essential antagonism between capital and labour.

The report was adopted, and Messrs. Edward Manville and T. F. Walker were re-elected directors. The chairman said Mr. Neville Chamberlain would soon rejoin the board.

UNITED DAIRIES.

An extraordinary general meeting of the United Dairies, Limited, was held on Tuesday at the Great Western Hotel, Paddington, under the presidency of Mr. Reginald Butler, the chairman of the company, for the purpose of considering, and, if thought fit, passing the following resolutions:—

1. That the capital of the company be increased to £4,000,000 by the creation of 3,000,000 shares of £1 each, of which 1,500,000 shares shall be preference shares, conferring upon the holders thereof the right *pari passu* with the holders of the 650,000 existing preference shares of the company to receive out of the profits of the company available for dividend in each year a fixed preferential dividend at the rate of 6 per cent. per annum on the amount for the time being paid up or credited as paid up thereon, and the right *pari passu* with and upon the same terms as the holders of such existing preference shares to priority in the return of capital upon a winding up or otherwise, but to no further rights to dividend or on a distribution of assets, and the remaining 1,500,000 new shares shall be ordinary shares, ranking in all respects *pari passu* with the 350,000 existing ordinary shares of the company.

2. That the articles of association be altered by cancelling the existing article 125, and by substituting the following new article therefor, namely:—"Subject to the provisions of article 6 and to the rights of members entitled to shares issued upon special conditions, all dividends shall be apportioned, and paid *pro rata*, according to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms that it shall rank for dividend as from a particular date, such shares shall rank for dividend accordingly. Provided, nevertheless, that when capital is paid up in advance of calls upon the footing that the same shall carry interest such capital shall not whilst carrying interest confer the right to rank for dividend."

The Secretary (Mr. Edwin H. Tompsett) having read the notice convening the meeting,

The Chairman said: Ladies and Gentlemen,—From our circular dated September 29 you have doubtless gathered we are, with your approval, contemplating a development of considerable magnitude. What we have in view is the amalgamation of the interests of the London retail dairy trade, more particularly those portions of it that have wide deliveries. This covers many of the large limited companies, several smaller ones, and many private concerns. The reason for proposing this amalgamation can be stated shortly: it is to prevent the great wastage of material, of energy, and, therefore, of money, which takes place under the present system (or lack of system) of the retail milk trade. Owing to the number of interests concerned, it is not, perhaps, a simple task, but since the proposal for amalgamation was first broached to us, we have become convinced that the scheme can, with the co-operation of all concerned (including the public), be carried out successfully, to the benefit of the milk producer, the milk consumer, and the trade. More than that, we claim that it will be beneficial to the country as a whole, for the country has a direct interest in the economical use of its resources in any and every direction. It is a scheme which will be carried out on a basis of strict equity. Each business will be purchased on principles carefully formulated and fairly applied. In no case will anything approaching a fancy price be paid. The purchase price will be discharged by the payment of United Dairies, Limited, scrip (preference and ordinary shares), except in cases where small businesses are purchased, and it is necessary for the vendor to have cash, or where trust interests have to be dealt with, but the cash transactions will be individually and collectively small. As regards the scheme and its future working, it has been prepared on a basis of sectionalising and sub-sectionalisng, each amalgamating company being confined to a particular area, with unity of control, but with sufficient autonomy for the different areas to give elasticity in the administration. The directors other than the managing directors of each of the amalgamating companies will retire. The remaining managing directors and principals of private concerns, as well as their chief managers, will form a committee of management. This committee will elect from its body what we may term a retail directorate, and from this latter it is proposed that alternative vacancies in the board of United Dairies will be filled by its nominees. And now, ladies and gentlemen, it is for you to approve of this increase of capital. Having done so, we will do our best to carry the scheme to a successful issue. Having got so far, we can, I am sure, look to the public to support a scheme devised in the interests of economy and efficiency, and thus enable us to organise a supply of milk which will surpass in quality that of any large city in the world.

Sir Edward Fithian seconded the resolutions, which were carried unanimously, and the Chairman afterwards stated that the directors had received proxies representing 738,000 shares in favour of the scheme.

KINTA KELLAS RUBBER ESTATES.

The seventh ordinary general meeting of the Kinta Kellas Rubber Estates, Ltd., was held on Wednesday at 38, Eastcheap, Mr. Edward Bedford, C.E., the chairman of the company, presiding.

A representative of the secretaries, Messrs. Taylor, Noble and Co., read the notice calling the meeting and the auditors' report.

The Chairman stated that the company had now a planted area of 2,011 acres, which it was proposed to bring up this year to 2,250 acres by planting at cost of revenue. The directors had every reason to believe that the company would possess in years to come one of the best-equipped, cheapest, and most highly productive rubber propositions in Malaya. For the current year a total crop of 610,000 lbs. was estimated, of which 360,000 lbs. from the old area was estimated to cost 9.65d. per lb., and 250,000 lbs. from the young area was at a cost of 1s. 1.20d. per lb. Since these estimates were received, the directors had instructed the managers to avoid accumulations of rubber, as there were considerable difficulties with regard to freight. They did not, therefore, anticipate that they would realise the estimate of 610,000 lbs., although for the first six months they had secured 274,256 lbs. He concluded by moving the adoption of the report and accounts.

Mr. Alfred Thomas Macer seconded the motion, and, after replying to a few questions by Mr. Wood, stated that the shareholders might rest quite assured that the directors were doing their utmost to obtain some amelioration in the excess profits duty so far as this company was concerned. With regard to planting up out of revenue, a shareholder had written to the board pointing out that the expenditure during the year was in excess of the previous year, but he would point out that they had spent £2,500 out of revenue for new planting, and, as far as he was concerned, he would be quite satisfied to devote sufficient out of revenue to plant up the whole of their remaining area. This, he thought, would be sound policy. With regard to the price at which they brought their unsold rubber into the accounts, there was no question that they were entitled to bring it in at cost, and they would continue to do so. At the present time the amount was not a large one, being only 40,000 lbs., but in future years they might have a very large amount of unsold rubber. In answer to Mr. Byrne, he stated that the balance-sheet showed reserve fund investments of £6,844, representing cost. Those investments were in Government securities and other gilt-edged securities. The remaining part of the reserves had gone into improvements on the property to a total of £20,000 in the last three years, equivalent to approximately 6½ per cent. per annum extra dividend on the whole capital of the company, and he thought it would be agreed that this was a very satisfactory and sound position to place the company in. The total area held by the company was 3,100 acres. They estimated that they had in all 2,500 to 2,600 acres of good high land, suitable for planting. The swampy land was tin-bearing, and it was very probable that later on that area would be taken over by an Australian syndicate.

The motion was carried unanimously, and a resolution was passed approving the payment of a final dividend of 5 per cent. (making 15 per cent. for the year), and the distribution of an interim dividend of 5 per cent. on account of the current year's profit.

ASSAM RAILWAYS AND TRADING.

The thirty-seventh ordinary general meeting of the Assam Railways and Trading Co., Ltd., was held on Wednesday at Winchester House, Old Broad Street, E.C., Lord Ribblesdale (the chairman) presiding.

The Secretary (Mr. S. Maclean Jack) read the notice convening the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, stated that the result of the working of the railway for the past year was a profit of £37,528, which showed a slight improvement on that of last year. All the conditions remained very much the same as when he last addressed the shareholders, although the various difficulties arising from the war, which he then touched on, had been rather accentuated. The bogie coaches which he spoke of last year had been brought or were being brought into active service, but they had no further wagon stock available. They had, however, registered an order for it, and he hoped they would get delivery directly the war was over. With regard to the colliery, the profit was rather more than that of last year, and the sales had been on a larger scale. The increased quantity sold had to come from their stocks, as the output for the year was not up to the usual level, one of the principal causes being shortage of labour due to Government recruiting for military purposes. It was expected that the output for the current year would return to the normal figure—something like 300,000 tons. With reference to the company's investments, he was glad to say that both the Assam Oil Co. and the Makum (Assam) Tea Co. had been able to increase slightly their rate of distribution, and the current year would have the benefit of this increase. Returning to the railway, and referring to the Sibagar branch, the board had been interesting themselves in the plans for a line southwards from Dibugarh, which would practically be an extension of their own railway, and which they understood the Assam Government wished to see carried out. The directors thought it would be very desirable to have it carried out, because it would open up a new country where sources of traffic were already developed. In regard to the collieries, he was able to tell the shareholders that they had ample untouched areas of coal to

replace all they had extracted from the present workings. By means of cross-measure roads they were testing and proving other seams with satisfactory results. As the shareholders knew, they were the owners of sawmills, and these were now being actively employed in the making of tea-boxes. As to the result of the year's working, the balance of general revenue account was £108,771, against £105,207, and this showed a small but satisfactory increase. All the preference dividends had been paid up to the end of the year, and in March last an interim dividend of 2 per cent. was paid on the "B" stock. The board recommended a final dividend of 3 per cent., making a total distribution of 5 per cent. for the year, carrying forward a balance of £3,475.

Mr. Walter Butler seconded the resolution, which was carried unanimously.

MINING RETURNS FOR SEPTEMBER.

Ashanti.—9,829 tons; value, £40,501 (Aug., £40,348).
Aurora West.—14,600 tons; profit, £3,150 (Aug., £3,570).
Bantjes.—19,050 tons; loss, £598 (Aug., loss, £1,800).
Brakpan.—59,500 tons; profit, £44,548 (Aug., £43,112).
Champion Reef.—11,733 tons; 8,276 ozs. fine (Aug., 7,613 ozs.).
City and Sub.—27,250 tons; profit, £14,505 (Aug., £14,592).
City Deep.—59,700 tons; profit, £54,755 (Aug., £39,744).
Cons. Langlaagte.—44,100 tons; profit, £17,736 (Aug., £20,187).
Cons. Main Reef.—22,100 tons; profit, £10,915 (Aug., £12,749).
Crown.—166,000 tons; profit, £55,467 (Aug., £62,539).
Durban Road Deep.—23,000 tons; profit, £5,038 (Aug., £5,901).
East Rand Prop.—145,000 tons; loss, £3,606.
Ferreira Deep.—41,800 tons; profit, £19,778 (Aug., £17,344).
Geduld.—35,300 tons; profit, £20,100 (Aug., £19,630).
Geldenhuis Deep.—51,400 tons; profit, £4,988 (Aug., £4,649).
Ginsberg.—14,600 tons; profit, £13,537; profit, £1,493 (Aug., £1,502).
Glencairn.—21,100 tons; profit, £1,284 (Aug., £1,575).
Glynn's Lydenburg.—3,900 tons; profit, £2,512 (Aug., £3,436).
Golden Horse Shoe.—13,752 tons; profit, £11,169.
Gov. Areas Mod.—105,600 tons; profit, £60,164 (Aug., £62,595).
Ivanhoe G. Corp.—18,958 tons; profit, £9,005 (Aug., £9,002).
Jupiter.—24,800 tons; profit, £5,017 (Aug., £4,215).
Knight Central.—24,900 tons; profit, £1,027 (Aug., £549).
Knight's Deep.—92,500 tons; profit, £567 (Aug., loss, £3,161).
Langlaagte Estate.—44,010 tons; profit, £9,145 (Aug., £9,069).
Luipaard's Vlei.—20,470 tons; profit, £2,538 (Aug., £2,388).
Main Reef West.—25,050 tons; profit, £4,242 (Aug., £2,767).
Meyer & Charlton.—12,440 tons; profit, £31,922 (Aug., £22,334).
Modder "B."—40,000 tons; profit, £64,591 (Aug., £61,350).
Modder Deep.—40,500 tons; profit, £47,566 (Aug., £48,011).
New Goch.—18,700 tons; profit, £3,489 (Aug., £3,743).
New Heriot.—12,500 tons; profit, £5,298 (Aug., £6,823).
New Kleinfontein.—58,420 tons; profit, £17,974 (Aug., £17,395).
New Modder.—54,000 tons; profit, £67,453 (Aug., £65,193).
New Primrose.—19,500 tons; profit, £1,556 (Aug., £1,520).
New Unified.—13,800 tons; profit, £4,023 (Aug., £3,445).
Nigel.—11,900 tons; profit, £3,400 (Aug., £3,500).
Nourse.—38,000 tons; £49,487; profit, £5,900 (Aug., £7,565).
Nundydroog.—19,564 tons, 6,627 ozs. fine gold (Aug., 6,621 ozs.).
Ooregum.—12,900 tons; 7,547 ozs. fine gold (Aug., 7,578 ozs.).
Princess Estate.—22,000 tons; profit, £921 (Aug., £1,308).
Randfontein Cent.—161,556 tons; profit, £36,004 (Aug., £38,092).
Robinson Deep.—46,000 tons; profit, £11,571 (Aug., £12,305).
Robinson.—50,600 tons; profit, £16,175 (Aug., £20,083).
Roodepoort United.—23,948 tons; profit, £927 (Aug., £363).
Rose Deep.—59,200 tons; profit, £24,707 (Aug., £28,076).
Sheba.—6,139 tons; 1,837 ozs.; loss, £100 (Aug., loss, £1,395).
Simmer and Jack.—60,900 tons; profit, £23,101 (Aug., £22,020).
Simmer Deep.—48,700 tons; profit, £5,060 (Aug., £4,140).
Springs.—29,500 tons; profit, £30,324 (Aug., £33,056).
Sub Nigel.—9,450 tons; £21,482; profit, £7,135 (Aug., £7,301).
Transvaal Gold.—15,190 tons; profit, £7,514 (Aug., £8,057).
Van Ryn Deep.—41,102 tons; profit, £51,029 (Aug., £55,017).
Van Ryn.—35,500 tons; profit, £14,873 (Aug., £15,015).
Village Deep.—51,500 tons; profit, £18,344 (Aug., £20,171).
Village Main Reef.—26,600 tons; profit, £11,932 (Aug., £10,088).
Wanderer.—13,650 tons; profit, £2,308 (Aug., £2,288).
West Rand.—36,060 tons; profit, £1,836 (Aug., £206).
Witwatersrand.—37,150 tons; profit, £15,072 (Aug., £16,068).
Wit. Deep.—28,700 tons; loss, £1,221 (Aug., £1,246).
Wolhuter.—31,800 tons; profit, £10,952 (Aug., £9,903).

A branch of the National Bank of South Africa, Limited, has been opened at Tabora, East Africa.

The London County and Westminster Bank will open their Barcelona branch at Paseo de Gracia 8 and 10, on the 22nd inst., under the management of Mr. J. B. Attfield, formerly assistant manager of their foreign branch in London.

Mr. William Pickering, D.S.O., who has been secretary of De Beers Consolidated Mines, Ltd. (Kimberley), for the last 20 years, has been elected to a seat on the board at Kimberley. Mr. E. F. Raynham, D.S.O., becomes secretary.

The name of the Odessa Merchant's Bank has been changed to the Russian Trade and Transport Bank, and, as anticipated, the head office of the bank has, with the approval of the Russian Minister of Finance, been transferred to Petrograd, leaving a branch at Odessa. The share capital of the bank is 12,000,000 roubles.

INDIAN RAILWAYS.

NAME.	Week ending	GROSS TRAFFIC FOR WEEK.		In. or dec. on last year.	Wks.	GROSS TRAFFIC TO DATE.		In. or dec. on last year.
		Amount	Rs.			Amount	Rs.	
Assam Bengal	Aug. 11	1,24,000	Rs.	1,503	1	24,58,838	Rs.	79,580
Barsi	" 25	33,600		6,300		3,88,500		90,800
Bengal & N.W.	" 11	2,91,950		73,156		81,31,753		64,647
Bengal Nagpur	" 18	8,77,000		78,000		2,05,66,732		14,36,114
Bombay, Baroda	Sept. 29	14,99,000		3,53,000		3,75,75,000		31,98,000
Burma	Aug. 11	3,13,285		52,368		75,81,142		79,933
Delhi Umballa	Oct. 6	69,636		8,119		69,686		8,119
East Indian	" 6	21,24,000		1,26,000		—		—
Gt. Indian Penin.	Sept. 30	21,49,600		3,35,800		5,37,36,691		48,44,647
Lucknow-Fareilly	Aug. 11	35,690		5,228		8,85,915		26,137
Madras and S.								
Mahratta	" 18	9,50,000		21,324		2,17,31,313		15,41,144
Nizam's Gd. (Broad)	" 18	1,12,095		4,493		26,66,612		95,657
(Metre)	" 18	53,894		2,656		14,18,010		25,531
Rohilkund and								
Kumaon	" 11	38,239		2,727		8,93,399		37,870
South Indian	" 18	619,162		12,791		1,35,76,733		10,46,280

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	Rs.	Ms.	£	+	£
Alabama Power	Aug. 5	101,868		20,192	2	208,419	50,823
Anglo-Argentine	Oct. 7	55,070		1,003	2	2,057,730	25,830
Auckland Electric	Sept. 21	22,154		1,270	4	64,876	2,018
Brazilian Traction	Aug. 5	M8,064,000		M659,000	8	M605,500	M449,200
Brisbane Elec. Inv.	Sept. 3	31,600		930	9	294,840	2,820
British Columbia	Aug. 5	58,257		15,877	1	1,16,381	20,753
B.A. Lacroze	" 31	39,111		2,682	2	77,174	2,304
Burmah Electric	Oct. 6	Rs. 26,714		Rs. 2,301	*	Rs. 31,383	
Calcutta	Oct. 6	Rs. 68,907		Rs. 8,979	*	Rs. 25,851	Rs. 13,390
Carthagenia and							
Herreries	Sept. 6	4,306		2,527	*	38,405	25,805
Cordoba Light							
P. & T.	Aug. 5	14,278		427	5	70,432	738
Hongkong	Sept. 18	12,744		5,279	5	442,008	34,682
La Plata	Sept. 6	3,450		543	9	36,545	1,076
Lima	June 16	16,843		1,977	6	100,160	5,662
Madras Electric	Sept. 30	Rs. 34,219		Rs. 2,431	*	Rs. 624,412	Rs. 54,626
Mexico	Nov. 5	225,256		108,669	*	3,193,106	197,227
Rangoon	Sept. 5	5,163		1,026	*	38,288	2,000
Singapore Electric	Aug. 11	12,907		804	8	415,039	1,731
Toronto	Sept. 5	44,806		21,744	8	3,694,860	237,325
United of Monte V.	Sept. 5	29,246		2,715	11	329,679	10,636
Vera Cruz	Aug. 5	52,200		7	408,000		
Winnipeg	" 5	39,457		46,478	8	506,701	284,329

b 28 days. * From Jan. 1. † Net. a From July 1. c Two weeks.

UNITED STATES OF AMERICA.

NAME.	Week ending	Amount	+	Amount	+	Amount	+
Chesapeake & Ohio	Sept. 30	1,537,000		136,000	†	39,792,000	2,713,000
Chicago G.W.	" 21	312,000		29,000		—	—
Colorado & South'n	" 21	361,000		26,000	†	12,774,000	1,700,000
Denver & Rio Gran.	" 30	828,000		80,000	†	20,594,000	2,378,000
Louisville & Nashv'e	" 21	1,557,000		269,000	†	53,864,000	8,397,000
Minn. S.P. (So.)	Aug. 31	961,000		19,000	†	22,488,000	378,000
Missouri Kansas	Sept. 21	910,000		142,000	†	29,471,000	5,704,000
Southern	" 21	2,340,000		387,000	†	79,356,000	10,853,000

§ Includes Wisconsin Central. † From Jan. 1. ‡ From June.

TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	£	+	Amount	£	+
Bristol	Oct. 5	12,578		2,008	†	438,162	33,373
Dublin United	" 5	7,512		454	†	268,326	26,048
Hastings and Dist.	" 7	1,304		228	†	51,006	7,615
Isle of Thanet	Aug. 11	713		310	*	13,314	1,351
Lancashire United	Oct. 3	2,688		327	*	93,601	20,343
Provincial	" 6	2,680		399	*	2,680	399
Yorks. (Wst. Rdng.)	" 7	2,105		271	†	84,671	14,120

* From Oct. 1. † From Jan. 1.

FOREIGN RAILWAYS.

NAME.	Week ending	Amount	£	+	Amount	£	+
Alcoy and Gandia	Oct. 6	Ps. 8,000		Ps. 1,300		Ps. 444,520	Ps. 70,280
Antofagasta (Chili)	" 7	50,345		10,020		1,612,105	282,570
Arauco	Aug. 31	10,000		1,000		76,000	13,700
Argentine N.E.	Oct. 6	—		—		103,800	8,498
Bilbao R. and Canta	Sept. 1	4,284		667	9	31,950	8,853
Bolivar	" 1	10,000		1,807	3	32,000	9,490
Brazil	June 1	M3,926,000		M886,822		M2365,000	M2740,227
Brazil Gt. Southern	Oct. 6	M18,420,000		M4,100		M212,990	M33,700
B. Ayres & Pacific	Aug. 6	26,365		1,371	2	50,775	1,677
Do. Central	Sept. 22	114,722		8,255		3,400,014	601,310
Do. Gt. South'n	" 23	36,000		21,000		457,000	156,000
Do. Western	" 29	4,000		15,000		995,000	493,100
Central Argentine	Oct. 6	17,354		5,019		216,171	60,763
C. Ur'g'ay of Mte V.	" 6	4,352		144		55,562	4,018
Do. East'n Ex.	" 6	3,500		1,908		40,544	15,181
Do. North'n Ex.	" 6	2,068		59		—	55
Do. West'n Ex.	Sept. 22	7,000		19,690		36,650	20,895
Cordoba Central	Aug. 11	2,690		2,077		19,896	12,656
Costa Rica	Oct. 6	9,728		828		169,188	37,474
Cuban Central	Sept. 8	8,000		1,100		32,400	9,300
Dorada Extension	Aug. 31	6,938		1,129		88,309	14,308
Egyptian Delta	Oct. 6	100		11,300		166,600	1,900
Entre Rios	Dec. 1	81,752		1,139	12	1,080,727	156,858
French Sante Fe	Sept. 29	Ps. 77,611		52,867		Ps. 347,658	Ps. 48,443
Gt. South. of Spain	Oct. 6	16,400		2,100		491,850	126,450
Gt. West. of Brazil	Sept. 29	8,231		1,207		91,654	11,027
Havana Central	Aug. 6	9,042		5,248		208,871	29,351
Inter. of C. Amer.	Sept. 5	5,750		1,000		68,750	3,000
La Guaira and Car.	Oct. 6	37,123		2,313		1,162,378	201,967
Leopoldina	Apr. 6	10,389		1,997		10,389	1,997
Manila (N. & Sth.)	Sept. 1	12,337		651	3	37,341	6,002
Midland Uruguay	June 1	M1,656,000		M473,279		M7,042,000	M274,641
Mogiana	Sept. 1	26,000		1,542	9	69,500	2,250
N.W. of Uruguay	Oct. 6	28,522		1,159		58,876	70,973
Nitrate	Oct. 6	2,190		1,470		41,730	10,080
Paraguay Central	June 1	M2,188,000		M494,265		M9,909,000	M410,641
Paulista	Sept. 1	S 95,740		S 8,830	3	S 2,905,170	S 261,930
Peruvian Corp'n	" 29	12,500		2,500		200,051	59,234
Salvador	Oct. 30	45,337		8,986		1,082,006	27,517
S. Paulo (Brazilian)	July 1	M1,550,000		M7,540	7	M1083,000	M122,624
Sorocabana	Sept. 1	19,958		3,001	3	60,773	4,508
Taita	Oct. 6	35,985		5,522		466,579	69,509
United of Havana	Oct. 6	5,869		115		96,311	12,003
West'n of Havana	Aug. 5	12,809		290	10	90,265	940
Zafra and Huelva							

* Months. † From Jan. 1. ‡ From July 1. c Net. b 15 days. a 10 days.

COLONIAL RAILWAYS.

NAME.	Week ending	Amount	£	+	Amount	£	+
Belra	July 7	51,645		7,935	10	651,261	7,990
Canadian Northern	Oct. 7	8,765,000		2,980,000		11,350,000	2,214,102
Canadian Pacific	" 7	2,742,000		812,000		8,113,413	814,000
Gr. Trk. Main Line	" 7	223,314		4,147		8,167,838	863,197
Gr. Trk. Western	" 7	38,712		390		1,508,496	29,668
Detroit G. H. & M.	" 7	13,708		181		525,723	1,598
Gr Trk Pac Prairie Sc	Sept. 30	43,107		14,666		311,165	94,263
Marshall G. H. & M.	May 7	65,700		2,798	8	442,673	17,545
Mid. of West'n Aus.	June 7	5,170		315	10	89,266	1,185
New Cape Central	Aug. 18	1,441		36		59,695	7,849
Rhodesia	July 7	89,593		105	10	810,918	43,662

* Months. † July 1. ‡ Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.				NETT EARNINGS TO DATE.			
	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.		
		Dols.	Dols.		Dols.	Dols.		
Atchafalaya T. & S. Fé	Aug.	4,825,000	- 314,000	8	33,592,000	+ 3,220,000		
Atlantic Coast Line	"	6,340,000	+ 885,000	8	7,503,000	+ 2,000,000		
Baltimore & Ohio ..	"	3,057,000	- 594,000	8	20,597,000	- 296,000		
Canadian Northern	"	503,200	- 478,800	2	1,498,100	- 260,000		
Canadian Pacific ..	"	3,818,000	- 1,650,000	8	28,525,000	+ 512,000		
Chesapeake & Ohio	"	1,388,000	- 165,000	8	9,165,000	- 954,000		
Chicago & N.W. ..	"	3,150,000	- 397,000	8	16,874,000	- 2,171,000		
Chicago Burl. & Q.	July	2,099,000	+ 164,000	7	20,983,000	- 2,171,000		
Chicago G.W. ..	"	297,000	- 26,000	7	1,784,000	- 411,000		
Chicago Mil. & S.P.	Aug.	2,222,000	- 1,084,000	8	15,699,000	- 3,026,000		
Chicago, Rock I. & P.	"	1,643,000	- 604,000	8	13,493,000	- 1,618,000		
Colorado & Southern	July	509,000	+ 147,000	7	3,350,000	+ 1,000,000		
Cuba ..	"	229,018	- 29,266	1	229,018	- 29,266		
Delaware & Hud. ..	"	674,000	+ 18,000	7	3,324,000	- 1,050,000		
Denver & Rio Gran.	Aug.	613,000	- 262,000	8	4,999,000	- 696,000		
Erie ..	"	1,176,000	- 850,000	8	7,262,000	- 5,152,000		
Gr. Tr. Main Line ..	"	2,167,000	- 280,950	8	14,884,500	- 1,247,000		
Grand Trunk West'n	"	6,240,000	- 438,450	8	30,450	- 1,301,190		
Detroit G. H. & Mil.	"	6,275,000	- 415,050	8	23,450	- 1,301,190		
Gr. Northern ..	July	2,649,000	- 439,000	7	11,693,000	- 653,000		
Illinois Central ..	Aug.	1,515,000	+ 44,000	8	12,515,000	+ 2,776,000		
Kansas City South'n.	"	499,000	+ 81,000	8	2,953,000	+ 538,000		
Lehigh Valley ..	"	1,062,000	- 145,000	8	6,621,000	- 133,000		
Louisville & Nashv.	"	1,632,000	- 196,000	8	12,598,000	- 130,000		
Minn. S.P. (So.) ..	July	1,042,000	- 469,000	7	5,307,000	- 2,049,000		
Miss. K. & Texas ..	"	697,000	+ 79,000	7	3,658,000	+ 1,953,000		
Missouri Pacific ..	Aug.	2,020,000	+ 367,000	8	13,851,000	+ 6,000,000		
New York Cent. & H.	"	5,155,000	- 1,336	8	31,491,000	- 1,015,000		
N.Y. N. Haven & H.	July	1,586,000	- 791,000	7	11,905,000	- 665,000		
New York Ont. & W.	Aug.	457,000	+ 80,000	8	1,676,000	- 119,000		
Norfolk & Western	"	2,127,000	- 320,000	8	4,144,000	- 1,695,000		
Northern Pacific ..	"	2,411,000	- 331,000	8	19,046,000	+ 926,000		
Pennsylvania East								
and West Lines ..	July	11,445,000	+ 213,000	7	51,050,000	- 10,449,000		
St. Louis & San F.	June	1,636,000	+ 690,000	12	16,661,000	+ 3,229,000		
Seaboard Air Line ..	July	349,000	+ 120,000	7	4,319,000	+ 210,000		
Southern ..	Aug.	2,057,000	+ 112,000	2	2,399,000	+ 712,000		
Southern Pacific ..	"	6,217,000	+ 537,000	8	40,907,000	+ 9,736,000		
Union Pacific ..	"	3,483,000	- 897,000	8	26,049,000	- 454,000		
Wabash ..	"	1,075,000	- 49,000	8	7,896,000	+ 40,000		

The Investors' Review

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NEW SERIES.

CONTENTS.

Passing Events:—National War Bond Sales — Revenue — Tea Control — Coal Controller's Activities — Wilsons and Clyde Coal — "True Freedom of the Seas" — Compressed Wheat — Turkish Budget — Standard Bank of South Africa — London City and Midland Bank — Eastern Telegraph — Eastern Extension Telegraph — Argentine Navigation (Mihanovich) — Ericsson Shipping — Argentine Railway Strike — A. and F. Pears — Hodgson's Kingston Brewery — Cotton Crop — Anglo-Continental Supply — El Oro Mining and Railway — New Modderfontein Gold Mining (pp. 391-6).

Leading Articles:—Our Foreign Trade in September — Rubber Share Valuations — By-the-Way War Notes (pp. 396-8 and pp. 405-6).

Money and Credit Notes:—Spasmodic Credit Flurries — Bank Return — Indian Treasury Bills — Amsterdam Exchange Weakness — Imperial Tobacco Company of Canada Share Issue — Silver (pp. 400-2).

Letters to the Editor (p. 399).
Answers to Correspondents (p. 399).
The Week's Stock Markets (pp. 402-3).
London Produce Markets (pp. 403-4).
Books Received (p. 4 6).

Insurance News:—Eagle and British Dominions and Star's Endowment Assurance — Insurance Results in 1915 — Licenses Insurance and Guarantee's Scheme Approved — National Health Insurance Commissioners' Bill (p. 404).

American Business Notes:—Second War Loan — Assisting the Allies — Cuban War Bonds (p. 406).

Tea, Oil, and Rubber:—Rubber Imports — Share Market — Seaport (Selangor) Rubber Estate (pp. 406-7).

Mining News:—North Anantapur — Sub-Nigel — Mason and Barry — London, Australian and General Exploration — Nourse (p. 407).

What Balance Sheets Tell:—Hill's Dry Docks and Engineering Co. — Denver United Breweries (p. 407).

Company Meetings:—Harrisons and Crosfield — The Niger Co. (pp. 410-11).

The Week in Mines (p. 407).
September Rubber Outputs (pp. 408-9).
Dividends Announced (p. 409).
Public Income and Expenditure (p. 411).
Traffic Returns (p. 412).
Oilfields Items (p. 412).

BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital ...	£3,894,980
Reserve Fund ...	2,800,000
Reserve Liability of Proprietors ...	3,894,980
	£10,589,960

Head Office: SYDNEY, NEW SOUTH WALES.
London Directors:
Sir FREDERICK GREEN, Chairman.
H. L. M. TRITTON, Esq. WALTER S. M. BURNS, Esq.
DAVID GEORGE, Manager. J. S. CAMPBELL, Secretary.
HALKERSTONE MELDUM, Assistant Manager. DAVID GEDDIE, Accountant.

The Bank has 337 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - - - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hong-kong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

SCOTTISH AMICABLE

LIFE ASSURANCE SOCIETY.

(Established 1826.)

A MUTUAL PROFIT-SHARING OFFICE.
COMPOUND BONUS.

Bonus Declared at Latest Investigation £1 15s. per cent. to £4 12s. per cent. according to duration.

Head Office: 35, ST. VINCENT PLACE, GLASGOW.
London Office: 1, THREADNEEDLE STREET, E.C. 2.

THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital	£4,000,000
Paid-up Capital	1,800,000
Reserve Fund	2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires) URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILE—Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

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THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)
ESTABLISHED 1880.

Subscribed Capital	Yen 48,000,000
Capital Paid Up	Yen 36,000,000
Reserve Fund	Yen 21,300,000

Head Office: YOKOHAMA.

Branches and Agencies at

Antung-Hsien.	Harbin.	Nagasaki.	Shanghai.
Bombay.	Honolulu.	New bang.	Singapore.
Calcutta.	Hong Kong.	New York.	Tientsin.
Changchun.	Kobe.	Osaka.	Tientsin.
Dairen (Dalny).	Liaoyang.	Peking.	Tientsin.
Fengtien (Mukden).	Los Angeles.	Ryojun (Port Arthur).	Tientsin.
Hankow.	Lyons.	San Francisco.	Tientsin.

The Bank buys and receives for collection Bills of Exchange, as well as Drafts and telegraphic transfers and Letters of Credit on above places and elsewhere and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.
K. TATSUMI, Manager.

THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837. LIMITED. INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,980,000; together £3,980,000

Reserve Liability of Proprietors 4,000,000 || Total Capital and Reserves | £7,980,000 |

HEAD OFFICE - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

LONDON COUNTY & WESTMINSTER BANK, LIMITED.

ESTABLISHED IN 1836.

CAPITAL £14,000,000, in 700,000 Shares of £20 each.

Paid-up Capital - - - £3,500,000.

Reserve - - - £4,000,000.

Chairman: The Right Hon. The VISCOUNT GOSCHEN. Deputy Chairman: WALTER LEAF, Esq.

HEAD OFFICE: 41, LOTHBURY, E.C. 2.

Joint General Managers: F. J. BARTHORPE. J. W. BUCKHURST.

The Bank is represented by Branches or Agents in all the Principal Cities and Towns of the United Kingdom and has Correspondents throughout the World.

Madrid Branch: Calle de Alcalá 43.

Paris: London County and Westminster Bank (Paris) Limited, 22, Place Vendôme

SUMS OF £10 AND UPWARDS RECEIVED ON DEPOSIT, AND INTEREST ALLOWED THEREON.

EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED
EXECUTOR AND TRUSTEE DUTIES UNDERTAKEN.

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SUBSCRIBED CAPITAL	£6,194,100
PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

BOARD OF DIRECTORS.

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CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED AND COLLECTED.

MAIL and TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK issues CIRCULAR LETTERS OF CREDIT available in all parts of the world.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE and SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, Etc., received.

EXECUTOR and TRUSTEE BUSINESS undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

FRANCIS SHIPTON, London Manager.

ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

CAPITAL PAID UP £2,000,000

REST & UNDIVIDED PROFITS £800,986

Head Office: ST. ANDREW SQUARE, EDINBURGH.

A. K. WRIGHT, Cashier and General Manager

J. B. ADSHEAD, Secretary.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager.

166 Branch Offices throughout Scotland.

Banking Business of every description transacted. Accounts opened for Foreign and Colonial Correspondents. Bills, Cheques, and other documents collected.

Deposit received at interest repayable at call or at notice.

THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—75 Old Broad Street, E.C. 2.

Subscribed Capital £1,278,747 10 0

Paid up Capital 669,670 0 0

Reserve Fund and Undivided Profits .. 378,680 11 8

Reserve Liability of Proprietors 806,982 10 0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon

Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australasia.

THE WESTERN AUSTRALIAN BANK.

Established 1841.

Paid-up Capital .. £280,000 0 0 25,000 Shares of £10 each.

Reserve Fund .. £280,000 0 0 | Reserve Profits .. £29,979

Reserve Liability of Shareholders £280,000.

Drafts issued. Remittances cabled. Bills negotiated or collected. Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents: The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	£1,500,000
Capital Issued	1,125,000
Capital Paid Up	562,500
Reserve Fund	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital - £1,000,000.	Subscribed Capital - £225,000
Paid-up Capital	£500,000
Reserve Fund	540,000
	£1,040,000
Uncalled Capital	125,000
Reserve Liability of Shareholders	625,000
	£1,790,000

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office—38, Lombard Street, E.C. 3.

Subscribed Capital	£1,078,873 0 0
Paid-up Capital	539,437 10 0
Further Liability of Proprietors	339,437 10 0
Reserve Fund	450,000 0 0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION Manager.

BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, Queen Victoria Street, London, E.C. 4.

AUTHORISED CAPITAL £5,500,000

SUBSCRIBED CAPITAL.

Four per Cent. Guaranteed Stock	£549,988
"A" Preference Shares issued to New Zealand Government	500,000
"B" Preference Shares issued to New Zealand Government	250,000
Ordinary Shares	1,500,000
	£2,799,988

Reserve Fund and Undivided Profits £2,246,595

Negotiates and collects Bills of Exchange.

Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

The Investors' Review.

Vol. XL.—No. 1,033.
New Series.

SATURDAY, OCT. 20, 1917.

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Short of Three months the Price is 6d. per Copy Inland, and 7d. Abroad, Post Free.

Cloth cases for binding the Half Yearly Volumes price 1s. 6d., postage 4d. extra. Bound Volumes 15s. 6d., or 16s. 3d. post free.

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"Investors' Review,"

Norfolk House, Norfolk Street,
London, W.C.

Telephone No.:
Gerrard 9132.

Telegraphic Address:
"Unveiling, London."

The Editor cannot undertake to return rejected communications.

Letters from correspondents must, in every case, be authenticated by the name and address of the writer.

The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and they cannot accept responsibility for statements made therein.

ANSWERS TO QUERIES.

One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

Telegrams advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

Private Letters in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

Passing Events.

At the moment people's minds are more exercised about the success of the Government's latest measures for borrowing than about anything else relating to national finance. Thanks to the decision of the Government to publish every Tuesday the total amount obtained during the previous week by the sale of National War Bonds, which is the new name for the old Exchequer bond, we are able to form some idea of the progress made. So far, we regret to say, it has not been as great as it had need to be. Up to Saturday last there were 30,816 applications for these bonds at the Bank of England, representing a total applied for of £37,991,050, or just under £19,000,000 a week, equal almost to £1,583,000 a day. This is not much, for the daily expenditure runs from £6,000,000 to £8,000,000 and upwards, but yet shows considerable progress on the previous sales of Exchequer bonds. Last week's sale, in fact, apart from sales made through joint-stock and private banks not yet brought into account, was £7,809,000. Out of the total of £37,991,000 recorded at the Bank of England in the first fortnight, £13,963,000 represented applications made direct to the Bank itself. This appears to indicate that the enlightened and instructed sections of the community are alive, not only to their duty, but to the necessities of the time; and if only the same interest in the fate of the nation and empire could be awakened in the ignorant or uninstructed classes, we should go on our way in all confidence that the war, even if it lasts another year, would not confront us with permanent or insurmountable credit difficulties. Ah, "if"!

Last week's revenue from taxation and State monopolies was £8,153,000, and various small sums came in under the Telegraph Money Act, Post Office Railway Act, and the Housing Act, but the actual revenue was £11,732,000 less than that of the previous week, and as the total expenditure, including £85,000 disbursed as interest on Exchequer bonds and £1,373,000 of war debt interest, besides £689,000 in miscellaneous outgoings, was £46,745,000, it follows that a shortage of £38,642,000 had to be made up to balance the actual business transactions, as they may be called, of the week. In addition, the Government had to repay

£34,104,000 of due Treasury bills and also £8,500,000 of temporary advances. Altogether, therefore, the week's outgoings amounted to £89,349,000, and the actual revenue, including all the small sums indicated above, was £8,505,000. The small sum of £7,809,000 received by the sale of National War Bonds, eked out as it was by £900,000, the product of sales of War Savings Certificates, went but a little way towards filling the gap, and the Government had to sell £50,776,000 worth of Treasury bills and to borrow temporarily £5,000,000, besides drawing £16,896,000 from other war debt sources—a vague rubric which might very well be made more definite. We presume always, but have never been told openly, that this "other debt" is the product of advances by the United States, and it is probably that. Why not say so? At the end of the week £537,000 more was available than had been disbursed. By this amount, therefore, the Exchequer balances were increased to £18,856,000. A year ago they were £34,501,000.

It appears to be perfectly evident that there has been even a greater muddle over tea control than there was over sugar from the moment that the ordinary channels of distribution were interfered with by officialdom. There was admittedly a shortage of sugar from the time that some 75 per cent. of normal supplies were cut off, but the Sugar Commission—which has never interfered with retail distribution—has put it on record that it never handed out less than 24,000 tons per week, or sufficient to provide $\frac{3}{4}$ lb. per head of the population, with a margin of 10,000 tons per week for Army requirements and manufacturing purposes. Without definite evidence to the contrary, it seems fair to assume that the Commission, in fixing the proportions mentioned, had good reasons for implying that 10,000 tons were, if not ample, at least reasonable for the purposes mentioned, and so long as the trade was left to make its own arrangements with regard to ordinary domestic supplies no serious grievance arose. But from the moment that the regular traders were interfered with there has been nothing but increasing trouble and confusion, resulting ultimately in sugar cards and a mass of wasted effort that is almost inconceivable, although in the meantime stocks have greatly increased, as the Board of Trade returns show. An even worse blunder

was made with the unhappy potato fiasco last spring, and it might reasonably have been hoped that the controllers would have laid these lessons to heart, and kept clear of similar mistakes in the future.

In the case of sugar and potatoes there was undoubtedly a shortage, and rigid economy was necessary. As regards the former, it was demonstrated beyond the possibility of dispute that the trade, left to itself, could handle the position more efficiently and satisfactorily than any Government department, however well intentioned. But the case of tea is essentially different from that of sugar. There is no question of shortage; supplies are ample, and we control practically the whole of them—that is to say, we do not have to compete in world markets for a commodity which is scarce; the market is entirely in our own hands, and we began the year with stocks that were fully sufficient for all reasonable requirements. Tea is perhaps second only to bread as an essential part of our dietary—whether for good or evil is not the point—and with all the advantages we possessed its regular supply at any rate might have been safeguarded at a minimum of effort or waste. But stocks have been allowed to drop to a point at which only about one month's supply is visible, and already most people find it difficult to secure more than a fraction of their ordinary requirements. When the late Food Controller—who at least might have been supposed to know something about the trade—started to interfere, he had the noble ambition of guaranteeing that the “2s. canister” would always be kept replenished for the benefit of poor people, and with a certain amount of tact that might very probably have been accomplished. But tact and an army of officials do not drive well in harness. The scheme had scarcely been propounded when the “2s. canister” became the “2s. 4d. canister,” and anyone who chose could charge 2s. 8d. or 3s. for the same article. To-day it is selling at 4s., and the buyer is impressed with the fact that it is a great favour to get $\frac{1}{4}$ lb. of it if the seller is not already completely sold out.

Now we must insist, and keep on insisting, that there is no sort of necessity for this state of affairs. If it had been found absolutely impossible to allocate a few ships to bring over the necessary supplies, a plain statement to that effect would have put the trade on a system of rationing, and economy would have been enforced without the hardships of an actual famine. We understand that the ships have now been found, and that the situation will be sensibly relieved in the course of a few weeks; but in the meantime the trade has been thoroughly disorganised, and it may be long before it settles down to normal conditions again. The whole scheme was crude to the point of imbecility. Tea-grading is a highly skilled business; even the expert puts the leaf through severe tests before he can feel quite satisfied about its value, and the rough-and-ready classification that was adopted when the Food Controller gratuitously decided to interfere with the trade merely lent itself to the profiteering proclivities of unscrupulous retailers. It was all so utterly uncalled for, and the ensuing muddle has been so grotesque, that we are inclined to believe that if the public stand it without the most vigorous protest they will stand anything. They are recommended to use coffee or cocoa as substitutes—perfectly futile suggestions, but if they were not, would it be too inquisitive or impertinent to ask what the prices are likely to rise to, and why they should have already advanced 100 per cent., although stocks are sufficient for two or three years' consumption?

In the Newcastle coal trade the activities of the Coal Controller seem to be resulting in a pretty mess. A short time ago the Controller granted the miners an increased wage of 1s. 6d. a day, the coalowners to be reimbursed for such additional expenditure by a revision of rates all round. This was all right as far as it went, but the increase both in wages and prices

was much retrospective. The result is that coal merchants and exporters are called upon to collect from their customers the difference between the old prices and the new as from September 17 last. Is it to be wondered at that they find this an almost impossible task? As far as the home trade is concerned, the coal has been purchased at a stipulated price; much of it has probably been consumed, and can it be doubted that buyers will resist the claim for additional payment? What is going to happen, too, in the case of the export trade when coals have been shipped and the transaction closed? Will buyers not under the jurisdiction of the Coal Controller obey his behest, even in a minute minority of instances? Then as to contracts, even greater difficulties present themselves. Small wonder, in the circumstances, that business has become virtually impossible. It is to be hoped that the representations that are being made to the Coal Controller will result in a way out of the *impasse*.

During the past year we have heard a great deal of the troubles of the coal trade, but many of the companies have, in spite of their difficulties, been doing remarkably well. One of these undertakings, the Wilsons and Clyde Coal Co., Ltd., has recently issued accounts for the six months ended February last, and in spite of the fact that from September, 1916, the price of coal steadily fell, the company succeeded in making a gross profit for the period of £81,500, equivalent to £162,000 per annum, against a profit of £118,630 for the preceding 12 months. Moreover, as the amount set aside out of the profits of 1915-16 as a reserve for excess profits duty proved to be much larger than required, sufficing apparently to meet the necessities of the latest half-yearly period, the net profit comes out at £80,000, as compared with £58,300. The ordinary dividend is 25 per cent. actual, an amount similar to that paid for the whole of the preceding 12 months, and the carry forward is left £10,700 up at £41,700. Of course, it is true that, as from March 1 last, the undertaking passed under the control of the Board of Trade, but judging from the distribution, and that of a number of other colliery undertakings, the immediate future is not regarded with anything approaching apprehension. The company is a very old-established undertaking, and in no small measure owing to excellent management has had a very successful career. But there is no reserve fund, and the amount set aside for depreciation is not disclosed, both important essentials in the case of an undertaking whose property consists of wasting assets. In the balance-sheet cash has fallen £41,570 to £174,675, but liabilities of the company are down £35,120 to £129,030, sundry debtors are £19,420 larger at £100,700, and stock-in-trade has gone up £29,680 to £48,260. Current liabilities exceed liquid assets, apart from stock, by £77,020, which is good enough.

A thoughtful and instructive essay on “The True Freedom of the Seas” was delivered by Sir John Macdonell the other day at University College. In this Sir John authoritatively demonstrated the hollow pretentiousness of the phrase, “Freedom of the seas,” as employed by the Central Powers, recalling the definition of Grotius to the effect that the expression meant “to navigate and fish in the open sea without let or hindrance as under the Roman law.” He went on to show that the United Kingdom has long followed, as regards the coasting trade and pilotage, a policy of liberality which few States have imitated. To-day, in fact, there exists but one exception to a true freedom of the seas, and that is the claim of Turkey to control the Bosphorus and the Dardanelles, a claim the maintenance of which has stifled the development of Northern Asia Minor and of South-Western Russia most grievously for centuries. One result of the present war must be to knock the barrier down which the incompetent Turk has so long maintained, and to open the entrance to the Euxine to the merchant fleets of all nations. Sir John also recalled the efforts England

made at the Conference at the Hague to provide for the protection of neutrals against mines, and how Germany had opposed our proposals. In conclusion, the lecturer pointed out that there was a possible new and important development of international law, a possible creation of a true sanction for the enforcement of the terms of any treaty of peace, providing for reparation on the part of Germany, by concerted policy as to the conditions upon which access to the ports of the Allies should be granted. But before we reach that stage a necessary preliminary is to drop a phrase which "has at least six different meanings," a phrase which generally covers some plan for increasing the naval strength of Germany and for depriving this country of the advantages incident to the possession of a widespread empire. And that is true. German shipping interests have compelled the Imperial Government to promise to lend them its credit to an indefinite extent—up to £50,000,000, at least—so that they may be able to build new merchant fleets and to seize again their pre-war place in the trade of the world. They will find the world's ports mostly shut against them when the war is over. And they will remain closed until reparation has been made. But apart from that, what is the loan of imperial German credit worth to-day in any kind of enterprise?

A large stock of wheat lies in Australia. Up to the present no adverse news has been made public regarding the current harvest year's grain crop in that continent, and the probability is that another large harvest will be gathered. *The Australasian Insurance and Banking Record* states that the total quantity of old wheat stored in Australia in the beginning of July last was upwards of 161,000,000 bushels, so that if the new crop is also satisfactory, there must be a large surplus of grain available for export. Unfortunately the shipping tonnage available is much restricted now, and may not be increased to the necessary extent in time to prevent us from suffering from that shortage about which the Director of Food Economy, Sir Arthur Yapp, is continually warning us. It seems worth while, therefore, to draw attention to the first Lord Masham's method of treating wheat so that it might be preserved without damage or loss, and made by compression much more portable than if shipped in the ordinary way. His latest proposal, made to Mr. John Hutton, of Northallerton, shortly before he died, was to form a company capable of storing 10,000,000 quarters of corn, or four months' home supply, at a cost of 1s. 6d. per quarter per annum, and to treat this grain by his process so as to keep it undamaged and available for food for an almost indefinite time. According to Mr. Hutton's letter in Tuesday's *Times*, Lord Masham's process was as follows:—The wheat is first crushed or rough ground as if for cattle. It is then steamed to soften it for any suitable compressing machine, the steaming being of the utmost importance and value as the high-pressure steam kills all the germs of the parasites which damage and destroy crude corn when stored in the ordinary way. After being thus softened, the grain is subjected to heavy pressure—the sample Lord Masham sent to Mr. Hutton was compressed in a common oil mill—and it can be then made up into cakes or bricks, dried and stored. In this form the corn would occupy much less space on board a ship than if loaded in sacks or in loose grain. Various efforts were made by Mr. Hutton to interest the Government of the day in this invention, but nothing came of it. It seems opportune, therefore, to draw attention to this process now when tonnage is scarce. The cakes of rough flour, after drying, occupy little space, and could be shipped in larger quantities and with greater ease than wheat or ordinary flour. Supplies might be increased, whilst the tonnage capacity required might be lessened. That, at least, is Mr. Hutton's contention, and, assuredly, if we can double the available supplies of grain in this fashion, or even increase them by 50 per cent., without making larger calls on the available tonnage, it will be a great gain.

Djavid Bey, the Turkish Minister of Finance, is being credited with frankness in a statement made by him before the Turkish Parliament. Speaking of the current year's Budget, he announced that £18,000,000 a year is now required for the service of the Turkish public debt, and as the revenue is estimated at only £19,800,000, this would leave but £1,800,000 for the other requirements of the State. Reuter reports that this statement caused consternation, and well it might, although it is not nearly all the truth. The old debts of Turkey were put by the Finance Minister at £135,000,000, and the loan expenditure incurred during the war at £162,000,000, making a total of £297,000,000, which is plainly much less than the truth. What the exact figure is, no one is allowed to know, but we feel sure that the total expenditure of Turkey on the war is very much greater than £162,000,000, and it has again and again been announced that the only help Germany has been able to give Turkey is to lend its name as a sort of bladder raft on which to sustain the empire by unloading upon it tons upon tons of worthless paper money. What is the amount of paper currency now afloat in Turkey, endorsed by the Deutsche Bank? Is it £300,000,000, or more? Another point. The revenue of Turkey cannot be almost £20,000,000 for the present year. Turkey's trade has been stopped, the Armenian population in Asia, the Turk's most prolific revenue yielder, has been, as far as massacres could do it, wiped out of existence, and the male population of Mussulman faith has been devoured in the war. Where is £19,000,000 or £20,000,000 of revenue to come from a country thus ruined? Djavid Bey may or may not be an honest man, as honesty passes muster among degenerates, but assuredly he is an expert at avoiding full confession of the truth.

An interim exhibit has been made by the Standard Bank of South Africa, Limited, covering the first half of the year. No report is issued, but the statement is made that the bank's investments stand in the books at less than the market value on June 30 last, and it is added that all usual and necessary provisions have been made. The dividend is again at the rate of 14 per cent. per annum, or 7s. per share, subject to income-tax. Changes in the balance-sheet are significant of progress. Notes in circulation, for instance, are £489,624 higher at £1,759,421, and liabilities on current, deposit, and other accounts show an expansion of £3,352,910 at £29,596,591. The categories, "drafts outstanding" and "acceptances and customers' bills for collection," are respectively up £220,438 and £597,448 at £1,420,532 and

THE LONDON CITY & MIDLAND BANK LIMITED.

Head Office : 5, THREADNEEDLE ST., LONDON, E.C.2.

Foreign Branch Office : 8, Finch Lane, London, E.C. 3.

Subscribed Capital -	£22,947,804
Paid-up Capital -	4,780,792
Reserve Fund -	4,000,000

Deposits -	£193,222,087
Reserves -	48,290,936
Bills of Exchange -	22,352,037

The Belfast Banking Company, Ltd., is now affiliated with this Bank, but their figures are not included in the above.

£3,402,350. This last, "customers' bills, &c., for collection," is a cross entry pointing to a considerable expansion in business. As to the assets, owing to a decline of £1,105,440 in cash in hand, reducing it to £3,119,290, the total of available moneys, including cash at bankers and credit at call and short notice, which is up £387,278, shows a reduction of £738,161 at £5,578,661. Investments in the War Loan and Colonial Government and Municipal securities, &c., show a decrease of £205,325 at £5,755,717, but bills of exchange purchased have increased £1,647,523 to £5,628,253, and bills discounted and advances to customers are together up £3,040,143 at £19,579,547. Altogether, the balance-sheet shows an increase of £4,660,421 at £39,727,420.

Following the example of the London City and Midland Bank, which recently secured a footing in Ireland by the purchase of the Belfast Banking Co., the London County and Westminster has made an offer to the shareholders of the Ulster Bank, Limited, to acquire their holdings in exchange for two-thirds of one share in the London County and Westminster, £5 paid, plus a cash payment of £2 10s. for each share in the Ulster Bank. The latter has a capital of £3,000,000 in 200,000 shares of £15 each, with £2 10s. paid up, and if the scheme is carried through in its entirety the transaction will involve the issue of 133,333½ London County shares and a cash payment of £500,000. The provisional agreement is subject to the consent of the Treasury to the issue of the new capital, and to the acceptance of the scheme by the holders of not less than 160,000 Ulster Bank shares, unless the directors of the London County should determine to proceed on a smaller number. It is proposed to increase the capital of the London County from £14,000,000 to £17,000,000 by the creation of 150,000 shares of £20 each, and the acceptance of that proposal by the shareholders may be taken for granted. It is intended to maintain the name and separate existence of the Ulster Bank, and we are glad of that, as it has been a well-managed and progressive business. It occupies a position of great strength throughout Ireland, with 170 branches, and it will prove a valuable acquisition to the London County and Westminster. According to the report and balance-sheet made up to August 31, the deposit and current accounts amounted to £12,877,000, the notes in circulation to £2,883,000, advances, &c., to £8,575,000, investments to £4,424,000, and cash to £4,173,000. There is a reserve fund of £600,000, and in addition bank premises which cost over £350,000 have been written down to nil. Last year's profits amounted to £135,000, and for the third year in succession a dividend of 2½ per cent. was paid, so everything looks as prosperous as could be desired.

In 1916 the Eastern Telegraph Co., Ltd., increased its revenue by £414,852 to £2,519,283. Ordinary expenses rose likewise, but only by £51,150 to £707,038. The board, however, spent £150,296 more at £352,905 in the maintenance of cables, income-tax payable abroad, and special bonus to staff, &c., in connection with the war, so that the nett balance left was only £213,416 better at £1,459,340. The sum of £26,638 brought forward was £6,104 smaller, and consequently the available profit was just £207,303 up at £1,485,978. Income-tax, excess profits duty payable in England, interest on the debenture stock and dividends on the preference stock took £596,289, which was £139,252 more than last year, and as the debenture interest and preference interest are fixed amounts, we may assume that this represents larger payments on account of excess profits duty and income-tax. Even so, the balance of £889,688 left over is £68,050 better, and the directors are able to place £500,000, or £4,000 more, to the general reserve fund and give the same amount of £10,000 and £5,000 respectively to the insurance of war risk at stations fund and insurance of

goods in transit fund. From the remainder, the dividend on the ordinary stock is made up to 8 per cent. by a final quarterly dividend of 1½ per cent. and an annual bonus of 2 per cent. These paid, the £54,688 left to carry forward will be £28,050 more than was brought in. The general reserve fund was debited with £11,950 in respect of loss on sale and redemption of investments, &c., and with £150,000 as further provision on account of investment fluctuations, so that, after crediting it with the £500,000 taken from last year's revenue, the nett addition is £338,049, bringing up the total to £2,144,000. Adding in the other reserves, depreciation, and insurance funds, the total accumulations amount to £2,937,000, an increase of £375,030 on the year. Traffic and other credit balances are also £286,000 up at £1,518,367. The cost of the stocks bought for these reserve funds has been £3,279,532, but from that £600,000, including the £150,000 just mentioned, has been written off on account of investment fluctuations, bringing down the nett amount at which the funds stand in the company's books to £2,680,000. Other features in the balance-sheet are equally comfortable to meditate upon.

Like all British ocean telegraph companies, the Eastern Extension Australasia and China Telegraph Co., Limited, did very well indeed in 1916. Its gross income increased by £271,577 to £1,221,497, while working expenses were only £43,572 higher at £430,244. Consequently the clear revenue was £791,253, or £196,524 up. Adding £38,816 brought forward, which was £7,445 more than a year ago, there was altogether £830,070 to be dealt with, or an increase of £235,341, but the charge for income-tax and excess profits duty at once swept away £161,036 of this increase, the total payments under these heads having been £246,853. Still, after meeting debenture interest, the company remained amply provided with funds to continue the dividend at 8 per cent. on its common stock, the same as was paid for 1915, and an advance of 1 per cent. on former years. The distribution is quarterly, 1½ per cent. being distributed each three months, and with the final quarter the stockholders get a bonus of 2 per cent., all paid free of income-tax. There still remains £313,121 to be disposed of, and £250,000 of that is placed to the general reserve fund, leaving £63,121 to be carried forward, or £24,305 more than was brought in. Under arrangements with the Governments of the Australian Commonwealth and New Zealand, the company's cable stations at La Perouse, near Sydney, and Wakapuaka, near Nelson, New Zealand, have been closed, and its cables between Australia and New Zealand extended to Wellington, where they are now being worked direct with Sydney under greatly improved conditions. After allowing for a loss on the sale of the Tonquin cable to the French Government, and on the sale of investments, the general reserve shows a nett increase of £181,304 on the year, and now stands at £967,511.

It was announced some time ago that negotiations were in progress to acquire control of the Argentine Navigation (Mihanovich) Co. by British and French interests, and we are glad to learn that these have now been successfully concluded. As was generally anticipated, the prime mover in the matter proves to be Sir Owen Philipps, M.P., representing the Royal Mail Steam Packet Co., in association with the Lamport and Holt line. Three of the leading French shipping companies, namely, the Transports Maritimes, the Chargeurs Réunis, and the Sud-Atlantique, are associated in the deal, while Italian interests are represented by the Trans-Atlantica Italiana. The importance of the acquisition is that the Argentine Co. has almost a monopoly of the coastal and river traffic in the River Plate, which has a seaboard of 2,000 miles and over 3,000 miles of river available for navigation. The company's vessels give a regular service with some 50 ports in Argentina, Uruguay and Paraguay, which are thus linked up with Europe via Buenos Aires. The capital

of the Argentine Co. is £2,000,000 in £1 shares, of which 400,000 are 6 per cent. preference, and there were at one time debentures for £1,100,000, but these have been paid off. At first the company was quite successful, but it subsequently fell on evil days, not mainly through any fault of its own. It will continue to operate under its present title, and the founder, Señor Pedro Mihanovich, will continue his connection with the company, assisted in the management by his brother and Mr. José Dodero. There is every reason to expect that with the powerful backing, which the new interests will be able to give, the company will soon recover, and increase its old prosperity, while the control of the local organisation will also assist the purchasers in their Transatlantic trade, and Sir Owen Philipps is to be congratulated in securing such a valuable acquisition for the benefit of Allied interests, especially as it is understood that German agents had been casting envious eyes on the business of the company.

The financial year of the Ericsson Shipping Company ends September 30, and the accounts have made their appearance with commendable promptitude. In contrast to many shipping undertakings, the company is able to report increased profits and to pay away a larger amount in dividends to the shareholders. The improved results are doubtless, in a measure, attributable to good fortune, but they are also an excellent testimony to the efficiency of the management and to the fact that the company's steamer stands in the balance-sheet at only just over £3 6s. per ton dead-weight. There are far too many companies whose whole fleet has been purchased at war prices and who consequently, at the present time, find themselves in a very unenviable position. Profit for the year comes out at £23,600, as compared with £14,800, and, after deducting expenses, including £415 more spent on maintenance, dry docking, &c., there remains £21,670. Of this, income-tax and excess profits duty reserve takes £4,500 more at £9,500, and, after setting aside £1,000 more at £3,000 for depreciation, and paying debenture interest, there is £8,050 available, as against £5,180 a year ago. The dividend is 10 per cent., free of tax, compared with 20 per cent., free of tax, but it is paid upon a larger capital, the result of the adjustment made in connection with the amount recovered in respect of the s.s. *Monitoria*, lost in 1915, and calls for £1,000 more at £5,000. Then £600 more at £1,000 is devoted to maintenance and reserve, and an increased allocation of £600 at £1,000 is made to underwriting account, leaving £800 more at £1,500 to go forward. The company has under construction some new vessels of the *Monitor* corrugated type, the first of which is to be launched next month, and it is the financing of this new tonnage, apparently, which accounts for the reduction of £12,000 in investments and for the large increase in cash. Liquid assets exceed current liabilities by £67,600, and the s.s. *Hyltonia* now stands in the books at £14,000. The company's vessel is now running on Admiralty service, and if the new conditions continue to operate, profits are likely to be less, but there are indications that something is being done to alleviate the existing shipping situation.

The strike position on the Argentine Railways has been a fruitful source of rumours, and during the past week a number of conflicting advices have come to hand, but, according to Reuter, a delegation of strikers visited President Irigoyen on Wednesday, and informed him they would resume work at midnight. It is to be hoped that a settlement has been reached, but, pending further information, it would be as well to accept the return of the men with reservation. As far as we can see, the turbulent section of the employees have got somewhat out of hand, and, even if the leaders are disposed to pursue a reasonable course, it remains to be seen whether the rank and file will follow. Moreover, a great deal depends upon the attitude of the Govern-

ment as to the terms of settlement. It is clear that the Government proposal to grant a 10 per cent. increase in rates in consideration of an increase in wages of a similar amount, far from meets the situation. This would only leave the companies where they are—in a very parlous state—and the proposal that the men should be paid for the time they have been busy destroying property is certainly amazing and sure to be resisted.

Apparently A. and F. Pears, Limited, just comfortably held its own in the year to June 30, the nett profits showing a small increase of £300 at £90,740. In view, however, of the heavy increase in the cost of raw materials and the inevitable advance in working costs, it is safe to assume that the trading overturn was considerably larger, as it is practically impossible for the company to recoup itself by raising the price of the leading articles which it manufactures. The dividend of 20 per cent. is repeated, and £5,000 is again placed to reserve, but £4,700 less was brought in, and the carry forward is similarly reduced to £20,370. Creditors have increased £13,000 to £57,400, and debtors are £14,000 higher at £93,000. Stocks have risen £22,000 to £185,000, but cash balances are £14,000 lower at £31,400, and investments are slightly reduced at £390,000, while works, plant, &c., are £3,000 up at £524,000. Nothing in the figures calls for special comment.

One of the first Brewery reports to come to hand covering the 12 months ended September 30 last, is that of the Hodgson's Kingston Brewery Company. The document makes a very fine showing. Gross profit is up £13,000 at £64,620, and after providing for expenses there remains £40,100, an increase of £8,860. Charges and taxes under Finance Act take £24,550, and the nett profit comes out at £15,550, an increase of £4,970. With this larger sum available, the dividend is raised from 6½ per cent. to 9 per cent., and the carry forward is left £2,060 up at £9,675. The barrelage restriction is reflected in stock, which is £4,445 down at £8,765. Cash has increased £24,140 to £36,940, and creditors are £8,920 larger at £24,200.

The closing of the Liverpool cotton market in "futures" for so long seems to have had the reverse of a sobering effect. Extravagant rumours and cabled reports as to the state of the new crop seem to be the order of the day, and prices have exhibited wide fluctuations. There is, of course, always an immense amount of speculation going on in New York, which

THE CAPITAL & COUNTIES BANK LIMITED.

Established - - - - 1834.

HEAD OFFICE:

39, THREADNEEDLE STREET, E.C. 2.

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May be lodged at the Head Office or any of
the Branches and Sub-Offices of the Bank.

Liverpool is compelled to a large extent to follow, and which is responsible for a great deal of erratic market movements; but it is to be hoped that, as soon as more definite information is to hand as to the condition and size of the crop, the present feverish activity will quieten down. It would be very regrettable if the authorities have again to close the local market, for the pursuit of such a course would be to play into the hands of American speculators who have greatly benefited from the closure of the Lancashire market. As to the crop, this is very late this year, and has yet to run the gauntlet of climatic vicissitudes, such as frost; but even if normally good weather continues, a short crop is expected, the view that has gained general acceptance being that the yield will be insufficient for consumptive requirements. In the circumstances, therefore, it is not surprising that a strong buying movement has been in evidence, and that prices have gone steadily against buyers. In several quarters, however, quite a large amount of business has been passing. Stocks are said to be shrinking, and the spinners' margin of profit seems to be improving.

The directors of the Anglo-Continental Supply Co., which owns a large tea and coffee distributing business in Paris and other Continental centres, were confronted with many difficulties during 1916, due to the enormous increase in the price of all commodities, and to the trouble involved in obtaining supplies. Considerable sums of money have been locked up in stocks, and in advances against goods in transit, and it has been essential in the interests of the company to retain temporarily all available cash. Nett profits for the year to December 31 amounted to £116,005; the previous report covering two years to December 31, 1915, showed nett profits of £311,627, or at the rate of £155,813 per annum. A half-year's dividend on the 8 per cent. preference shares has been paid, and the directors hope to be able to announce the date of the payment of the second half-year's dividend at the meeting to be held on October 25. This dividend has been fully earned, and the balance forward will then amount to £43,843, but there will be no dividend for the ordinary shareholders, who received 7 per cent. for 1914 and 1915. Sundry debtors, including payments in advance, are £53,453 higher at £109,019, and stocks on hand rose by £27,110 to £542,239, while cash in hand is only slightly less at £97,166. On the other side of the account creditors at £220,842 are £83,166 higher, and the company has obtained a loan from its bankers of £66,183—a new item in the balance-sheet. The whole of the ordinary shares (£800,000) and £120,000 in preference shares were taken by the vendors as part of the purchase consideration when the company was formed.

An extraordinary position of affairs exists in Mexico, according to a speech made by Mr. R. T. Bayliss, at the meeting of the El Oro Mining and Railway Co. Highly important matters which were common knowledge in Mexico did not, he pointed out, appear to be understood or fully appreciated here. Taxation had been increased by hundreds per cent., and to mining companies, particularly those owning low-grade mines, it was now simply prohibitive. Taking the last completed year of the El Oro Co., the present scale of taxation has risen from a sum equal to 11½ per cent. of the nett profits to 32 per cent. Moreover, the arbitrary increase in wages enforced by the State and Federal authorities, and various other penalties imposed upon employers of labour under the new Constitution, have raised the working costs in the El Oro case by \$2.11 per ton—that is, roundly, by 100 per cent.—thus rendering unprofitable the treatment, under conditions that prevail to-day, of more than one-half of the ore hitherto included in the reserves. On the top of all this the provisions of the new Constitution authorise the Government to ascertain the profits of mining companies, and having done so to allocate such profits as to it may seem just and fair between the employer and employed. As Mr. Bayliss said, the mining industry has

now reached a crisis at which the industry must either terminate or be conducted under less onerous conditions. It is not surprising in these circumstances to find that the American companies have protested against the conditions imposed by the Government, and that concerted action is to be taken by the foreign companies to secure an improvement in the present situation. In the light of these revelations it is easy to understand why the output of silver has declined, despite the high price of the metal, and the gradual pacification of the country. Mexico is missing a great opportunity, in making this quasi-socialist experiment, of rehabilitating her economic position, but its first fruits should rapidly convince her Government of the absurdity of the new Constitutional decrees as they affect the trade and industry of the country.

The New Modderfontein Gold Mining Co., one of the most prosperous of the Eastern Rand mines, established fresh records in the year ended June 30. In spite of a shortage of labour the tonnage treated was increased by 21,700 tons to 656,700 tons, the average yield of which was 43s. 4d. per ton, as compared with 40s. 10d. in 1915-16, and 38s. 3d. in the preceding year. Working costs rose 2s. 2d. to 19s. 5d., owing to the higher prices of mining materials, and the average profit was consequently only 4d. higher at 23s. 11d. The total working profit was £785,017, an increase of £35,900. Both the tonnage milled and the profit, which is equal to over 50 per cent. of the capital, were the highest in the company's history. The dividends paid again amount to 32½ per cent., but the balance carried forward is reduced from £398,126 to £354,906, owing partly to £320,672 having been spent on development and equipment. Reserves of ore have been increased by 901,030 tons to 8,914,400 tons, valued at 8.5 dwts. per ton, which on the basis of a profit of £1 per ton is equal to over £25 a share. The new reduction plant, which will increase the crushing capacity from 54,000 tons to 94,000 tons per month, will probably be completed at the end of the year. For a company twice reconstructed early in its career the results may be regarded as very satisfactory, especially since it has already paid over 250 per cent. in dividends in the past ten years.

Our Foreign Trade in September.

In view of the fact that since the end of June the Board of Trade Returns include articles imported and exported in public as well as in private ownership (except exports for the use of H.M. Forces on active service), whereas previously an undisclosed amount of Government owned stores for our own and Allies' use was excluded, exact comparison with last year's figures is not possible, but the tendency in the three months for which the returns are given on the same basis is not very reassuring, as will be seen from the following statement:—

	Imports.	Exports.
	£	£
July.....	90,182,000	49,834,000
August	100,567,000	49,804,000
September.....	86,300,000	43,244,000

On the other hand, the comparison with the two previous years shows to rather better advantage, but if any reasonable allowance is made for the recent inclusion of Government stores, we are afraid it must be admitted that there are distinct evidences that our foreign trade is on the wane:—

	September, 1917.	Compared with 1916.	Compared with 1915.
	£	£	£
Imports	86,299,668	+ 8,859,485	+ 16,013,430
Exports	43,244,194	— 233,483	+ 10,935,760
Re-exports.....	3,158,430	— 3,962,160	— 4,405,917
NINE MONTHS.			
Imports	776,702,153	+ 72,756,650	+ 132,889,816
Exports	394,029,088	+ 14,700,150	+ 110,937,400
Re-exports.....	58,526,959	— 18,348,120	— 17,092,927

Looking at these figures, it must be borne in mind, firstly, that there has been a very great all-round ad-

vance in prices, and, secondly, that 1915 was a terribly poor year owing to a variety of reasons which need not now be discussed in detail. To begin with, it was really to a large extent a transition period; we had not entirely got away from peace conditions, and certainly had not settled down to the grim realities of a prolonged war, with its incalculable expenditure and consequent inflation of credit. But pre-war conditions were so totally different from anything we are likely to experience for a very long time to come, that the first complete war year must be regarded as marking the beginning of a new era, and it may well happen that the next volume of economic history will start from that point. Previous experience will, of course, have a certain academic interest, but it will seem terribly remote from the developments which we may confidently anticipate during the next few years. However that may be, there is plenty of reason for congratulation to be derived from a comparison of the figures for the past nine months with those of the corresponding period in 1915. Allowing an ample margin for the advance in prices, it is also true that in the meantime an enormous amount of effective labour has been withdrawn from productive employment, and when everything is taken into consideration, it is no mean achievement to have increased our exports by £111,000,000. The rise of £133,000,000 in imports, although it has its disquieting features, affords eloquent testimony to our ability to draw supplies from all parts of the world, and the decline in re-exports—our valuable *entrepôt* trade—we may hope is only temporary, owing to the scarcity of shipping, exceptional sea risks and abnormal rates for freight and insurance. Except in regard to this transshipment business, the comparison with last year also comes out better than we might have hoped for, but, as already indicated, the beam seems now to be definitely tipping the wrong way. It is inevitable, and we must not complain; rather let us rejoice that it has kept the balance favourable longer than we dared to hope.

Imports last month showed an increase of $11\frac{1}{2}$ per cent., while exports were $\frac{1}{2}$ per cent. lower, and re-exports $55\frac{1}{2}$ per cent. Grain and flour imports were £2,518,000, or 22 per cent. higher, but judging by the tendency of prices in other directions, it does not follow that the quantity was greater, and details are still withheld. Meat, including animals for food, dropped £2,818,000, or nearly 30 per cent., and there were declines of £1,719,000, or 23 per cent., in non-dutiable articles of food, and of £1,022,000, or 13 per cent., in dutiable, mainly sugar and tea. Tobacco dropped £670,000, or 76 per cent., and the nett reduction in this section is £3,712,000. Raw materials and articles mainly unmanufactured show a nett increase of £3,512,000, but the details are not particularly gratifying. Raw cotton jumped £4,810,000, or 119 per cent., but the quantity shows an increase of only $11\frac{1}{2}$ per cent. Wool fell $46\frac{1}{2}$ per cent. in quantity, and only 26 per cent. in value, while the decreases in wood were 40 per cent., and $24\frac{1}{2}$ per cent. respectively. Flax imports fell 25 per cent., but the value was nearly 25 per cent. higher, and hemp fell 23 per cent., but cost 27 per cent. more. Hides were a trifle lower, but the value advanced $36\frac{1}{2}$ per cent. A favourable point is that petroleum imports increased 111 per cent., while the value was only 71 per cent. higher, no doubt owing to the regulation of contract prices. Oil seeds fell $65\frac{1}{2}$ per cent. in quantity and 52 per cent. in value. Practically everywhere it is the same tale of advancing prices, accompanied too often by diminished quantities. Iron and steel, for instance, fell 29 per cent., but cost $17\frac{1}{2}$ per cent. more, and in the case of other base metals the discrepancy is even greater, and the total value is up £2,793,000, or fully 100 per cent. Leather manufactures fell off £1,303,000, or 80 per cent., and paper £386,000, or over 50 per cent., but there was an increase of £215,000, or 35 per cent., in machinery, and of £590,000, or nearly 200 per cent., in carriages, motors, cycles, &c. Unclassified articles, however, account for the bulk of the advance of £7,350,000 in miscellaneous imports.

With regard to exports, foodstuffs show a decrease of £1,480,000. Coal fell $9\frac{1}{2}$ per cent. in quantity and $5\frac{1}{2}$ per cent. in value, but there was an increase of £292,000, or 80 per cent., in oil, oil seeds, &c. Iron and steel manufactures fell £1,154,000, or 26 per cent., while the quantity was 23 per cent. lower. Cotton goods show an increase of £1,812,000, or 20 per cent., but the quantity was 9 per cent. smaller. Woollen goods increased £737,000, mainly due to higher prices. There was an increase of £359,000, or $27\frac{1}{2}$ per cent., in apparel, but machinery, paper, and chemicals, all show fairly substantial declines. On the other hand, unclassified articles show an increase of £1,532,000, and, all things considered, we suppose we must be well content that considerable vitality is displayed in a variety of directions.

With all the troubles of supply which have to be faced, it is very desirable to keep an eye on the bonded warehouse account, tucked away at the end of the monthly Board of Trade returns. In normal times the figures had no significance, except, perhaps, for the dealers in the various trades concerned, and they had access to information of a much more detailed character. But every consumer is now interested to see how stocks stand, and it is possible to draw certain, if not infallible, inferences from the figures available.

	Aug. 31, 1917.	Sept. 30, 1917.	Sept. 30, 1916.
Cocoa .....cwt.s.	1,185,000	1,131,000	926,000
Coffee "	1,355,000	1,321,000	1,305,000
Sugar, unrefined.... "	2,779,000	3,914,000	2,112,000
Do., refined..... "	894,000	819,000	444,000
Tea .....lbs.	52,682,000	36,416,000	118,663,000
Tobacco "	187,749,000	174,940,000	271,024,000
Spirits, home-made..gals.	131,153,000	129,603,000	141,964,000
Do., foreign..... "	15,691,000	15,380,000	17,727,000
Wines..... "	5,901,000	5,857,000	6,653,000

Stocks of cocoa, coffee, and tobacco are being slowly depleted, simply because no new supplies are allowed to come in, but the difference between last month and August will give a fair basis of consumption, and indicate how long the stocks already in hand may be



A1

No. 9

THE AMERICAN'S LONDON.

No. 9.—A New Pilgrimage: The Homes of Chatham and Wolfe.

No other part of England is so rich in memories of America as is that corner of Kent on the borders of London where lie the villages of Hayes and Westerham. Westerham, the birthplace of Wolfe, is, of course, known to the Canadians in our midst; but Hayes, where William Pitt, Earl of Chatham, made his home, is seldom a place of pilgrimage for either Canadians or Americans in London.

During the dispute which led to the War of Independence Franklin, as agent for the colonies, made many visits to his friend the Earl at Hayes Place. In his *Letters* he records that "On Friday, the 27th [Jan., 1775] I took a post-chaise [from Craven St.] about 9 o'clock, and got to Hayes about 11; but, my attention being engaged in reading a new pamphlet, the post-boy drove me a mile or two beyond the gate." To Hayes Place the Earl of Chatham was brought after his seizure in the House of Lords on April 8, 1778, when making his final appeal for conciliation, and here he died on May 11 following. Pittsburgh is his memorial in America.

The gates of Hayes Place are still there, opposite the church wherein Chatham worshipped, and his sons, the second Earl and the younger Pitt, were baptised. The road along which Franklin went perusing his pamphlet leads to Hayes Common, where Chatham was wont to ride. Adjoining on the east is Keston Common, bounded by the road traversed by the motor-buses which run to Westerham Hill. Below the Hill, a pleasant ramble of $2\frac{1}{2}$ miles, is the village of Wolfe, where a pleasant hour may be spent at the Vicarage, where he was born; the Church, where he was baptised; Quebec House (open to the public), where he passed his boyhood days; and the Green, where a statue shows him with sword in hand, as he led his troops to victory.

By Route No. 47 (Shoreditch and Farnborough) to the "Crown," Bromley Common, whence Hayes is a short field-path stroll from the "Rookery."

By Route No. 136 (Bromley and Westerham Hill) to Westerham Hill, passing the "Crown" and Keston Common.

Passengers should ascertain the running times of the Westerham Service at Bromley.

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expected to last. Nothing can be more evident than that our supplies are sufficient for a very long time ahead, if not another lb. arrives in the next year, and if there is to be anything better than a derisory control of profiteering, these items would be the first to attract the attention of anyone who pretended to take charge of retail as against wholesale and middlemen's prices. Yet we hear repeatedly that small tobacco manufacturers outside "the Trust" have to pay 100 per cent. more for their raw material, while cocoa and coffee cost the ordinary consumer at least double as much as they did before the war, when stocks were only a fraction of what they stand at now. Is there any sense or reason in a position of that sort while the tea trade—of infinitely greater importance as the national beverage, *par excellence*—is harassed into a condition of chaos that no goodwill in the world can help it out of, except the absolute elimination of fussy interference and the abrogation of stupid regulations? Stocks have been allowed to fall to a dangerous level, and naturally the public have got into a panic, with the result that there are now tea queues added to sugar queues; and it is all so utterly unnecessary. The sugar position, we are glad to see, has very sensibly improved, stocks now being $4\frac{1}{2}$ million cwt., against $3\frac{1}{2}$ millions a month ago and $2\frac{1}{2}$ millions last year. Yet at this time a year ago the sugar distribution created no difficulty, and at the worst everyone could get a reasonable modicum, which is very far from being the case at present. If we really must have "control," could it not be made much more effective, and at a fraction of the colossal expense we are now put to?

Rubber Share Valuations.

Although in the long run the value of shares is mainly determined by the interest they yield on the purchase price, there are plenty of reasons why this rough and ready method cannot be applied satisfactorily to the Rubber market in its present stage of development. The incidence of the excess profits duty alone works in an extremely erratic manner to the advantage of one company and the detriment of another, and as the impost is essentially of a temporary character (at any rate, in its present form) its effect on dividends has naturally to be taken into account. Apart from that, however, the industry is still comparatively in its infancy; pioneers are still in their early teens, and very few have reached even that dignity. Few of the estates are completely developed, and in no case can the trees be said to have reached their maximum output. In these circumstances, it is obviously impossible to lay down any hard and fast rule for the valuation of the shares, quite irrespective of what the future may have in store by way of fluctuations in cost of production and selling prices. All we can be sure of is that the industry is firmly established on a secure basis, and it will ultimately be possible to determine with fair accuracy what a particular plantation ought to be worth, but at present a great many factors have to be taken into consideration, and only a close study of the conditions affecting each individual company will give a satisfactory answer to the question—Are the shares worth the money or likely to appreciate? The intending buyer ought to know the extent of the planted area and what stage of development it has reached, as to which the yield per acre is probably the best guide. Then he will inquire how much reserve land there is suitable for cultivation, and what resources the company has for carrying out extensions. Costs of production are a very important, but necessarily fluctuating item, like the average price obtained for the product, but these are mainly ordinary commercial risks, and an estate that is badly managed will soon make itself unenviably conspicuous. There remains the question of the probable future of the market for the raw material, but everyone who studies the subject has his own views on this matter, and we need not stop to discuss it now.

With these and other points to be kept in mind, it must be evident that wide generalisations are of little practical use, but as a preliminary investigation we have worked out the market valuation per planted acre of a few of the leading companies, and present the results in the subjoined statement:—

	Capital.	Last Year's Dividend.	Prices.	Planted Area.	Market Valuation per Acre
	£	%			£
Allagar (2/)	102,900	15	3/6	1,160	155
Anglo-Dutch Plantations	1,163,200	8	33/	12,788	150
Anglo-Java (2/)	292,760	35	8/	8,482	140
Anglo-Malay (2/)	150,000	85	15/6	4,430	262
Bakap	60,000	30	47/	857	164
Banteng	60,000	22½	66/	1,404	141
Batu Caves	26,750	210	17	1,744	260
Bukit Mertajam (2/)	172,590	15	5/6	2,964	160
Bukit Rajah	66,700	100	10	3,890	170
Bukit Sembawang (2/)	333,950	12½	3/9	6,774	92
Castlefield	45,000	65	8	2,416	149
Dalkeith (2/)	117,090	14½	3/3	2,554	74
Dennistown	136,600	12	36/	1,877	131
Federated Selangor	26,400	100	8	1,052	200
Glendon	52,000	30	47/6	1,050	118
Golden Hope	44,000	25	82/	1,460	124
Grand Central	1,225,000	14	29/	13,887	128
Harpenden	30,000	125	10	1,647	182
High and Lowlands	309,480	38	65/	4,322	233
Inch Kenneth	30,000	40	7	1,391	151
Johore Rubber Lands	399,500	15	40/	5,352	150
Kepitigalla	225,000	10	22/6	3,028	83
Kinta Kellas (2/)	108,930	12½	4/9	1,867	139
Kuala Lumpur	210,000	40	5½	5,062	228
Labu (2/)	100,000	40	11/	3,025	180
Linggi (2/)	115,000	140	31/	8,360	213
London Asiatic (2/)	159,760	45	9/6	4,178	181
Malayalam	500,000	10	38/6	8,877	108
Merlimau (2/)	228,390	18½	6/3	5,382	132
Perak (2/)	89,000	37½	8/	1,310	272
Rubber Estates Johore	125,000	20	44/	1,806	152
Seafield	100,000	65	5½	2,336	225
Seaport	187,500	11	31/	1,785	163
Straits Rubber	350,000	55	5½	8,023	250
Sungei Kapar (2/)	100,000	70	12/	2,554	235
Sungei Way	58,660	60	5½	2,020	167
Tebrau	125,000	35	78/	3,727	265
Tremelby	68,000	50	5½	2,047	174
United Serdang (2/)	250,000	45	12/6	9,640	162
Vallambrosa (2/)	50,600	125	25/6	3,323	194

It will be seen that the variations in the last column are much greater than might have been expected, and only in three cases out of the forty given does the valuation fall below £100 per acre. Round £150 seems to be the favourite level, but ten estates mount to well over £200 per acre, which must be regarded as a very high figure. Of course, the price of suitable land has risen greatly since the plantation industry established itself, but even so we believe we are right in saying that the capital expenditure up to the time the trees come into bearing ought not to exceed £50 or £60. If that be so, the market must be regarded as in a rather parlous case. True, there has been no planting on an extensive scale in the past few years, and none is likely till after the war, but there is almost unlimited land suitable for the purpose, and with such tempting profits in prospect, we can scarcely believe that enterprise will neglect so favourable an opportunity. Of course, it takes from five to seven years for a rubber estate to become productive, and in the meantime the demand for the material is not likely to diminish, but people who are paying up to £250 or more per acre for their holdings are pretty certain to find that they have made a bad bargain when competition in production becomes really severe.

Mr. George Readman, advocate, has been elected chairman of the board of the Arizona Co., Ltd., in place of the Hon. Lord Salvesen, recently retired.

South Africa's Frozen Meat Trade.—The development of South Africa's export trade in frozen meat is one of the subjects dealt with by Sir William Hoy in his annual report on the railways and harbours. Last year 17,861,042 lbs., valued at £361,768, were exported, compared with 198,683 lbs., valued at £5,858, in 1913. Vigorous efforts are being made to create a large overseas trade, and the Administration is preparing to co-operate in every way with a view to fostering the industry.

Letters to the Editor.

THE PASTORAL INDUSTRY IN AUSTRALIA.

SIR,—I have read with much interest the letter of Mr. W. E. Abbott and your comment which appeared in the issue of the 13th inst.

Whilst I quite appreciate the inappropriateness at this stage of a controversy in respect of Australian domestic politics, I hope you will allow me the opportunity of elaborating Mr. Abbott's point of view. This gentleman is a pastoralist of many years' standing, who has, with great success, devoted himself to the rearing of sheep. Until comparatively recent years New South Wales was almost wholly a pastoral State. This meant that immense areas under one holding were utilised for growing wool. Within these areas was included not only ordinary pastoral country, but land which was more fitted for agriculture. The ordinary maintenance of these squatting areas was carried out with comparatively few men. This system, whilst beneficial in many ways to the country, was open to the following criticism:—

1. It tended to bring about the aggregation of large estates.
2. It inadequately met the demand for employment.
3. It led to little increase in the rural population.
4. It tended to crowd the population within the large cities.

During the last 25 years the policy of agriculture and smaller settlement has taken root. This new departure, no doubt, struck the pastoralists hard in many respects. It led to the sub-division of larger estates; but it created a greater volume of employment on the land, and greatly increased the rural population, and relieved correspondingly the congestion of the cities. In carrying out radical changes of this character, no doubt somebody will suffer in reduction of areas, and those who are affected naturally resent every step in the new policy. Yet Mr. Abbott and other pastoralists have never been so well-to-do as during the last five years. Which is the better policy for a new country? I will leave that to my readers to determine.

Mr. Abbott states that the number of sheep in the Commonwealth has fallen from 97,000,000 in 1890 to about 70,000,000 in 1917, and he attributes this to the policy of modern Governments in providing for close settlement and agriculture; but to this assertion there are two answers. It is notorious that about the year 1890 New South Wales was terribly over-stocked, and, with adverse seasons that followed, the loss of sheep was appalling. Secondly, close settlement and small holdings are in no way injurious to the increase in the numbers of sheep. Mr. Abbott himself quotes the United Kingdom, with an area about one-third of New South Wales, as having almost as many sheep as that State. Yet Great Britain and Ireland are essentially countries of small settlement.

The old order changes; those who belong to it are invariably convinced that the country is going to the dogs; but I say without hesitation, take any branch of primary production—wool, wheat, meat, butter, cheese, and metals—Australia was never so prosperous as it is to-day.—Yours faithfully,

C. G. WADE,

Agent-General for New South Wales.

Sydney House, Cockspur Street,

Trafalgar Square, S.W. 1.

October 16, 1917.

"THE WOOL INDUSTRY OF AUSTRALIA."

SIR,—Without venturing upon the political aspects of the letter appearing in your issue of October 13th, on "The Wool Industry of Australia," signed by W. E. Abbott, I am afraid he does Australia an injustice in suggesting that our flocks of sheep are constantly declining in numbers at a serious rate—the decline amounting to 27,000,000 between the years 1890 and 1916 (?). The fact is, this particular reduction in number represents a fluctuation only, due chiefly

to causes obvious to those familiar with Australian conditions.

To prove this it is only necessary to point out that our flocks during the intervening period 1900-1911 increased 23,000,000, almost reaching the numbers of 1890, and any shortage was more than accounted for by the fact that the export trade of frozen meat had, in the meantime, become established. On a basis of wealth, the 1911 position was infinitely superior to that of 1890, our sheep having in the meantime greatly improved as regards yield of wool and suitability for the export trade. Allowing for this improvement, it can be said that in 1911 Australia exceeded in its carrying capacity the record of 1890.

The explanation of the above figures lies in the fact that 1890 and 1911 respectively reflect a series of good seasons, and whilst in 1916 (?) the flocks were considerably reduced, the more important fact is that Australia enjoys wonderful seasons of recuperation, and I venture to say that this year we are well on the road to establishing the 90,000,000 mark again.—I am, Sir, your obedient servant,

FRED. W. YOUNG.

112, The Strand, W.C. 2.

Answers to Correspondents.

F. W. G.—Certainly apply, but you cannot exchange your other stock except by selling, and it is not worth while doing that.

Alpha.—We cannot learn there is anything seriously wrong with the property. The delay in bringing it to its full capacity is disappointing, and has caused selling. The market now looks a little steadier, and we think you might hold, although you may not see any rapid recovery. No reduction in dividend is expected.

M. T.—(1) We cannot advise you to sell now, but recovery must be slow owing to the political disturbances. (2) These will probably go higher still, so there is no need for haste.

Somme.—You must either sell or join, otherwise you will lose everything. It is quite a speculative venture, but there is a possibility that this new company will do better than the old.

R. H. T.—The last two are the most attractive, and No. 3 is purely speculative.

E. P. B.—(1) Doing quite well, but are now fairly fully priced. (2) Results in dividends so far not very brilliant, but the company has a good property, with prospects of expansion. At present they seem high enough, but if they dropped back 5s. or so they might be considered as a purchase.

Zero.—We cannot recommend you to average; the price does not give you much room to reduce your original cost, but we do not think you should sell now. See reply to Alpha.

M. R. K.—The company purchases its bonds from time to time, and that keeps the market steady. We think you should make the exchange. 1927.

Loboro.—We think you could not do better than average the stock you already hold, which is one of the best.

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Incorporated A.D. 1720.

Governor: Vivian Hugh Smith, Esq.

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from $5\frac{1}{2}$ per cent. on
Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Apart from the credit movements in connection with the floating debt, and with the issue of the new National bonds, nothing has happened to change the complexion of the Money market during the week. Money is as cheap to-day as it was a week ago; that is to say, seven day loans remain at $4\frac{1}{4}$ per cent., and call money fluctuates around 4 per cent., dipping in the afternoon to $3\frac{1}{2}$ and sometimes 3 per cent. Discount rates, too, rest at the points they settled down to many weeks ago. Now and then, however, owing to a heavier than the average amount of Treasury bills falling due, or to increased calls for assistance by the Treasury, money is spasmodically somewhat dearer. The foreign exchanges, however, cannot be said to affect rates at all in the old fashion. Neutral rates are eased this week, but whether adverse or favourable, their action on the price of credit in the open market is suspended.

This week's Bank return discloses some large movements of credit ascribable presumably to the "push" being made with subscriptions to the new National bonds. Other securities are £11,415,000 higher, and

Government securities £960,000 higher. These two increases in the available supply of credit have sent up the other deposits by £12,444,000, and public deposits by £546,000. At the same time, coin and bullion has come into the Bank to the amount of £547,000, and as the note circulation has declined £39,000, the increase in the reserve is £586,000. Owing, however, to the large expansion in the deposits its proportion to the liabilities is down $1\frac{1}{4}$ per cent. to $18\frac{3}{4}$ per cent.

For the first time the Government of India is making an issue of Treasury bills in India, and these were placed on sale on Tuesday. Six months' bills were offered at $97\frac{1}{16}$, nine months' bills at $96\frac{1}{4}$, and twelve months' bills at 95. These prices give a return of $4\frac{7}{8}$ per cent. per annum on the Sixes, 5 per cent. on the Nines, and $5\frac{1}{8}$ per cent. on the Yearlings. The bills are offered in denominations ranging from Rs. 5,000 (£333) to Rs. 10,00,000 (£66,666). Such an issue was foreshadowed some time ago by Sir William Meyer, and has been made in order to provide funds to meet the heavy payments India has to make for the Imperial Government—expenditure recoverable from the War Office—which has left the India Council with inadequate funds for sales of Council drafts. Money is now abundant in India, but it is doubted whether the bills will make a strong appeal to the Indian, who is always able to earn 10 to 14 per cent. on his money locally.

The principal feature on the foreign exchange market has again been the movements of the European neutral exchanges. On Monday the market, which had been without any telegraphic advices from Amsterdam since the first of the month, received a batch of advices down to October 8, which showed that the quotations here, which last week we pointed out were none too reliable, were unduly low. Throughout the period the rate in Amsterdam ranged from 11 fl. 20 to 11 fl. 29 $\frac{3}{4}$, whereas in London the rates varied from 10 fl. 70 to 11 fl. 30, and nearly every day were lower here than in Amsterdam by 10 to 15 points. As a result those who had remittances to make to Holland lost money owing to the absence of Dutch advices, which shows that the suspension of the cables cuts both ways. No doubt the suspension of the cables was fully justified, but it is a pity that arrangements were not made to confine its disadvantages to the Dutch. The Scandinavian exchanges have moved against us slightly this week.

The International Financial Society, Limited, has been offering 1,000,000 shares of \$5 each, at the price of 19s., or about 93 per cent., in the Imperial Tobacco Co. of Canada, Ltd. These shares form part of the holding of the British-American Tobacco Co., which proposed to distribute them in the form of a bonus to its shareholders. For some incomprehensible reason the Treasury would not sanction this arrangement, and the shares were sold to the International Society at 17s. So now the Treasury allows the latter to dole them out at the price mentioned. We must confess that the attitude of the Treasury presents a puzzle that we cannot hope to solve, but the public need not complain, as they have the chance of securing shares of a promising speculative-investment character which yield about $7\frac{1}{2}$ per cent., and unless things unexpectedly go very far wrong, are pretty sure to appreciate. So everybody ought to be satisfied except the British American Tobacco Co., which appears to have had to pay 2s. per share for the privilege of making the Treasury a fool of itself.

SILVER.

The Silver market has been very quiet, and very few buyers have been in evidence, so the cash price of bars was quoted yesterday $\frac{1}{4}$ d. lower at 42 $\frac{3}{4}$ d. It has been sliding down in like gentle fashion all the week, so it is now $1\frac{3}{4}$ d. per oz. lower than at the end of last week. The fall was more or less looked for because the rise has been so rapid, but it has been accentuated by sales on China account occurring simultaneously with the reduction in United States Government purchases for subsidiary coinage. Messrs. Samuel Montagu and Co. give the stock of bars in Bombay on October 16 at 3,500—no change. The stock in Shanghai, on Octo-

ber 13, consisted of about 24,400,000 ounces in sycee and \$14,900,000. This shows an increase of 300,000 ounces, but no change in the dollars. They also mention that *Financial America* estimates the production of the Cobalt camp for 1917 at 20,000,000 ounces, worth \$16,000,000 or \$17,000,000. This is likely to constitute, so far as value goes, one of the highest records in the history of Cobalt mining.

Applications for the Rs. 90,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,03,20,000. Of these Rs. 82,60,000 were allotted in deferred transfers, and Rs. 7,31,000 in immediate transfers. Tenders for bills and deferred transfers at rs. 4 29-32d. and for immediate transfers at rs. 5d. received about 44 per cent. The amount to be offered next Wednesday is again Rs. 90,00,000. Since April last Rs. 30,30,00,000 have been sold, realising £20,600,589.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, October 17, 1917.

ISSUE DEPARTMENT.

	£		£
Notes Issued	72,283,885	Government Debt	11,015,100
		Other Securities	7,434,900
		Gold Coin and Bullion ..	53,833,885
		Silver Bullion	—
	£72,283,885		£72,283,885

BANKING DEPARTMENT.

	£		£
Proprietors' Capital ..	14,553,000	Government Securities ..	59,231,870
Reserve	3,066,203	Other Securities	100,359,198
Public Deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts) ..	42,731,954	Notes	30,644,06
Other Deposits	134,069,335	Gold and Silver Coin ..	2,201,441
Seven Day and other Bills ..	16,617		
	£192,437,114		£192,437,114

Dated October 18, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year, Oct. 18.		Oct. 10, 1917.	Oct. 17, 1917.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,157,252	Rest	3,091,294	3,065,208	—	25,086
55,589,446	Pnb. Deposits ..	42,116,150	42,711,954	545,804	—
108,495,580	Other do. ..	119,625,250	132,069,335	12,444,084	—
19,675	7 Day Bills ..	20,775	16,617	—	4,158
	Assets.			Decrease.	Increase.
42,189,840	Gov. Securities.	58,271,720	59,231,870	—	960,150
101,389,822	Other do. ..	88,944,306	100,359,198	—	11,414,892
38,237,291	Total Reserve ..	32,260,444	32,846,046	—	585,602
				12,989,888	12,989,888
				Increase.	Decrease.
56,854,070	Note Circulation	41,678,315	41,639,280	—	39,035
55,696,429	Coin and Bullion	55,488,759	56,015,326	546,567	—
22.7 p.c.	Proportion ..	19.9 p.c.	18.5 p.c.	—	1.4 p.c.
6 "	Bank Rate ..	5 "	5 "	—	—

CURRENCY NOTES.

Return of Currency Notes for the week ended October 17, 1917.

	Issued.	Cancelled.	Outstanding.
£1 notes	3,509,342	2,843,364	132,893,929
10s. notes	1,245,759	1,263,520	33,383,047
Note certificates ..	430,000	—	17,910,000
Previous total	722,346,456	539,237,695	—
	722,346,456	543,344,579	184,186,978

Ratio of gold held against notes, this week, 17.14 p.c.; last week, 17.10 p.c.

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,705,000	1,445,416,000	333,289,000	—
June	1,486,612,000	1,147,630,000	339,182,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August	1,628,368,000	1,364,782,000	263,586,000	—
September	1,348,317,000	1,136,590,000	211,727,000	—
October	392,265,000	337,388,000	54,877,000	—
" 10	381,976,000	326,800,000	55,096,000	—
" 17	371,167,000	338,823,000	32,344,000	—
Total ..	15,083,753,000	12,281,271,000	3,835,604,000	—

PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended Oct. 13.)

REVENUE.	£	EXPENDITURE.	£
Customs	1,698,000	National Debt Service ..	188,449
Excise	505,000	Interest, etc., on War Debt	1,373,590
Estate, &c., Duties ..	31,000	Development & Road Improv	—
Stamps	384,000	Payments to Local Taxation	300,000
Land Tax and House Duty	—	Other Consolidated Fund	—
Property and Income Tax	884,000	Charges	200,683
Excess Profits Tax ..	3,656,000	Supply Services	44,597,360
Land Values	10,000	Bullion Advances	—
Post Office	700,000	For Advance for Interest	—
Crown Lands	—	on Exchequer Bonds under	—
Sundry Loans	—	Capital Expenditure	—
Miscellaneous	—	(Money) Act, 1904	—
Bullion advances repaid	—	For Treasury Bills	34,104,000
For Treasury Bills for Supply	50,776,000	Expenditure Certificates	—
5% Exchequer Bonds, 1922 ..	159,000	under War Loan Act, 1916	—
6% Exchequer Bonds, 1920 ..	—	Other Debt under War Loan	—
National War Bonds	7,809,000	Acts, 1914-16	—
War Expenditure Certificates	—	For Exchequer Bonds under	—
War Savings Certificates ..	900,000	Section 61 of Finance Act,	—
4% War Loan, 1929-1942 ..	—	1916, and Section 34, 1917	84,909
5% War Loan, 1929-1947 ..	—	Under Telegraph (Money)	—
Other Debts created under	—	Act, 1913	—
War Loan Act, 1915, and	—	Under Post Office (Lon-	—
Finance Act, 1916	16,806,118	don) Railway Act, 1913 ..	—
Telegraph Money Act, 1913	55,000	Under Military Works Acts	—
Under Post Office Rly. Act,	—	Under Housing Act, 1914 ..	—
1913	68,000	Public Buildings Expendi-	—
Under Military Works Acts,	—	ture Act, 1903	—
1897-1903	—	Old Sinking Fund, 1907-8 ..	—
Under Public Buildings ..	—	Old Sinking Fund, 1910-11 ..	—
Under Housing Act	229,000	China Indemnity	—
Repayment of Advance for	—	Depreciation Fund	—
Interest on Exchequer	—	Suez Canal Drawn Shares ..	—
Bonds, 1904	—	Temporary Advances repaid	8,500,000
China Indemnity	—	Increase in Exchequer	—
East African Protectorate	—	balances	537,127
Loan repayment	—		
Suez Canal Drawn Shares ..	—		
Ways and Means Advances	5,000,000		
Decrease in Exchequer	—		
balances	—		
	£89,886,118		£89,886,118

* Excluding sales through banks which have not yet been brought to account.

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Oct. 13, 1917.	Oct. 6, 1917.	Sept. 29, 1917.	Oct. 14, 1916.
Loans	797,924,000	792,284,000	779,176,000	668,822,000
Reserve held in own Vaults ..	13,098,000	16,972,000	18,588,000	83,254,000
Reserve held in Fed. Res. Bk. ..	90,828,000	76,880,000	74,350,000	33,698,000
Cash in own Vaults	19,522,000	17,392,000	16,780,000	—
Reserve held in Other Depos. ..	14,356,000	22,478,000	18,282,000	10,704,000
Net Demand Deposits	717,296,000	711,084,000	704,964,000	656,666,000
Net Time Deposits	43,474,000	41,560,000	41,446,000	33,095,000
Circulation	6,473,000	6,426,000	6,382,000	6,268,000
Excess Lawful Reserve	19,728,000	16,582,000	13,202,000	14,474,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Oct. 13, 1917.	Oct. 6, 1917.	Sept. 29, 1917.	Oct. 14, 1916.
Loans	167,652,000	166,848,000	168,772,000	145,262,000
Specie	11,500,000	11,504,000	11,846,000	11,910,000
Deposits	171,958,000	169,440,000	170,400,000	154,444,000
Legal Tenders	3,270,000	2,912,000	2,972,000	1,998,000

BANK OF FRANCE (25 francs to the £).

	Oct. 11, 1917.	Oct. 4, 1917.	Sept. 27, 1917.	Oct. 12, 1916.
Gold in hand	131,424,280	131,364,760	131,290,920	194,261,360
Silver in hand	10,361,720	10,391,280	10,11,440	13,291,480
Bills discounted	23,684,200	29,132,800	22,994,400	17,409,080
Advances	44,581,040	43,883,400	43,797,520	47,092,760
Note circulation	864,318,120	850,801,560	839,793,160	681,155,750
Public deposits	1,012,600	1,090,760	1,544,280	1,931,920
Private deposits	112,967,800	115,988,480	116,409,440	93,833,760
Foreign Bills	57,680	69,800	44,000	72,300

Proportion between bullion and circulation 26.83 per cent., against 26.05 per cent. last week. Advances to the State £476,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £20,671,400, decrease £50,520, and at the branches £25,713,040, decrease £31,200.

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Oct. 6, 1917.	Sept. 29, 1917.	Sept. 22, 1917.	Oct. 7, 1916.
Total Coin & Bullion	125,364,750	125,288,050	125,573,150	125,563,550
Treasury Notes	50,969,600	49,324,050	38,210,950	18,503,650
Bills discounted	602,877,800	781,625,450	563,297,950	373,403,050
Advances	464,800	461,350	449,750	546,650
Note circulation	510,246,800	480,176,650	480,176,650	361,527,250
Deposits	300,096,700	477,046,250	298,606,050	160,816,050

Clearing House return during September £404,706,500, against £380,111,030, in August.

IMPERIAL BANK OF RUSSIA (10 roubles to the £).

	Oct. 13, 1917.	Oct. 6, 1917.	Sept. 29, 1917.	Oct. 14, 1916.
Notes in reserve	11,600,000	12,200,000	12,400,000	8,790,000
Gold	129,650,000	129,340,000	129,520,000	155,420,000
Gold in reserve abroad	230,860,000	230,880,000	—	205,430,000
Loans and Discounts, including Treasury Bonds	1,607,840,000	1,567,160,000	1,525,950,000	514,450,000
Circulation note issue	1,729,010,000	1,666,100,000	1,538,700,000	758,710,000
Deposits, including Treasury deposits ..	344,270,000	338,850,000	353,300,000	20,190,000

BANK OF ITALY (25 lire to the £).

	Sep. 10, 1917	Aug. 31, 1917	Aug. 20, 1917	Sep. 10, 1916
	£	£	£	£
Total cash	41,068,240	41,455,600	41,027,320	43,130,520
Inland Bills	25,353,400	25,424,570	24,580,120	19,514,520
Foreign Bills	832,720	832,600	832,840	833,520
Advances	13,110,800	13,608,680	12,332,280	7,548,800
Government securities ..	8,766,200	8,783,400	8,815,000	8,828,320
Circulation	190,191,160	187,716,520	184,004,480	138,103,560
Deposits at notice ..	25,062,440	23,487,760	23,658,800	14,127,640
Current accounts	13,906,480	13,620,280	13,120,840	15,878,640

BANK OF SPAIN (25 pesetas to the £).

	Oct. 6, 1917	Sept. 29, 1917	Sept. 22, 1917	Oct. 7, 1916
	£	£	£	£
Gold	77,499,153	77,023,822	76,422,309	47,177,097
Silver	28,995,007	29,385,389	29,367,183	29,806,777
Foreign Bills	3,647,029	3,699,815	3,608,879	4,045,364
Discounts and Short Bills ..	29,897,971	28,853,869	28,978,636	24,257,774
Treasury Account, &c. ..	25,136,552	25,319,158	25,276,593	29,583,825
Notes in Circulation ..	108,052,700	105,790,271	105,229,014	92,152,937
Current Accounts, Deposits ..	38,231,869	38,523,344	38,369,345	30,632,663
Dividends, Interests, &c. ..	2,101,219	2,299,466	1,623,080	1,845,226
Government Securities ..	5,034,518	6,411,528	6,557,638	1,822,328

BANK OF SWEDEN.

	Sept. 22, 1917.	Sept. 15, 1917.	Sept. 8, 1917.	Sept. 23, 1916.
	£	£	£	£
Gold	11,637,000	11,362,000	11,363,000	9,504,000
Balance abroad and Foreign Bills ..	7,493,000	7,662,000	7,965,000	9,489,000
Swedish and Foreign Govt. Securities ..	2,867,000	2,882,000	2,898,000	3,762,000
Discounts and Loans ..	10,039,000	10,226,000	10,592,000	3,732,000
Circulation	26,375,000	26,500,000	26,310,000	19,558,000
Deposits at notice ..	5,957,000	6,021,000	6,518,000	5,627,000

BANK OF NORWAY.

	Sept. 29, 1917.	Sept. 22, 1917.	Sept. 15, 1917.	Sept. 30, 1916.
	£	£	£	£
Gold	6,754,000	7,031,000	7,142,000	6,274,000
Balance abroad and Foreign Bills ..	4,323,000	4,131,000	4,041,000	5,621,000
Govt. Securities ..	707,000	707,000	707,000	767,000
Discounts & Loans ..	16,702,000	16,308,000	15,864,000	6,791,000
Notes in Circulation ..	17,121,000	16,530,000	16,468,000	12,661,000
Deposits at notice ..	7,863,000	8,295,000	7,941,000	4,200,000

SWISS NATIONAL BANK (25 francs to the £).

	Oct. 6, 1917.	Sept. 29, 1917.	Sept. 23, 1917.	Oct. 7, 1916.
	£	£	£	£
Gold and silver ..	16,046,184	15,974,312	15,842,956	13,725,388
Bills	8,875,428	9,103,148	8,587,113	7,997,400
Note circulation ..	23,431,496	23,208,236	21,545,556	18,535,100
Current and deposit accounts ..	4,114,124	4,457,000	6,034,256	5,370,264

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Oct. 16, 1917.		Oct. 18, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam	Cable transfers	11.03	11.07	10.98	11.03
"	Three months' bills ..	11.20	11.25	Nom.	Nom.
Paris	Cable transfers	27.50	27.55	27.51	27.56
"	Three months' bills ..	27.90	27.95	27.90	27.95
Switzerland	Cable transfers	22.17	22.27	22.10	22.20
"	Three months' bills ..	22.52	22.62	22.45	22.55
Petrograd	Cable transfers	313	316	331	336
Genoa, &c. ..	Cable transfers	36.90	37.00	36.95	37.05
Spain	Cable transfers	20.38	20.48	20.40	20.50
"	Three months' bills ..	54 1/2	55 1/2	54 1/2	55 1/2
Lisbon and Oporto ..	Cable transfers	30 1/2	31 1/2	30 1/2	31 1/2
Copenhagen	Cable transfers	15.08	15.18	15.03	15.13
Christiania	Cable transfers	15.35	15.45	15.08	15.18
Stockholm	Cable transfers	12.93	13.03	12.68	12.78

NETHERLANDS BANK (12 Florins to the £).

	Oct. 6, 1917	Sept. 29, 1917	Sept. 22, 1917	Oct. 7, 1916
	£	£	£	£
Gold and Silver	56,927,333	56,911,666	56,812,666	49,461,916
Bills and Advances ..	13,303,666	12,693,666	12,035,583	14,453,166
Note circulation ..	68,159,333	67,613,583	65,583,333	59,248,750
Deposits	5,449,916	5,658,916	7,046,666	8,059,416

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22 1/2	27.53	27.53
Amsterdam, cheques ..	Florins to £1 ..	12.107	11.80	11.03 1/2
Italy, sight	Lire to £1 ..	25.22 1/2	36.80	37.00
Madrid, sight ..	Pesetas to £1 ..	25.22 1/2	20.29 1/2	20.42 1/2
Lisbon, sight ..	Pence to milreis ..	53 1/2 d.	31 d.	30 1/2 d.
Switzerland, sight ..	Francs to £1 ..	25.22 1/2	22.22 1/2	22.12 1/2
Christiania, sight ..	Kroner to £1 ..	18.159	15.15	15.05
Stockholm, sight ..	Kroner to £1 ..	18.159	12.94	12.65
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.15	15.15
Petrograd, sight ..	Roubles to £1 ..	94.57	301 1/2	345
Alexandria, sight ..	Piastres to £1 ..	97 1/2	97 1/2	97 1/2
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Hong Kong, T.T. ..	Sterling to dollar ..	—	2/9 1/2	2/8
Shanghai, T.T. ..	Sterling to tael ..	—	4/0	3/10
Singapore, T.T. ..	Sterling to dollar ..	—	2/4 1/2	2/4 1/2
Yokohama, T.T. ..	Sterling to yen ..	—	2/1 1/2	2/1 1/2
New York, cable ..	Dollars to £1 ..	24.58 d.	4.76 1/2	4.76 1/2
Buenos Aires, T.T. ..	Pence to dollar ..	47.58 d.	49 1/2 d.	50 1/2 d.
Valparaiso, 90 days ..	Pence to peso ..	—	14 1/2 d.	14 1/2 d.
Montevideo, T.T. ..	Pence to dollar ..	51 d.	54 1/2 d.	52 1/2 d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16 d.	13 1/2 d.	13 1/2 d.

OPEN MARKET DISCOUNT.

	Last week.	This week
	Per cent.	Per cent.
Thirty and sixty day remitted ..	4 1/2	4 1/2
Three months	4 1/2	4 1/2
Four months	4 1/2	4 1/2
Six months	4 1/2	4 1/2
Three months fine inland bills ..	5 1/2	5 1/2
Four months	5 1/2	5 1/2
Six months	5 1/2	5 1/2

BANK AND DEPOSIT RATES.

	Last week	This week
	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
" " short loan rates ..	—	—
Bankers' rate on deposits ..	4	4
Bill brokers' deposit rate (call) ..	4	4
" 7 and 14 days' notice ..	4 1/2	4 1/2
Current rates for 7 day loans ..	4 1/2	4 1/2
" " for call loans ..	3 1/2	3 1/2

The Week's Stock Markets

A good start was made in the Stock Exchange this week, and the moderately satisfactory subscriptions for National War Bonds do not seem to have curbed in the least the public demand for more speculative investments. There was quite a rush for tickets in the War Bond Sweepstake as soon as the lists were opened, and in a very short time several thousands of pounds had been subscribed; but the Committee has vetoed any further issue, and an interesting experiment has been smothered at the outset. But all these things might teach the Treasury authorities a lesson if they were receptive to new ideas, instead of being swathed in red-and-blue-funk tape. Otherwise there was not much to encourage enthusiasm. The German successes in the Gulf of Riga have not the importance that the Huns would like to make out, but they may be very uncomfortable for Russia temporarily, and in the meantime the magnificent progress on the Western Front is held up by the inclemency of the weather. There has been rather a muddle in connection with dealings in War Loan registered stock, transactions being carried through both cum. div. and ex div. at the same time, with the result that smart professionals could make a nice little turn for themselves out of the confusion. Such a position ought not to have been possible in a market which prides itself on its expert knowledge of such technicalities. The reported settlement of the Argentine Railway strike caused a smart recovery in the stocks principally affected, but there seems to be some doubt as to whether the news is not a little premature. In the miscellaneous markets there was strong support for Brewery shares, and Oils came in for more attention than recently; but the total turnover did not amount to a great deal, although the advance in prices gave the impression of very active dealings taking place.

A rather ambitious lottery scheme was hatched on the Stock Exchange with the object of providing some £100,000 or more for subscriptions to the National War Bonds. It was to be a sweepstake pure and simple, and on the basis of the purchase of 100,000 £1 tickets the first prize was to be £15,000, and the other proposed prizes were graduated down to 400 of £50 each. Moreover, the Stock Exchange Benevolent Fund and other charities were to benefit to a certain extent, and the whole project was rather alluring from the mere gambling point of view. It would, at least have been decidedly interesting to see what sort of success it achieved, and we are rather sorry that the Committee has put its foot down on the scheme owing, it is said, to what was considered too liberal an allowance for the expenses of management. But the fact that in the first few days, before the idea had got known beyond a comparatively narrow circle, over £7,000 had been subscribed, seems to indicate that there would not have been much difficulty in raising the amount aimed at. The prizes, we should mention, were to be paid entirely in National War Bonds, and we understand that the money subscribed before the Committee's veto will be used proportionately on the basis of the larger scheme contemplated. But there will be more opportunities of the sort if the bonds are to get the fillip necessary to make them a success.

Although the business on the Stock Exchange this week has kept up to a comparatively good level of activity, the tendency

in most departments has been somewhat erratic. The fall of Oesel to the Germans, and the disorganisation which this implies in the Russian defences, caused a good deal of anxiety, while the absence of any further important development on the Western front due to the wretched weather prevented any particular display of optimism. At the outset the gold-edged securities were fairly good, but latterly they were inclined to ease

spicuous position with a severe decline owing to the causes already mentioned, and elsewhere the tone was distinctly flat. Greeks, Chinese, Brazilians, and Spanish were all weak, but Peruvians and Chileans received some support, and on balance finished higher.

Home Railways after the recent burst of strength have drifted back into a condition of complete acquiescence, and where changes occurred they were almost invariably adverse. South-Eastern deferred being particularly conspicuous in that respect. In the American market there was little doing and the tone was dull, with International Mercantile Marine exceptionally heavy, but prices closed above the worst. Canadian Pacifics were scarcely mentioned, and Grand Trunks were flat. Among Foreign Railways, Mexicans scarcely moved at all. Argentine Railways showed persistent strength on the reports of the strike settlement, but the latest news is not so encouraging as the earlier reports would have led us to hope and expect. Antofagasta advanced 2 points, while Guayaquil and Quito lost a similar amount. United of Havana was fairly firm.

Bank shares have not attracted any particular attention, but London County and Westminster were good on the announcement of the proposed purchase of the Ulster Bank. Hongkong and Shanghai gained a point, while Bank of Australasia lost a similar amount, and the rest of the list was unchanged. Breweries have shown a good deal of activity and mostly prices have advanced quite appreciably, the lead being taken by Allsopp, Watney, Reid, and Ind, Coopers. Guinness at one time advanced 5 points, but afterwards lost the improvement. Bass were firm, and, generally speaking, the market displayed a considerable amount of strength. Iron and Steel shares, as a rule, were firm, but the bounce has gone out of Explosive shares, which are generally rather lower. Birmingham Small Arms were firm on the favourable report, and most of the others were steady, but Dominion Steel and Otis fell sharply, while British Westinghouse were weak. Among Land shares Hudson's Bays were firm and Nigers also continued to benefit from the excellent report, but Forestal Land gave way a fraction. Nitrate shares were just steady with a moderately firm tendency, and in the Shipping group Indo-China showed conspicuous strength, while Prince and Court Lines also were good. Among Telegraphs, the only changes worth noting were declines in several of the Marconi group. Textiles scarcely moved at all, and Miscellaneous Industrials were only just steady with business, as a rule, at a very low ebb.

Oil shares rather came to the front with particular activity in Venezuelan Concessions, but after a good opening Burmahs, North Caucasians, Spies, and "Shells" all gave way a fraction. Trinidad Leaseholds, however, were exceptionally good. Rubber shares have again been the best section of the Miscellaneous market, and with the recovery in the price of the raw material the market has again become quite buoyant, although business is not on the scale that was experienced some weeks ago. However, there is still a good investment demand, especially from the provinces, and there seems to be no reason to anticipate any reaction in the near future.

LONDON PRODUCE MARKETS.

Business in most commodities proceeded with fair animation, and general firmness governed all price movements.

SUGAR.—The market remained without change.

COFFEE.—There is still a good steady inquiry for all qualities, and the undertone of the market keeps very firm, while mild home-trade sorts are none too plentiful. In auction, a moderate assortment offered soon cleared to a brisk inquiry. The terminal market ruled firmer, with sales in March delivery at 58s. 3d. to 58s. 6d.

COCOA.—There was more tone about the market this week, and quite a good volume of business resulted. By private treaty, West Coast African, sold, 70s.; Trinidad, 95s.; St. Thomé, 92s. In auction, 7,184 bags were offered, including 6,378 bags Colonial. The bulk of the quantity submitted sold to a steady inquiry at firm rates. Fine Jamaica, 90s.; West Coast African, 67s. to 70s.; superior Bahia, 92s. 6d.

TEA.—7,900 packages Indian and 7,900 packages Ceylon were offered in auction, and while D class ruled lower, other grades sold readily at maximum rates. Parcels lying in Liverpool mostly cleared at minimum level, owing to many samples not reaching the London market in time.

SPICE.—A steady demand prevailed for pepper, and general firmness resulted. Fair black Singapore, on spot, sold, 1s. 2½d.; white, ditto, 1s. 5½d.; and Muntok, 1s. 6d. per lb. Cloves firm, quiet, and fair Zanzibar, on spot, quoted, 2s. Tapioca sold steadily. Fair flake, spot, quoted, 6d. Fine Penang medium, done, 65s. per cwt.

RICE.—A moderate trade at firm rates. Siam C No. 1, afloat, sold, 22s. 9d., c.f. and i., U.K. Beans and peas unchanged and quiet of sale.

HEMP.—East India kinds in demand at firm rates. Manila and New Zealand moved off at fixed prices.

SHELLAC dearer. Fair T.N., spot, sold, 234s.-235s.; December, 234s.-238s.

GAMBIER firm. Block, afloat, 62s. 6d., ex quay terms, Liverpool.

RUBBER quiet, steady. Crepe, spot, sold, 2s. 8d.-2s. 8½d.; December, 2s. 9d.-2s. 9½d., 2s. 9d.; January-June, 2s. 10d.-2s. 10½d. Ribbed smoked sheet, spot, done, 2s. 6½d. Malacca, ditto, 2s. 6½d.; fine hard Para, spot, 3s. 5d.; November-December, sold, 3s.; soft fine, spot, 2s. 7d.; ball, 1s. 8d.

COPRA firm, but quiet, with sellers reserved. Ceylon, September-October, buyers, £46; F.M.S., Singapore, £45 15s.; F.M.S. Straits, £45 10s.

	Last Week	This Week		Last Week	This Week
Consols.	56	56½	N.S.W. 4½% 5 yr. bds.	97	97
War Loan 3½%	85½	85½	" 4½%, 1922-7	91½	91½
" 4½%	106½	106½	" 5%, 1921-3	96½	96½
" 5%, 1929-47	95½	95½	" 5%, 1920-2	98	98
" 4%, 1919-47	100	99½	New Zealand 4%, 1929	84½	84½
India 3½%	66½	66½	Queensland 4%	8½	8½
" 3½%	66½	66	" 4½%, 1920-5	92	92
Australian 5½%, 1920-22	99½	99½	Union of S. Africa 4½%	92	92
Canada 4%, 1940-60	81	81	1920-5	92	92
" 4½%, 1920-5	93½	93½	Victoria 4½%, 1920-5	92	92
N.S.W. 4½%	82½	82½	Westn. Aus. 4%	81	81
Argentine 4%, 1900	65	65	French War Loan, 5%	79½	79½
Belgian 3%	60	60	Japan 4½% (1st), 1905	96½	97
Brazil, 1913	70½	70	" 5% 1907	93	93½
" 5%, 1914	80½	80	Mexican 5%, 1909	66½	66
Chinese 1895	92	92	Russia 4%	54	54
" 1912	83	82	" 4½%, 1909	60	55
Egypt Unified 4%	84	84	" 5%, 1906	69	68
Caledonian defd.	8½	9	London and N.-W.	91½	92½
Gt. Central pf.	13½	13½	London and S.-W. dfd.	24	24
" dfd.	6½	6½	Do red. pf. 1914	92	92
Gt. Eastern	35½	36½	Metropolitan	24½	24½
Gt. Northern dfd.	37½	37½	Do. 5% pf.	77	77
Gt. Western	85½	85½	Met. District	16½	16½
Lanes. and Yorks.	65	65½	Midland dfd.	58½	57½
London Brighton dfd.	60	60	Nth. British dfd.	14	14
London Chatham ord.	98	9½	Nth.-Eastern	98½	98
			Sth.-Eastern dfd.	31	30
Canadian Pacific	166	165½	Chesapeake	57	54½
E. Indian Guar. 4½% debs.	86	86	Erie	24	23½
Grand Trunk ord.	98	9½	Southern	29½	29½
Do. 1st pf.	59½	58½			
Do. 3rd pf.	22½	22			
Antofagasta dfd.	127	131	Cent. Argentine ord.	58½	61
Brazil Common	5	5	Leopoldina	39	39
B. A. & Pacific	39½	40½	Mexican ord.	19½	19½
B. A. Gt. Southern	72	76	San Paulo (Brazilian)	180	180
B. A. Western	69½	73½	United of Havana	83½	83½
Anglo-South American	7½	7½	London & S.W.	12½	12½
Bank of Australasia	116	115	London City & Midland	7½	7½
Bank of N.S. Wales	34½	34½	London County & West.	14½	15
Barclay & Co. "A"	7½	7½	London Joint Stock	23½	23½
Do. "B"	11½	11½	Nat. Prov. of Eng. (£104 pd)	27	27
Capital & Counties	22½	22½	Do. (£12 pd)	31	31
Chartered of India	67	67	Parr's	29	29
Hongkong & Shanghai	84	86	Standard of S.A.	101	102
Lloyds	24	24	Union Discount	102	102
London & Provincial	16½	16½	Union & Smiths	23½	23½
London & Brazilian	23½x	23½x			
Armstrong, Whitworth	39/6x	39/	Kynochs	39/6	38/6
Birmingham Small Arms	55/	56/	Mond Nickel ord.	3½	3½
Cammell-Laird	6½	6½	South Durham Steel	37/6	38/
Cargo Fleet	23/6	23/6	Thornycroft	1½	1½
Dorman, Long	40/3	42/9	Vickers	39/3	39/3
Associated Cement	3½	4/	Pine Cotton Spinners	30/6	31/
Borax dfd.	41/6	42/	Forestal Land	49/3	48/
Bovril	19/6	19/6	Furness, Withy	49/3	52/
Brazil Traction	46	44½	Harrods Stores	2½	2½
British Amer. Tobacco pf.	18/3	18/	Hudson's Bay	7½	7½
British Aluminium	32/	32/	Imperial Tobacco "C" pf.	34/6	34/6
British Oil & Cake	29/9	29/9	Lever Bros. "C" pf.	20/6	20/6
Brunner, Mond	4½	4½	Lyons, J.	4½	4½
Castner-Kellner	37½	37½	Marconi	3½	3½
Coats	6½	6½	Maypole Dairy dfd.	25/3	26/
Courtaulds	6½	6½	National Steam Car.	19/6	19/9
Cunard	3½	3½	Pears, A. & F.	1½	1½
Dennis Bros.	30/6	37/3	P. & O. dfd.	324	325½
Eastern Telegraph	148½x	149½x	Royal Mail	113½	113½
Eastmans	9/3	9/	Underground Inc. Bds.	8½	8½
English Sewing Cotton	52/6	52/6			
Anglo-Egyptian "B"	29/	29/	North Caucasian	1½	1½
Baku (10s.)	2/	2/3	Romanian Cons.	12/	12/
Burmah	6½	6½	Royal Dutch (100 gulden)	50	50
Lobitos	41/9	41/9	Shell	58	58
Maikop Pipeline	3/	3/	Spies (100-4)	10/6	10/
Mexican Eagle pf.	3½	3½	Ural Caspian	1½	1½
Anglo-Java Rub. (2½-)	71/2	71/9	Merilinau 2½-	6½x	6½x
Anglo-Malay 2½-	15 6	15 6	Pataling 2½-	45/	45/
Ayer Kuning £1.	52/6	52/6	Port Dickson 2½-	4/1	4/6
Bukit Mertajam 2½-	5/6	5/4½	Rubber Trust £1.	31/1½	31/3
Bukit Sembawang 2½-	3/7½	3/7½	Sapumalkande £1	28/3x	28/3x
Carey United £1.	48/3	48/3	Selangor	37/3	37/
Chersonese	3/9	3/9	Sialang £1	70/	77/6
Gula Kalumpung £1.	37/	36/6	Singapore Para 2½-	4/10	4/10
Highlands £1.	64/9	65/	Singapore United 2½-	3/6½	3/6½
Java Para £1	35/3	34/9	Taiping 2½-	4/8	4/8
Johore Rubber Lands £1.	39/6	39/9	Tandjong £1	93/	92/
Langen Java £1.	48/9	48/	Tandjong Malim £1.	39/6	38/9
Lingzi 2½-	30/6	30/9	Tebrau £1	78/	78/
London Asiatic 2½-	9/6	9/6	United Serdang 2½-	12/4½	12/6
Malacca £1	5½x	5½	Vallambrosa 2½-	25/6	25/6
Malayalam £1.	38/	38/6			
Abbotiakoon (10/-)	4/9	4/9	Gt. Boulder (2½-)	13/	13/3
Bechuanaaland Exp.	71/9	71/10½	Kyshtin	2	2
Brakpan	5½	5½	Mashonaland Agency	5/9	6/9
Broken Hill Prop. (8/-)	49/6	53/	Meyer & Charlton	5½	5½
Cam & Motor	12/	12/	Modder "B"	8½	8½
Central Mining (£12)	6½	6½	Do. Deep	7½	7½
Chartered	15/1½	15/9	Mysore	3½	3½
City Deep	3½	3½	Rand Mines (5/-)	3½	3½
Cons. Gold Fields	1½	35/3	Rio Tinto (£5)	68½	68
Cons. Langlaagte	22/	21/6	Russo-Asiatic	3½	3½
Crown Mines (10/-)	2½	2½	Spring Mines	8	8
De Beers dtd. (£2 10s.)	13½	13	Tanganyika	38	38½
East Rand	7/	17/3	Tanayik	1½	1½
Geduld	40/6	40/6	Van Kyn Deep	38½	38½
Gov. Areas Mod.	3½	3½			

off a little, and Indian issues were rather weak. The 5 per cent. War Loan after being firm reacted, and left off practically unchanged. Among the less conspicuous stocks, Port of London gained a point. Colonial issues were almost entirely neglected, no doubt owing to the competition of the National War Bonds, and such movements as occurred were irregular and unimportant. In the Foreign market Russians held the most con-

CORN (Mark Lane).—There was less offering since last Monday, and while business continued limited, steadiness remained the all-round characteristic. Wheat: Native grain rules at 73s. 6d. per qr., 504 lbs. Of imported descriptions, No. 1 Northern Manitoba, 79s. 6d.; No. 3 ditto, 76s.; and Manitoba No. 5, 76s., landed. Flour: Iron Duke nominal at 75s. ex store; English, country straight runs, 44s. 3d. per sack, ex mill. Oats: American white clipped No. 2, 61s.; Canadian Western No. 2, 63s. 6d.; Chilean tawny, 62s. 6d., all landed. Barley: English, 62s. 9d. per qr. Maize: Supplies continue practically exhausted at present.

Corron (from our Manchester correspondent).—The market during the past week has presented a strong appearance, and buyers have had to pay full rates for anything wanted. Most

lighter cloths have again done well. Further buying has occurred in printing goods. For China there has not been any general flow of orders, and that market, as a whole, is rather disappointing. There has been rather less activity for Java. Fancies and specialties have again moved off fairly freely for home consumption. Numerous manufacturers have distinctly longer engagements than a month ago. American yarns for home use have been in encouraging request, and spinners have been difficult to deal with. Small lots in superior marks have commanded special prices. Export yarns have moved off rather irregularly for India and France. There has been plenty of demand about in Egyptian spinings, and prices have tended to go against buyers.

CURRENT PRICES OF CHIEF ARTICLES. WEEK ENDING OCTOBER 19, 1917.

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt. duty 14½, 98% polarisation	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granu-			Greasy Crossbred	nom.	nom.
lated, first marks			New Zealand	nom.	nom.
f.o.b., spot	nom.	nom.	(scoured) Merino	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Greasy Crossbred	nom.	nom.
French Cube			Cape snow white	nom.	nom.
prompt	nom.	nom.	Indiarubber p. lb.		
Crystallised, West			Plantation, Spot		
India ..	2 6 9	2 6 9	Crepe ..	0 2 7½	0 2 8
Beet, 88% f.o.b.	nom.	nom.	Coal —per ton		
Tea —per lb., duty 1½	s. d. s. d.	s. d. s. d.	Durham, best ..	nom.	nom.
Indian Pekoe ..	1 0-1 6	1 0-1 6	Seconds ..	nom.	nom.
Broken ..	1 0-3 1	1 0-3 1	East Hartlepool ..	nom.	nom.
Orange ..	1 3-2 11	1 0-3 0	Seconds ..	nom.	nom.
Broken ..	1 3-3 7	1 3-3 0½	Stearns, best ..	30 0	30 0
Pekoe Souchong ..	11-1 3	11 1 3	Seconds ..	27 0	27 0
Ceylon Pekoe ..	1 0-1 6	1 0-1 6	Lead —per ton.	£ s. d.	£ s. d.
Broken ..	1 0-1 6	1 0-3 0	English Pig ..	nom.	nom.
Orange ..	1 0-1 3	1 0-1 6	Foreign soft ..	£ 30½-29½	£ 30½-29½
Broken ..	1 3-3 10	1 0-3 0	Quicksilver —per		
Pekoe Souchong	1 0	1 0-1 3	bottle first hand	nom.	nom.
Cocoa —per cwt.			Tin —per ton		
duty 6d. per lb.	s. s.	s. s.	English Ingots ..	£ 243-244	£ 248-249
Trinidad ..	87 0-94 0	88 0-97 0	Do. bars ..	£ 244-245	£ 249-250
Grenada ..	76 0-89 0	79 0-90 0	Standard cash ..	£ 246 10 0	£ 249
West Africa ..	60 0-68 0	61 0-70 0	Tin Plates, per box	nom.	nom.
Ceylon Plantation	70 0-85 0	70 0-88 0	Copper —per ton.		
Guayaquil Arriba.	96 0-98 0	97 0-99 0	English, Tough.		
Coffee —per cwt.			per ton ..	nom.	nom.
duty 42½ per cwt.			Best Selected ..	£ 119-£ 123	£ 119-£ 123
East India ..	82 0-104 6	82 0-104 6	Sheets ..	£ 151	£ 150
Jamaica ..	67 0-120 0	67 0-120 0	Standard ..	£ 110-110½	£ 110-110½
Costa Rica ..	78 0 100 0	78 0-100 0	Jute —per ton.		
Provisions —			Native firsts for		
Butter, per cwt.			shipment	£ 18 10	£ 18 10
Australian finest	nom.	nom.	f.o.b.		
Irish Creameries	224½-229½	224½-229½	Oils —		
Dutch ditto ..	nom.	nom.	Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Russian finest ..	nom.	nom.	Rape, refined ..	£ 71	£ 71
Paris baskets	230½-235½	230½-238½	" crude ..	£ 66	£ 66
Danish finest	nom.	nom.	Cott'n Seed, crude	£ 60	£ 60
Brittany rolls—			Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
doz. lb. ..	25½-26½	25½-26½	Petroleum Oil, per		
Bacon —per cwt.			8 lbs.	1½	1½
Irish ..	161½-162½	161½-162½	Water White ..	1½	1½
Continental ..	162½	162½	Oil Seeds, Linseed	—	—
Canadian ..	162½	162½	Calcutta—per ton		
American ..	157½	157½	Spot	29 15 0	29 15 0
Hams —per cwt.			Rape ..	30 0 0	30 0 0
Irish ..	184½	184½	Iron —per ton		
Canadian ..	146½	160½	Cleveland Cash ..	nom.	nom.
American ..	110½-137½	110½-137½	Tobacco —duty,		
Cheese —per cwt.			unmanufactured		
Dutch ..	nom.	nom.	7½ to 8½ per lb.		
Canadian ..	nom.	nom.	Maryland & Ohio		
English Cheddar	137½	137½	per lb. bond ..	nom.	nom.
Wilt's loaf ..	nom.	nom.	Virginia leaf ..	0 8-2 1	0 8-2 1
New Zealand ..	nom.	nom.	Kentucky leaf ..	0 7-0 11	0 7-0 11
Rice —per cwt.			Latakia ..	2 0-5 0	2 0-5 0
Japan ..	29 6	29 6	Havana ..	1 6 6 6	1 6 6 6
Rangoon 2 stars ..	26 3	26 3	Manila ..	nom.	nom.
Eggs —per doz.			Cigars, duty 10½		
English ..	33 0-35 0	36 0-38 6	per lb. ..	2½ upds.	2½ upds.
Irish ..	30 0-33 0	33 0-35 6	Timber —Wood.		
Danish ..	32 0-33 0	nom.	Pitch Pine ..	300½-400	300½-400
Spelter —			Indian Teak ..	380½-700	380½-700
G.O.B. as to position			Turpentine —		
..	£ 54-£ 50	£ 54-£ 50	American Spot ..	3 12 6	3 17 3
Flour —per sack.			Copra —per ton	46 0 0	46 0 0
Country Straight					
Runs ex Mill ..	44½	44½			

Insurance News.

A scheme of endowment assurance has been devised by the Eagle and British Dominions Insurance Co. and the Star Assurance Society, under which either company for each £100 assured will purchase £100 National War Bond for the benefit of the assured, thus enabling all persons to participate in the subscription to the new bonds on instalment terms. A policy will be issued which will automatically pay off the original cost of the bonds in five, seven, or ten years, whichever of these periods is now selected by the applicant. In the event of death at any time previous to the date upon which the policy would otherwise mature, the bonds immediately, without further payment, become the absolute property of the applicant's representatives, and an equitable apportionment of the next dividend will be made. In the event of the assured being killed as the result of an air raid double benefits would be paid. In the event of total disablement caused directly by an air raid resulting within three months of the date of the injury, a policy payable at death or maturity would be granted for the full amount of the bond without further payment. The rates quoted apply to approved lives, in which cases medical examination will, as a rule, be dispensed with.

A review of insurance results has just been issued as a Blue Book, the accounts, as a rule, relating to the year 1915. Comparative statements of the various forms of business transacted during the five years 1911-15 are given, from which we note that the sums assured by ordinary policies in and by companies established within the United Kingdom decreased from £49,769,000 in 1911 to £44,032,000 in 1915, but the amounts assured by industrial companies increased from £76,506,000 to £81,739,000. Premiums from ordinary business policies rose from £26,471,000 to £29,452,000 in the five years, and those for industrial business from £16,277,000 to £18,565,000. As regards fire business, there was an increase during the period in premiums from £28,501,000 to £29,971,000, claims absorbing £15,004,000 against £14,759,000; large amounts were outstanding in each year in respect of unexpired risks.

The sanction of the Court has now been given to the proposed arrangement between the Licenses Insurance Corporation and Guarantee Fund and the holders of the ordinary and founders' shares. The scheme was approved by a majority of 10,200 to 270 of the ordinary shares, and by a majority of 241 to 11 of the founders' shares. During its existence the company has earned substantial profits, but has not paid the full 8 per cent. on the ordinary shares to which they were entitled, and the founders have never had a dividend. The latter are to be converted into preference shares, holders receiving £10 in cash out of the accumulated profits. The new shares are to be 8 per cent. cumulative preference shares.

It is believed that the National Health Insurance Commissioners will next week present a Bill in the House of Commons for carrying out the recommendations of the Departmental Committee on Approved Society Finance and Administration. The measure, which has been prepared after discussion with the Advisory Committee, will, it is hoped, do much to simplify the administration and adjust the finance of national health insurance. The approved societies desire that this amending legislation shall be obtained at once, and the measure may be passed into law before the end of the year.

spinners and manufacturers are now in a position to be fairly independent when fresh business is offering and there is no running after new contracts. Bullish sentiment has again prevailed in raw cotton circles. There are few indications at the moment of lower values. The strike of operatives at Oldham has been settled, and some difference of opinion prevails as to which side has won. It is quite evident, however, that working arrangements at many mills are not in accordance with the regulations of the Control Board. The volume of inquiry in cloth for abroad has been considerable, and, in spite of difficulties in arranging transactions, the turnover has been encouraging. Exporters to India are now paying more attention to grey shirtings, and although so far only small lots have been put through it is believed we are on the eve of increased activity in such fabrics. Makers of

By-the-Way War Notes.

Have the bishops and Dr. Selbie condescended yet to attempt solution of the ethical problem put before them by, we think, Mr. Foster Fraser? It is one that everybody after a moment's reflection must be disposed to put:—What is the ethical difference between deliberately and systematically starving a people to death and, equally deliberately, slaying and wounding them by bombs dropped from the air? We have not heard of any prominent ecclesiastic raising his voice against the increased severity of the Allied blockade. All have acquiesced without a murmur in the efforts made by the British, French, and Italian Governments in the earlier stages of the war—and by these Governments and that of the United States now—to so hem in the two criminal Empires as, if possible, to starve them into submission. And they are succeeding in this purpose probably far more satisfactorily now than we may be prepared to believe. And we long and hope for them to succeed. Tales, no doubt, of a more or less harrowing description come through from Continental sources advising us of the extremity of the German people—what of them to believe we know not—and they please us, excite our hope for a swift end to the war. The populations in the two Empires are unquestionably short of food, and on that shortage it follows that the common people in millions must be suffering untold miseries. Children of all classes must be dying in unusually large numbers, and the physique of adults becoming enfeebled. The sick, too, among all strata in society are being compelled to endure increasing privations. And we are cheered by the thought that it is so.

Is this attitude towards the policy of starvation less cruel, less inhumane, more "Christian," than that which calls for sudden death by the explosion of bombs as an effective and now imperatively necessary means of self-defence? We should like these worthy ecclesiastics to try and clear their minds from cant, as old Thomas Carlyle would have said, and to give a straight answer to this question: Can they not realise that the Allies are fighting for the liberty of mankind against the most ruthless and cruel enemy the world has ever known; that the said enemy they are contending with, stripped of every scruple, delivered from all moral restraint, is ready to use any weapon his fiendish ingenuity can devise, the more foul and dastardly the better, in order to compass our enslavement? Again and again he has compelled us to follow his example, and to meet him with his own weapons in order to deliver the earth from the monster and redeem mankind. And surely, if that is the position, it becomes lawful, aye, expedient, for the Allies to make use of every means available, of every weapon forced into their hands by the diabolical ingenuity of the foe, in order, if possible, to hasten the end of this appalling disaster. We all instinctively shrink from the notion of spreading wounds and death among the unarmed and defenceless, but if by doing that we can protect our own people from the enemy, then it has to be done, not in wanton recklessness, as the Germans do it, but with definite purpose and in deliberation, so as, if possible, to smite the classes most responsible for bringing on the world this war. There is no room for regard or other sentiment about it, reluctantly though we may be to confess it.

Coming to the common sense standpoint, the most valid objection to a policy of indiscriminate air attacks upon German towns is that it may do no good, but rather harm. That is to say, were we to raid leading towns in Germany, the Prussian masters of that forlorn country would immediately retaliate, thus aggravating the horror instead of diminishing it. They have already shown their determination to return stroke for stroke, if possible with aggravated ruthlessness, in their latest attacks on Nancy, where some harmless citizens have been killed and many wounded in retaliation, as it is openly proclaimed, or "reprisal," for French air raids on sundry German towns. Because of this danger we believe that the counter-

strokes in contemplation by the Allies should not be attempted until our air force has been so strengthened, so improved, trained and equipped as to make it well-nigh a certainty that the Germans would be unable to return blow for blow. Therefore, at present, we continue to direct our air attacks exclusively upon centres of military importance—munition factories, foundries, aerodromes, docks where submarines shelter, railway networks, stations, depots of munitions, and so on, and that is surely the one sound course to pursue. At the same time, when the American air fleet is ready, if by then the Germans have not come to their senses or attained to a moral courage sufficient to make them dare all for their own emancipation, probably the final stroke that will bring the abandoned empires to submission will be given from the air. Then Germany may be destroyed from the air; north, south, east, and west.

Disappointment this week followed the hopes raised by the vigorous and successful strokes which Sir Douglas Haig's armies and their French and Belgian Allies have been showering upon the foe. The weather has intervened, and we are still kept out of Passchendaele and the heights around that would enable us to dominate the German lines of communication and signal the beginning of the end of their tyranny in Western Flanders. We must bear the disappointment as best we can, and prepare for the next stroke on the first favourable opportunity. But the strain upon the men at the front is at times almost unendurable, and in spite of all the care taken the casualties are heavy. What, then, must the plight of our enemies be? Something that appals; and, meantime, it will be noted that our aircraft is increasingly busy rendering still more precarious the German hold upon the land he has been taught to covet, and which he has ruined. From our activity it may be inferred that the position of the Germans is not exactly becoming more luxurious. Perhaps it is just as well the Kaiser went to Constantinople. What was he after there? Trying his gab, probably, to keep the greedy Bulgar and the slothful Turk still willing to be murdered in war for his ambitions. But the man's displays have ceased to charm or beguile. Everywhere around him there is blood, the blood of men slain in millions for the gratification of the Prussian lust.

Of a surety the tyrants of the German peoples are desperate; yet in the very midst of their defeats in Flanders, at the close too of what seems to have been a serious rebellion in the idle fleet, they have planned and skilfully carried out a blow against Russia which is well calculated to alarm her friends and excite fears of worse to come. And it is a bad blow that the large island of Oesel, which blocks the mouth of the Gulf of Riga, should have fallen into Germany's hands, that most of its garrison should have been captured, that the Russian fleet, although fighting with courage and desperation in isolated cases, has been driven away—practically bottled up in the Gulf of Finland—and that the land fortifications of the island and channel-controlling shores should have been completely dominated by the guns of the German fleet. The way seems now to be in process of clearance for the march on Petrograd. All this is saddening, but do

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ENDOWMENT ASSURANCE RESULTS ALSO UNSURPASSED.

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not let the disappointment deepen until it becomes despair. What permanent gain can the Germans hope to obtain from this stroke? It may stimulate subscriptions to the seventh loan—although where the money is to come from, and who is to subscribe, no man can indicate—or it may be expected to stay the revolutionary movement undoubtedly now spreading throughout all the lower classes of the German population, but will it bring food to the hungry Germans? Is there any possibility of maintaining a large army in Northern Russia, or of advancing with that army upon Petrograd during the winter? We think the answer to these questions must be "no." Food is not stored in large quantities in that bleak portion of Russia. Where grain is probably abundant is in Southern Russia, into which Mackensen and his hordes have failed to penetrate. And what can be the condition of the Prussian army and fleet in this corner of the Baltic when winter comes on? By another month the Baltic may be frozen over, and the cold will at any rate probably be intense enough on land and sea for six months to come to ensure acute suffering to the unfortunate soldiers and sailors sent up there by the desperate masters of Germany, now at their wits' end to know where to turn for salvation. These brilliant strokes of the Hindenburgs and Ludendorffs and von Tirpitzes, with others of like complexion, dazzle for a moment, but lead to nothing durable. How could they? Let us hold by Russia, then, for Russia will yet redeem herself. The spectacle of Germany triumphing over a disorganised and enfeebled foe, and wasting men and means urgently required at the true danger-points, in order, if possible, to have the means of bragging to Turk and Bulgar, and to the befooled dupes at home, should amuse us and cause us to rejoice rather than make us depressed. For the brutal tyrants, the most urgent question of the moment is where to find money. Their performances in the Baltic will nowise enable them to answer it.

Again the news regarding U-boat depredations is encouraging; nothing to be sanguine about, but enough to show that all the boasts of the Kaiser and his Hindenburg the hided have come to nothing. Only 10 ships of 1,600 tons gross or over were sunk last week, the figure of 12 returned being made up by one vessel sunk a fortnight, and one the week before. Also only four smaller vessels were sunk, the six returned for the week in all being made up by two which should have been reported the previous week. No fishing vessel was sunk last week, but one sunk in the week ended October 7 is now returned. Altogether 18 vessels, 12 of them large, were sunk last week, but only 14 were actually torpedoed within it, and including the five returned as being unsuccessfully attacked, of which only three belonged to last week, and the belated news of the fishing vessel sunk, the entire casualties reported for the week to our shipping was only 24. Taking the losses as returned, last week's report covered 19 ships of all sizes, or one less than in the previous week, two less than in the week ended September 30, six less than in that for the week ended September 23, and 16 fewer than for that ended September 9. On the whole, therefore, we make progress. The weekly average for September was only 28, whereas for the 32 weeks ended with September 30 it was 40.5. Last week's Italian losses were four steamers of more than 1,500 tons sunk. One steamer and one sailing vessel succeeded in avoiding attack. During the past week 4,218 ships came to or went from United Kingdom ports, the arrivals being 2,124 and sailings 2,094. The Italian total was 653, of which 315 entered and 338 sailed. France lost only one ship of over 1,600 tons last week, but five were attacked without success.

BOOKS RECEIVED.

Prussian Poland (A Stronghold of German Militarism). By Jan. J. Kowalczyk. Printed by Egmont H. Petersen, Copenhagen, 1917.

War Loan Stock Tables. At 32 different prices, from 92 1/2 to 93 per cent. 1s. nett. Printers, Fredc. C. Mathieson and Sons, 16, Copthall Avenue, E.C. 2.

American Business Notes.

Every piece of news which comes emphasises the resolution with which the people of the United States have joined in the war. At the time of writing we do not know how the second War Loan is progressing, but it has begun well, and there are some notably large subscriptions. Mr. Ford, for instance, of the well-known Ford Automobile Works, has subscribed another £1,000,000, making the second sum of that amount he has contributed to the war, and the United States Steel Corporation has raised its subscription to £5,000,000. New York district has already contributed £100,000,000, and subscriptions are pouring in at the rate of £20,000,000 a day. With equal promptitude, the money collected in this energetic and liberal fashion is being dispersed again. The Government of Washington has this week advanced a further £10,000,000 to Russia, £4,000,000 to France, and £6,000,000 to Belgium. To the United Kingdom also £1,000,000 has been granted according to a Reuter telegram, but that we suspect is a misprint for probably ten times that amount. Altogether the total advances to the Allies of the *Entente* up to the present time has been £542,820,000.

And something like 1,000,000 tons of shipping has been commandeered, and put at the service of the *Entente*, while the shipbuilding programme whereby freight capacity will be evolved and put at the service of the Allied Governments is being pushed forward with a system and resolution that leaves no one any scope whatever for complaint. Troops and supplies are likewise being transmitted to Europe with neither interference nor hitch, a proof of the vigilance and efficiency of the U.S. Navy.

The Republic of Cuba has announced that half of its \$30,000,000 of war bonds recently authorised by the Legislature, and issued, have been subscribed for by the United States Treasury, so that only \$15,000,000 remains to be taken up by Cuban investors.

Tea, Oil and Rubber.

Restrictions on rubber imports leave their mark on the figures given in the Board of Trade returns for September. We received only 105,330 centsals, as compared with 166,060 centsals last year, and the value works out at £1,294,000, against £2,007,000. However, for the nine months to date the position looks comfortable enough, imports amounting to 1,462,620 centsals, valued at £20,052,000, against 1,238,070 centsals, valued at £17,200,000, for the corresponding period. Exports for the month fell to 45,580 centsals, as compared with 65,770 last year, and were 96,800 centsals in September, 1915, so that the recent statistical position need not give any grounds for anxiety. For the nine months exports amounted to 1,012,440 centsals, against 813,320 last year and 1,113,030 centsals in 1915, the falling off, as compared with two years ago, being mainly accounted for by the increase in direct shipments from the East to the United States, so as to avoid the submarine menace as far as possible.

Nothing of much importance has occurred in the share market, but the price has again recovered to 2s. 8½d., mainly because it was found that last week deliveries were 160 tons in excess of landings. These fluctuations are bound to occur, but, as we have previously pointed out, the market must be prepared to see a gradual decrease in stocks owing to the fact that supplies, under shipping control, are not allowed to come forward in a normal manner. That is quite right, because not only are stocks 2,200 tons larger than a year ago, but several of the outside demands that would be made on them are now supplied direct, and we have only our own domestic consumption to worry about. As the stocks represent at least seven or eight months of our normal requirements, there is no probability of a scarcity, and we should be very greatly surprised if the Government allowed the margin of safety to become too low, as it has in the case of tea, for instance.

Seaport (Selangor) Rubber Estate, in the year to June 30, harvested 431,500 lbs., as against an estimate of 360,000 lbs., and an actual yield of 324,000 lbs. in the previous 12 months. Average gross price realised was 2s. 7.23d., against 2s. 6.61d., while the all-in cost, including 2.4d. war risk insurance, came to 1s. 1.52d., against 1s. 1.93d., an extremely satisfactory record in the circumstances. Consequently the nett profits came out at £34,840, an increase of £10,000, and the directors quite justifiably raise the dividend from 11 per cent. to 12½ per cent. This actually comes out of the increased amount brought in, and the carry forward (again subject to excess profits duty) is increased by £10,000 to £21,250. Everything looks healthy, and the output for the current year is estimated at 435,000 lbs., a very modest figure, seeing that 102 acres planted in 1912 ought to be tappable and that the 600 acres or so which date from 1905-6 could probably be made to yield much more than is actually taken from them. At the same time it will do the estate no harm not to be unduly forced, and there is no reason why it should be under present conditions, when the product may conceivably be more valuable a little later on.

The Week in Mines.

The mining markets this week have been active and generally strong in tone. Far Eastern Rand shares have been particularly buoyant, mainly on Johannesburg buying, accompanied by advices from there showing that in September the Eastern mines produced 30 per cent. of the Rand output, but made nearly 50 per cent. of the aggregate profit. This stimulated buying on local account, but now that the London quotations are above the Cape parities, it is likely that a halt will be called to the recent substantial advance. The reaction in silver has caused a further relapse in silver shares, but Broken Hill Proprietary has been exceptionally firm.

SOUTH AND WEST AFRICANS.

The prices of several Eastern Rand shares have reached new high levels. New Modders, on an excellent report showing that the ore reserves contain a profit equal to over £25 a share, were actively bought, and rose to the new high level of 23½, a rise of 1½. Modder "B's" have risen ¾ to 8½, Modder Deeps ¾ to 7½, Modder Leases ¾ to 3½, Springs ¾ to 3½, Rand Selections ¾ to 4½, Van Ryn Deeps ¾ to 3 19-32, Gedulds 2s. to 42s. 6d., and East Rand Minings 1s. 3d. to 17s. Nourse improved to 1½ on the report, and Central Minings, on the rise in Modders, have recovered ¾ to 6½. Diamond shares have moved irregularly. De Beers Deferreds have declined ½ to 13, but Premier Deferreds have risen ½ to 7½. In the Rhodesian section, Rezendes have been hoisted up 1½ to 4½, in an attempt to squeeze the bears, but the other descriptions which have been active recently have quietened down somewhat. Of the West Africans, Presteas weakened to 5s. 6d. on the loss shown in the report, and Fanti Consols have eased to 6s. 3d.

COPPER AND MISCELLANEOUS.

Copper shares have met with a fair measure of support, notably Hampdens, which are 1s. 9d. higher at 31s. 3d. Rio Tintos have risen further to 68½, and Mount Morgans at 32s. 6d. and Mount Lyells at 26s. are also better. Tin shares have moved irregularly. East Pools have been well supported up to 15s., and South Crofty at 22s. have attracted attention. The news that the Broken Hill strike has been settled has not helped the market for the shares. Proprietarys have risen 1s. 6d. to 51s. 6d., but British have reacted to 40s., and Sulphides to 28s. 9d. The steady fall in silver has caused Santa Gertrudis to decline 1s. to 14s. 6d., but Mexico of El Oro has risen ½ to 6. Russian shares have been fairly steady, but slight losses are shown in Irtysk Corporations and Russo-Asiatics. Westralians have been in some request, including Ivanhoes at 2½, Golden Horseshoes at 2½, and South Kalgurlis at 4s. 6d.

MINING NEWS.

NORTH ANANTAPUR.—During the year ended June 30 this Indian gold mining company produced £57,706, against £56,460, in spite of milling 5,890 fewer tons. The cause of the increased output was the higher grade of material treated, and a rearrangement of the cyanide plant, which enabled a larger quantity to be treated. The profit rose from £17,725 to £23,351. The total credit of profit and loss account was £27,556, and the debit amounted to £11,814, leaving a credit balance of £15,742. For the year the preference shareholders again get 4s. 6d. per share and the ordinary shareholders 6d. per share, and the carry forward is £10,711, against £4,204, subject to excess profits duty. Costs averaged 24s. 5d. per ton, as compared with 22s. 4d. Reserves of ore have decreased by 12,400 tons to 32,000 tons. A further piece of land on the course of the lode has been purchased for £15,000 in ordinary shares.

SUB-NIGEL.—The directors announce that they have decided to issue 300,000 working capital shares, sanctioned by the

Treasury, and guaranteed by the Gold Fields Co., free of commission. The shares will be offered at par to the shareholders *pro rata* to their holdings. The proposed terms of payment will be 2s. 6d. per share on application, 2s. 6d. on allotment, 5s. 12 months after allotment, and the remaining 10s. 12 months thereafter. This additional working capital is required to sink a new vertical shaft, and to place the mine and plant in a position to deal with a materially increased tonnage. The offer will give a substantial bonus to the shareholders, for the present shares are quoted at about 30s. It is proposed to purchase 500 claims situated on the farm Grootfontein, the consideration being 130,000 shares, which, however, will not be issued for at least three years after the shareholders have confirmed the provisional agreement. Further details of the scheme will be issued later.

MASON AND BARRY.—The directors announce that the difficulties referred to at the annual meeting last April have since been greatly accentuated. The dearth of steamers of moderate size and the control exercised over all tonnage have resulted in shipments of ore up to September 30 being only 35,724 tons, as compared with 151,424 tons to September 30, 1916. As a result, there is a serious diminution in the company's revenue, and this, being coincident with a heavy increase in costs, must have a very adverse effect on this year's working at the mine.

LONDON, AUSTRALIAN AND GENERAL EXPLORATION.—The accounts for the year to July 31 show a profit of £1,337, which reduces the debit brought in from £61,480 to £60,143. The company's holding of Burma Mines debentures has been disposed of to the Burma Corporation. Although favourable developments have taken place upon the Maikop oilfield during the 12 months on the property of the Maikop Orient Co., the directors have felt it necessary to make further provision for depreciation. The amount thus allowed for depreciation is £7,159, which has been deducted from revenue before arriving at the profit.

NOURSE.—During the year ended June 30 the tonnage milled was 495,000, a figure considerably below the capacity of the plant, which is 600,000 tons annually, and shows a decrease of 168,540 tons on 1915-16. The revenue amounted to £695,026, or 28s. 1d. per ton, an increase of 4s. 9d. Costs averaged 23s. 3d., an increase of 3s. 4d. per ton, due in great measure to the decrease in the ore crushed. The working profit was £118,873, or 4s. 10d. per ton, an increase of 1s. 5d. per ton. While the revenue declined by £80,336, the expenditure was reduced by £85,006, so that the profit was £4,670 larger. Reserves of ore are estimated at 2,169,400 tons, valued at 6.4 dwts. per ton, which is practically the same as last year. An appreciably larger profit is looked for when the labour supply improves. The nett profit was £117,807, against £114,756; the dividend is raised from 10 per cent. to 12½ per cent., and the carry-forward is raised from £127,929 to £144,046.

What Balance Sheets Tell.

HILL'S DRY DOCKS AND ENGINEERING CO., LTD.

It is not stated in the report whether the profits of this company have been subject to excess profits duty, but as the profit for the year is divided almost up to the hilt, it is to be presumed that the company is not likely to be called upon to pay any further sums into the Government coffers in respect of the financial year ended June last. The company has had a very prosperous year, profit rising by £3,510 to £13,190. No increase is made in the dividend, 10 per cent., as last year, being paid, but this time profits exceed the disbursement by £86, whereas a year ago the carry-forward had to be encroached upon to the extent of £3,420 to make up the distribution. During the year £4,150 more has been spent on materials and tools, which now figure in the balance-sheet at £18,720. Debtors are £23,400 larger, cash exhibits an increase of £3,000, and creditors are up £5,170. The sum of £23,750 has been invested in the War Loan, and an item of interest is reserve under Munitions Acts, £71,800.

DENVER UNITED BREWERIES.

This company has issued a most depressing report for the financial year ended June last. The Prohibition Law still remains in force, the petition to modify the same having been defeated, and the business of the company has consequently been limited to the sale of temperance beverages. Gross revenue has gone down from £18,800 to £8,125, and after writing off £2,600 less in respect of depreciation the nett profit only comes out at £1,535. In view of this development the directors did not feel justified in paying the full debenture interest, and the Court has now approved an arrangement for the payment of 3 per cent. per annum up to July 31, 1919, which it is said the cash resources of the company will permit them to meet, and leave a substantial balance in hand. The accumulated arrears are to be payable out of future earnings. It is stated that the sales of temperance beverages for the three months to September 30 show an increase of 1,680 barrels, but we must confess that the perusal of the report has quenched any optimism we might have had.

The Swiss Bank Corporation announce that they have taken over the Banque de Nyon, with agencies at Rolle, Morges, and Vallorbe. This acquisition will tend to increase the corporation's influence in the French-speaking parts of Switzerland, notably in the watch-manufacturing and wine-producing districts.

The Investors' Review.

Company.	Current Estimate.	Last All-in Cost.	Sept. lbs.	(+) or (-) lbs.	Months.	Aggregate lbs.	(+) or (-) lbs.
Aboyne Clyde	444,374d	1/0-50	41,372	+ 5,877	3	124,207	+ 24,394
Allagar ..	360,000	1/1-62	26,600	+ 1,100	9	250,400	+ 53,700
Alliance ..	163,716d	—	15,983	+ 1,542	9	119,854	+ 23,640
Alor Pongso	275,000	1/0-75	25,086	+ 1,086	9	300,320	+ 13,100
Ampat ..	180,000	1/1-35	20,000	+ 4,560	11	213,300	+ 56,472
Anglo-Java ..	2,624,000	—	161,900	- 1,100	9	1,770,331	+ 428,386
Anglo-Johore	300,000	1/3-20	31,000	- 8,125	6	149,667	+ 27,136
Anglo-Malay ..	1,720,000	1/11-23	145,540	- 19,923	9	1,216,286	+ 53,270
Anglo-Sum..	945,575d	1/10-3	74,342	+ 12,421	4	297,105	+ 17,089
Asahan ..	428,791d	1/3-40	40,283	+ 4,729	2	75,134	+ 10,709
As. T. Ceylon	257,067d	1/1-55	19,791	+ 824	3	65,199	+ 14,225
Ayer Kuning	724,457d	1/0-34	76,000	+ 5,215	9	588,771	+ 106,064
Bagan Serai ..	417,000	1/11-82	31,000	- 183	9	298,826	+ 49,349
Bah Lian ..	—	1/9-46	42,597	+ 31,436	11	281,378	+ 191,500
Bajoe Kidool ..	250,986d	1/8-85	22,000	+ 428	6	154,000	+ 64,862
Bakap ..	285,000	—	17,000	- 7,400	3	50,000	+ 30,200
Bambarakely ..	235,000	1/4-96	14,621	- 4,020	6	111,504	+ 16,403
Bandar Sum.	395,450d	—	40,127	+ 7,492	2	77,872	+ 16,117
Bandarsari ..	259,000	1/2-48	16,662	- 2,798	9	183,881	+ 6,021
Bandarapola ..	250,000	—	25,000	+ 3,000	9	197,000	+ 65,000
Bantardawa ..	308,458d	—	26,055	+ 5,595	3	71,652	+ 17,712
Bantam ..	854,681d	1/1-75	76,850	+ 16,617	3	214,426	+ 25,930
Batang ..	434,000	1/11-37	35,700	+ 4,440	5	168,880	+ 20,270
Batak Rabbt ..	378,970d	1/1-99	35,000	+ 7,406	3	105,000	+ 18,791
Batang Mal ..	400,000	1/3-	28,025	+ 1,025	9	229,642	+ 30,082
Batu Caves ..	697,819d	1/9-13	62,723	+ 163	9	598,582	+ 114,397
" Matang ..	164,989d	—	15,248	+ 2,773	3	44,747	+ 6,687
" Rata ..	490,030d	1/1-50	43,000	+ 1,910	3	125,000	+ 12,170
" Tiga ..	—	1/0-25	59,000	- 3,600	9	564,500	+ 14,336
Be'ur n B'm'o	236,000	1/5-75	16,000	- 5,500	5	82,000	- 17,500
Bekoh ..	486,978d	1/2-	46,744	+ 13,844	3	139,437	+ 41,237
Benlota ..	240,000	1/3-08	*21,228	- 627	6	95,934	- 8,226
Beranang ..	294,168d	1/5-9	26,431	+ 2,290	3	89,185	+ 14,109
Bernam-Perk	260,000	1/2-86	20,950	- 150	3	68,000	+ 1,300
Bidor ..	419,500d	1/1-83	41,200	+ 7,450	6	243,200	+ 44,550
Bikam ..	420,000	1/3-62	33,300	- 2,200	9	281,932	+ 10,718
Bode ..	273,000	1/5-22	24,356	+ 6,866	9	193,810	+ 58,306
Bradwall ..	480,000	1/2-58	40,318	- 3,381	9	307,313	+ 20,082
Braunston ..	450,000	1/11-26	43,352	+ 4,753	12	450,374	+ 87,374
Brit Born Para	220,000	1/1-	17,550	- 5,100	5	79,830	- 27,620
British Malay	750,000	—	73,000	+ 42,942	9	491,850	+ 309,728
Brooklands ..	601,310d	1/1-47	48,437	+ 5,375	3	160,814	+ 23,008
Broome ..	382,610d	1/4-57	*33,033	+ 0	2	66,911	+ 2,166
Bruas-Perak ..	111,000	1/6-47	8,612	+ 4,056	7	59,318	+ 35,920
Bukit Cloh ..	260,000	1/0-38	13,500	- 14,000	9	149,500	+ 24,000
" Ijok ..	340,000	1/1-57	26,000	- 1,000	9	221,500	- 9,000
" Kajang ..	941,280d	—	72,578	+	3	334,261	+ 10,589
" Lintang ..	274,990d	1/1-12	20,000	- 5,050	3	61,500	- 13,640
" Mert'jm ..	932,000	1/0-74	64,076	- 6,689	6	394,017	+ 41,732
" Pan'ng ..	525,000	1/0-45	44,000	+ 5,000	9	369,900	+ 14,900
" Rajah ..	1,071,000	1/11-20	93,652	+ 3,165	6	435,939	+ 40,356
" Semba ..	800,000	1/3-17	62,800	- 2,207	9	568,050	+ 54,750
Carey United	340,000	—	33,717	+ 3,992	12	324,275	+ 87,363
Castlefield ..	571,324d	—	50,661	+ 3,309	3	154,491	+ 16,864
Cent. Trav ..	280,000	1/2-34	16,308	- 8,814	9	140,570	+ 8,882
Ceylon Para	970,000	—	78,686	- 3,332	9	732,458	+ 165,078
Ceylon T. & R.	—	1/4-31	10,472	- 19	9	155,934	- 1,471
Changkat-Sal.	925,000	1/0-47	92,000	+ 19,000	9	718,000	+ 150,000
Chemb Malay	440,000	1/1-37	45,619	- 39	9	332,360	+ 40,677
Cheras ..	264,000	1/5-39	26,000	+ 9,300	9	190,300	+ 76,227
Cheronesse ..	750,000	1/0-38	56,480	- 7,212	9	514,740	+ 16,989
Chivot ..	610,000	1/3-24	62,990	+ 15,550	2	441,350	+ 189,480
Chimpul ..	222,641d	—	22,240	+ 5,465	9	66,615	+ 21,324
Chota ..	230,000d	—	19,872	+ 2,260	9	169,320	+ 14,536
Cicely ..	400,000	1/11-44	33,605	+ 2,605	6	196,996	+ 20,372
Cluny ..	265,000	1/2-54	22,720	+ 1,091	9	184,054	+ 19,502
Cons. Malay	906,550	—	93,978	+ 16,461	9	634,690	+ 70,115
Dalkeith ..	475,000	1/4-78	38,000	- 1,600	9	295,500	+ 49,700
Damansara ..	830,000	1/11-05	70,875	+ 2,703	9	637,361	+ 67,514
Dangan ..	227,278d	1/2-	26,870	+ 6,816	3	76,932	+ 19,342
Dennistown ..	656,000	—	48,000	- 3,564	9	432,838	+ 11,373
Deviturai ..	340,000	1/1-90	14,980	- 9,590	9	217,620	+ 13,970
Dimbulu ..	340,700d	1/0-36	21,500	- 1,056	9	181,740	- 38,219
Djasinga ..	433,554d	1/7-39	37,000	+ 14,853	3	115,000	+ 37,399
Djember ..	250,000	—	22,500	+ 6,100	9	174,500	+ 58,600
Doranakande.	215,000	1/4-47	14,300	- 3,900	9	129,900	+ 15,858
Duff Develop.	400,400d	1/7-40	68,000	+ 13,000	9	370,350	+ 134,350
Dusun Durian	820,000	1/0-71	71,590	+ 2,570	9	567,068	+ 53,021
E. Ind. & Cey.	210,000	1/1-15	13,810	- 3,365	9	132,260	+ 15,210
Edinburgh ..	465,000	1/9-14	42,800	+ 3,800	9	333,550	+ 30,550
Elphinst ..	252,000	1/5-88	21,327	+ 7,764	9	180,452	+ 50,793
Emerald ..	377,700d	1/3-	50,150	+ 14,350	8	342,400	+ 126,700
Eng Seng ..	185,000	—	15,000	+ 570	9	127,900	+ 13,792
Ereot ..	245,000	1/2-32	20,000	+ 3,100	12	244,520	+ 33,584
Fed. Malay S.	1,845,000d	1/9-50	171,000	+ 8,000	4	653,000	+ 18,000
Fed. Selangor	370,000	1/11-68	33,213	+ 2,872	6	199,250	+ 26,450
Galah ..	143,500	—	11,200	- 1,393	9	71,853	- 4,124
Galang Besar	400,000	1/8-91	45,000	+ 6,500	3	122,460	+ 18,460
Gan Kee ..	170,136d	—	15,070	+ 1,030	3	40,670	+ 1,560
Garing ..	200,000	1/1-99	20,000	+ 6,700	12	197,683	+ 40,353
Gedong ..	229,000	1/1-75	26,290	- 8,910	11	270,562	+ 82,308
Gen. Ceylon ..	1,012,000	1/1-27	82,440	+ 4,052	9	717,341	+ 140,892
Glen Bervie ..	275,000	—	30,997	+ 6,549	12	275,406	+ 37,719
Glendon ..	270,000	—	15,439	- 8,112	12	245,000	+ 11,000
Glenshiel ..	458,500	1/2-18	42,630	- 5,230	9	374,760	+ 109,250
Golconda ..	594,000	1/11-36	45,974	- 9,660	9	451,527	+ 26,114
Golden Hope	305,000	1/1-41	31,985	+ 6,709	9	246,298	+ 60,120
Grand Cent ..	4,137,861d	1/0-72	318,421	- 47,528	9	3,249,124	+ 505,489
Gula Kal'p'g.	1,370,000	1/11-2	104,000	+ 4,793	9	986,743	+ 159,861
Harpenden ..	568,000	1/11-49	43,420	- 8,860	9	389,101	+ 12,491
Haycop ..	520,000	—	38,330	+ 544	9	353,050	+ 12,104
Heawood ..	275,000	1/1-5	24,984	+ 5,359	9	184,581	+ 43,912
Hewagang ..	646,200d	1/2-80	50,000	- 13,000	9	411,200	+ 11,505
Hid. Streams	240,000	—	18,500	- 2,000	9	184,634	+ 15,411
Highlands ..	1,353,000	1/0-01	128,046	+ 6,831	9	1,013,680	+ 60,823
Inch-Kenneth	437,580d	1/3-41	40,650	+ 1,880	4	159,300	+ 19,380
Insulinde ..	268,000	—	23,900	+ 2,900	3	68,500	+ 10,740
Java Amal ..	315,000d	—	48,700	- 1,000	9	459,500	+ 86,930
Java R & Prod	620,000	—	21,700	- 2,200	9	241,300	+ 22,967
Jaya Para ..	265,692d	1/1-20	43,000	+ 15,879	9	305,168	+ 123,803
Jeram ..	300,000	—	20,600	- 5,674	6	106,637	+ 17,810
Johore Para ..	190,362d	1/2-14	16,300	+ 1,568	3	50,400	+ 7,068
" Rub. Ld ..	1,268,000	1/3-	105,330	+ 10,789	9	806,607	+ 226,054
Jong Landor	659,670d	—	52,746	- 4,327	3	160,944	- 8,536
Jugra Estate	378,613	1/0-60	33,092	+ 784	9	193,409	+ 17,676
Jugra Land ..	1,398,000	1/0-02	101,232	- 11,182	5	447,347	+ 20,057
Juru Estates ..	200,000	1/1-88	13,600	- 400	6	86,600	+ 9,644
Kajang ..	263,709d	1/1-95	32,300	- 150	9	283,950	+ 103,025
Kali Glagah ..	250,000	—	17,200	- 800	6	90,900	+ 7,600
Kamp Kual't'n	360,000	1/2-07	30,000	+ 1,000	9	271,500	+ 13,800
Kamuning ..	810,000	1/1-49	69,450	- 6,860	3	192,620	+ 23,010
Kapar Para ..	954,000	1/0-91	92,508	+ 15,107	9	747,733	+ 177,380
Karak ..	220,000	—	23,099	+ 647	9	181,963	+ 38,031
Kasintoe ..	400,000	1/8-56	47,000	+ 17,848	9	444,075	+ 262,497
Kepitigalla ..	640,000	—	50,338	- 7,523	6	390,063	+ 39,405
Keponting ..	335,000	—	31,000	+ 4,500	9	230,500	+ 27,535
Kerala ..	250,000	—	25,634	- 3,439	9	176,398	+ 24,509
Khota Tamp'n	203,000d	1/3-30	18,250	- 250	8	140,500	+ 19,000
Killinghall ..	305,359d	—	24,942	+ 827	3	76,186	+ 5,520
Kimanis ..	420,000	1/9-22	34,200	+ 6,700	8	266,600	+ 92,300
Kinta Kellas ..	610,000	—	47,534	+ 10,998	6	274,256	+ 38,962
Klabang ..	315,000	1/4-30	23,850	+ 2,795	9	225,653	+ 67,754
Klang ..	505,125	1/11-02	44,000	+ 7,935	9	350,600	+ 57,055
Kombok ..	594,000	1/11-88	50,000	+ 1,470	9	432,200	+ 50,690
Kuala Klang	195,000	1/0-39	14,851	- 2,567	12	197,448	+ 7,444
" Kubu ..	158,950	—	11,503	- 1,325	3	32,608	- 1,566
" Lumpur ..	1,685,000d	1/0-64	152,460	+ 18,810	3	460,150	+ 49,500
" Nal ..	187,800d	1/2-36	24,000	+ 4,000	9	104,000	+ 56,200
" Pahi ..	200,000	—	21,000	+ 4,614	9	153,454	+ 43,371
" Selangor	650,000	1/9-3	54,168	- 9,759	9	464,005	+ 2,214
Kurau ..	350,000	1/11-75	22,000	+ 7,243	9	210,000	+ 22,546
Labu ..	762,000	1/11-80	90,850	+ 27,960	8	619,540	+ 207,000
Landron ..	1,610,000	1/4-05	120,932	-			

Taiping.. ..	675,000	1/10.88	45,000	—	16,463	12	—	—
Tali Ayer ..	1,022,324	1/1.35	77,500	—	2,262	5	416,000	+ 30,271
Tamiang ..	700,000	—	73,357	+ 19,046	12	777,213	+ 235,126	
Tangae Batu	180,000	1/3.59	15,169	+ 3,079	9	126,247	+ 14,772	
Tangkah ..	440,000	1/6	47,417	+ 12,439	12	479,293	+ 109,642	
Tanj. Malim.	1,227,600a	1/2.97	127,710	+ 32,670	3	367,290	+ 114,840	
Tandjong ..	1,381,023a	1/0.59	111,968	—	2,995	3	332,151	— 25,401
Tangoel ..	284,280a	1/5.67	24,310	—	1,410	3	48,780	— 5,857
Tebrau ..	885,500a	1/2.65	66,756	+ 34,848	3	183,278	— 87,258	
Teekoy ..	250,000	1/5.12	25,763	+ 19	2	51,033	+ 2,383	
Telogoredjo	750,000	—	64,500	+ 28,128	9	611,020	+ 365,452	
TenomB'rneo	690,000	1/1.98	55,500	+ 2,300	9	434,600	+ 23,450	
Third Mile ..	280,000	—	17,000	—	17,984	9	129,035	— 194,273
Tremelby ..	681,000a	1/0.80	50,000	—	10,000	3	144,000	— 32,000
Trolak ..	280,000	1/2 1/2	27,817	+ 3,354	12	332,040	+ 65,130	
Ulu Rantau ..	250,000	1/1.16	25,788	—	280	9	207,315	+ 25,546
U. SuaBetong	900,000	1/1.15	82,682	+ 10,251	9	671,923	+ 102,932	
U. Serdang ..	3,265,819a	1/0.60	257,421	+ 14,835	1	257,421	— 14,835	
U. Sumatra ..	967,500	1/0.73	89,740	+ 12,000	9	721,880	+ 134,320	
U. Temiang ..	647,220a	1/5.63	71,450	+ 22,400	2	136,040	+ 43,260	
Uva ..	189,833a	—	14,347	—	7,138	9	126,203	+ 11,417
Val d'Or ..	375,000	—	21,700	—	7,300	11	293,700	+ 30,169
Victoria ..	179,976a	1/5.28	11,595	+ 10,505	3	68,200	+ 33,692	
Windsor ..	320,000	1/4.10	36,000	+ 10,191	9	298,400	+ 109,681	
Woodend ..	220,000	—	15,301	—	995	9	168,671	+ 5,423
Yam Seng ..	375,000	—	28,172	—	5,544	11	371,955	+ 48,466
Yatiyatota ..	499,000	—	39,217	—	6,705	9	345,661	+ 71,502

a Last year's crop.

* For August, or previous month.

DIVIDENDS ANNOUNCED.

African Steam Ship Co.—Interim at the rate of 10 per cent. per annum for six months ended June 30, tax free, the same as a year ago.

Anglo-Portuguese Telephone.—Interim 3 per cent., less tax, same as a year ago.

Antofagasta (Chili) and Bolivia Railway Co.—Interim 2½ per cent., less tax, on deferred ordinary, the same as a year ago.

Bombay, Baroda, and Central India Railway Co.—In addition to the half-year's guaranteed interest of £1 10s. per cent., an interim dividend of 10s. per cent. in respect of the profits for the year 1917-1918, payable Jan. next. A year ago the distribution was the same.

Bristol United Breweries.—Final with bonus, together 20s. per share.

Civic Investment and Industrial Co.—1 per cent. for quarter ending Oct. 31.

Consolidated Trust.—Interim 4 per cent. on deferred stock, same as a year ago.

Colonial Bank.—At the rate of 3½ per cent. (actual), less tax, for half-year ended June 30.

Consolidated Estates Company.—Final, the same as last year, of 4 per cent. on preferred shares, less tax, making 8 per cent. for year, and 25 per cent. and a bonus of 10 per cent. on ordinary shares, less tax (making 60 per cent. for the year).

Cluny Rubber Estates.—Interim 5 per cent., equivalent to 1s. per share, the same as a year ago.

Chersonese (F.M.S.) Estates.—Interim 6½ per cent., equal to 1½d. per share, less tax, same as a year ago.

East Pool and Agar.—Interim at the rate of 3d. per share, less tax.

Ederapolla Tea Co. of Ceylon.—Interim, 5 per cent., less tax.

Guardian Assurance Co.—The interim dividend of 2s. on ordinary shares, subject to tax, payable Dec. 1, and 2s. 4d., being in respect of the seven months from June 1, 1917, to Dec. 31, 1917, on each preference share, subject to tax. In future the preference dividend will be paid in equal instalments of 2s. each on June 30 and Dec. 31 in each year.

Hanipha (Ceylon) Tea and Rubber Co.—Interim 2½ per cent. (less tax), payable on Oct. 19, on account of profits for the current year.

Investment Trust Corporation.—Interim for six months ending Nov. 1 on deferred stock at the rate of 11 per cent. per annum, less tax, payable on Nov. 2, the same as a year ago.

Kuala Selangor Rubber Co.—Second interim on account of profits for year 1917 of 8d. per share, payable (less tax) on Nov. 10, the same as a year ago.

Ledbury Rubber Estates.—Interim 10 per cent., equivalent to 2s. per share, the same as a year ago.

Lanadron Rubber Estates.—Interim 5 per cent., equivalent to 1s. per share, against nil a year ago.

Liverpool and London and Globe Insurance Co.—A payment of 13s. per share, less tax, for the year 1917 will be made on Nov. 22. A year ago the dividend was 12s.

London Asiatic Rubber and Produce Co.—Interim of 15 per cent. (actual) for year ending Dec. 31, 1917, payable on Nov. 20, the same as a year ago.

London and Lancashire Fire.—Interim 16s. per share, as compared with 14s. last year. This interim will also be paid to the new shareholders resulting from the acquisition of shares of the Marine Insurance Co. as soon as practicable after registration of their names in the register.

Montreal Light, Heat, and Power.—2 per cent. for quarter ending Oct. 31.

Moss Isaacs, Limited.—10 per cent., free of tax, for year ended Sept. 8, a year ago 7½ per cent. and share bonus distribution equal to 20 per cent. declared July 6, 1916.

Nundyroog.—Interim 1s. 2d. per share, less tax at 5s. in the £, same as a year ago, making, with previous dividend, 2s. 2d. per 10s. share, less tax, for current year.

Parke's Drug Store.—On preference shares for the half-year ended Sept. 30 at the rate of 6 per cent. per annum, less tax.

Realisation and Debenture Corporation of Scotland.—For year to Aug. 31 last; Ordinary shares, 21 per cent. per annum; deferred shares, 2s. 9½d. per share, all less tax. The dividend on the ordinary and deferred shares will be paid in two equal portions in Nov., 1917 and 1918.

Robert Simpson Co.—On preference shares at the rate of 6 per cent. per annum.

Rosario Drainage Co.—On ordinary shares at the rate of 3 per cent. (less tax) for the year ended June 30, same as a year ago.

Royal Bank of Canada.—3 per cent. (at the rate of 12 per cent. per annum) for three months to Nov. 30.

South Indian Railway Co.—Final 1 per cent., against 1½ per cent., less tax, from surplus profits, payable on Jan. 1, in addition to the guaranteed interest of 1½ per cent. for the half-year ending Dec. 31, 1917, making a total payment of 5½ per cent. for the year, the same as for previous year.

Spillers and Bakers.—Interim on ordinary shares 6d. per share, being at rate of 5 per cent. per annum, less tax, same as a year ago.

Sungei Batu (Malaya) Rubber.—Interim 3 per cent. (actual), less tax, same as a year ago.

Sir Elkanah Armitage and Sons.—Interim payable on Nov. 1 of 10d. per share, less tax, the same as last year.

Sungei Buaya (Sumatra) Rubber.—Final 12½ per cent. (actual), making 22½ per cent. for year. The dividend amounts to 2s. 6d. per share and tax will be deducted at the rate of 5s. in the pound, same as a year ago, but with tax deducted at the rate of 3s. 10½d. in the pound.

S. W. Silver and Co. and Benjamin Edgington.—Interim 6d. per share, less tax.

Scottish Australian Mining Co.—Interim for year ending Dec. 31 next of 2½ per cent. (6d. per share), payable, less tax, on Nov. 7.

Straker-Squire, Limited.—Interim 1s. per share, less tax, payable on Nov. 10, on account of the current year.

Trust and Agency Co. of Australasia.—Interim of 6d. per share, free of tax, for year 1917 on the called-up ordinary share capital, being at rate of 5 per cent. per annum, payable Nov. 20. A year ago was the same.

United River Plate Telephone Co.—Interim of 3 per cent. (3s. per share) on ordinary share capital, free of tax, for half-year ended June 30, payable Nov. 1. A year ago was the same.

Yorkshire Insurance Co.—The second half of the dividend declared in May, being 2s. 6d. per share on the £5 shares (10s. paid) and 5s. on the fully-paid £1 shares, free of tax, was paid on 19th inst.

At the annual meeting of the Council of Associated Stock Exchanges recently held a resolution was passed in favour of the minimum commission on Government securities being increased to ¼ per cent., and the Committee of the London Stock Exchange is to be approached on the subject. It was also decided to co-operate with the London Stock Exchange in order to abolish the practice of sharing commission with intermediaries.

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An Ideal Country for the farmer, the percentage of grain and lambs being phenomenally high.

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THE HIGH COMMISSIONER FOR NEW ZEALAND,

413-416, STRAND, W.C. 2.

COMPANY MEETINGS.

HARRISONS AND CROSFIELD, LTD.

A REVIEW OF THE RUBBER AND TEA INDUSTRIES.

The ninth ordinary general meeting was held on October 16 at 38, Eastcheap, E.C. Mr. Charles Heath Clark (chairman of the company) presided.

The Secretary (Mr. H. P. Church) read the notice convening the meeting and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, said that this was the fourth occasion since the outbreak of war that they had met to consider the report and accounts of the company. The difficulties of conducting all business had increased with the duration of the war, this being especially the case with undertakings whose interests were largely overseas, and distributed over different countries, all of which had their own particular difficulties arising out of the world war, added to those which all shared in common. In such circumstances, the directors felt it was a cause for congratulation that the business of the company had continued to show the prosperity and expansion to which they had been accustomed in past years. After deducting from the carry forward of last year the sum of £6,875, the accrued dividend on the cumulative preference shares to June 30, 1916, the actual sum brought into the year's accounts was £35,415. To that had to be added £5,205 interest on the preference reserve fund investments, and the nett profit of £181,975 from trading, making together £222,596 at the credit of the profit and loss account for the year under review. Dividends on the cumulative preference shares of £33,000, and interim dividends on the preferred ordinary and management shares amounting to £30,000, had already been paid, and the directors had written off £7,756 depreciation and loss on reinvestment of the preference reserve fund. Those items amounted to £70,756, and left £151,839 available. They proposed to place £25,000 to general reserve, £25,000 to income-tax reserve, £7,000 to staff special reserve, and £5,000 to property reserve. The board then suggested a final dividend of 5 per cent. on the preferred ordinary shares, making 10 per cent. for the year, and 5s. per share as a final dividend on the management shares, leaving £37,339 to be carried forward.

RUBBER AND TEA.

As to the general position of rubber and tea, with which the business of their company was so intimately associated, he might say that the plantation rubber industry had experienced another year of prosperity in 1916, the total production having been 150,000 tons, as against 105,000 tons produced in 1915. The average London sale price had been 2s. 10½d., as against 2s. 4½d. for 1915. For 1917 they estimated a production of 216,000 tons, and for the half-year ending June 30 last the London selling price had averaged just over 3s. The price at present stood at 2s. 7½d. per lb., against 2s. 5d. at the same time last year. The increase in production of plantation rubber in 1916 had amounted to 43 per cent. over that of 1915, and if the present estimate were realised, 1917 should show an equal percentage of increase over 1916, and over 80 per cent. of the world's consumption would be supplied from the plantations in the Middle East. Notwithstanding the increase in production, the whole was going into consumption as quickly as it could be shipped. The stocks on this side, although somewhat heavier, probably represented at the moment no greater increase than was necessitated by the largely increased production and the delays in transport resulting from the war conditions. The likely production for the next three years would appear to be:—For 1918, 260,000 tons; for 1919, 300,000 tons; and for 1920, 340,000 tons—in which case, from 1917 onwards, the percentage of increase would fall from 44 per cent. in the present year to probably not more than 12 to 15 per cent. in 1919-20. After that will follow a series of years during which the increase from new areas coming into bearing must be of a comparatively trifling character. While they were in possession of evidence that appeared to satisfy most of those interested that under the present war conditions all the rubber that could be produced and shipped would find a ready market, there was much more difference of opinion as to the extent to which the war was directly responsible for the ease with which that greatly increased production was being absorbed, and, in consequence, whether peace, when it came, would find the rubber production of the world more than was needed. There could be no doubt as to the large quantities of rubber used for war supplies, but against that the uses of rubber for some purposes—notably the tyreing of pleasure cars—had been greatly restricted in most of the combatant countries, while the Central Empires had probably been almost entirely prevented from obtaining any rubber supplies.

THE AMERICAN DEMAND.

America, the great rubber manufacturing and consuming nation of the world, had taken, from London and the East, 65,625 tons of rubber, of the value of nearly £16,000,000, in 1915; in 1916 that was increased to 125,000 tons, of the value of £26,000,000, and for the first five months only of the present year America had taken 350,446 tons, valued at £14,000,000. Last year America had exported under £5,500,000 sterling of rubber goods, so it was evident that the great bulk of the rubber she imported was for her own consumption. In 1912 the United States output of motor-cars was 250,000; that annual output had grown in 1916 to 1,600,000. The number of tyres required for the new cars put on the road in 1916 alone was nearly 6½ millions, and the cars on the road in the U.S.A. probably used up at least 20 million tyres per annum. In

America, as well as in their own country, the commercial car and trolley was rapidly advancing, and there was no doubt but that movement had been accelerated by the war conditions, restricting as they did both the man and horse power available for transport purposes. War conditions were forcing rubber into consumption also as a substitute for leather and other materials less available, while every day saw rubber consumed more as a necessity and less as a luxury than in the pre-war days. That change did much to secure the future consumption of the commodity, and, apart from a possible temporary dislocation of trade after the war, he saw no reason to expect any long-continued depression for the rubber industry. Estates costs generally would not show the same rate of reduction as in recent years—the big reduction that had taken place during the past two or three years, largely owing to increased production, could obviously not always continue—and there had been a rise in the costs of practically all materials, tools, and imported supplies, as well as in exchange, which probably together added on to the estate costs 1d. per lb. A still greater change had occurred, in consequence of the war conditions, in the costs incurred after shipment from the country of production, for which the rise in freights and war risks insurance was mostly responsible. It was now costing about 3d. per lb. more for those services than in pre-war days to put rubber on the London market. The present charges for putting the produce on this market amounted in all to from 4d. to 4½d. per lb. To other large markets, such as the United States, those costs were still higher, so that at the present time the war was adding about 4d. per lb. on to the average c.i.f. costs. Whenever the reduction of those charges to something like their normal level took place, it should mean to most producing companies a saving equivalent to at least a 10 per cent. dividend; and to that extent, therefore, the present increased costs might be regarded as constituting a reserve against any future lowering of the selling price.

EXCESS PROFITS DUTY.

The other great factor at present hindering the rubber industry from reaping the full harvest of its past enterprise and patience was undoubtedly the excess profits duty. The excess profits duty was taking a very large sum out of the industry, and, while they did not object to paying excess profits duty—indeed, they felt proud that the industry should prove in that additional way its great value as a national asset—there was, at the same time, a very great deal of objection and a keen sense of injustice with regard to the incidence of the tax as at present levied on many companies. It could not be too clearly understood that, whilst the average price of rubber was 4s. 5d. per lb. during the last three pre-war years, it had been reduced to 2s. 6½d. per lb. for the three years of war. In contrast to almost everything else, the excess profits charged against the industry had not been earned by an increased selling price, but, on the contrary, had been earned in spite of a greatly reduced selling price. Increased profits had, therefore, accrued entirely from increased production, and unless areas of rubber that had come into the tapping round during the past three or four years were permitted to earn a profit in fair relation to the earnings that certainly would have accrued to them after many years' patient waiting and successfully overcoming the difficulties and risks inseparable from agriculture in the tropics, the present feeling of injustice and hardship would continue to be felt. Such areas of new rubber could be earning little or nothing in the way of excess profits arising out of war conditions, and clearly the intention had been to tax the excess profits, and not the normal earnings, of any industry. Either the percentage allowance should be raised, or in some other way new areas of rubber that had come into bearing should be permitted to earn a fair portion of the profit that was certain to have accrued to them before the imposition of the excess profits duty. The industry was indebted to the Rubber Growers' Association for the great efforts they had made towards obtaining some redress from the grievances complained of. They all hoped that their continued efforts might eventually meet with the success they certainly appeared to deserve.

TEA.

As to tea, any attempt to state the present position or forecast the immediate future of the industry was rendered quite impossible by the absence of the usual figures of production, consumption, and stocks, owing to the war conditions and restrictions at present ruling. Only 268,000,000 lbs.—approximately 50 per cent.—of the Indian and Ceylon crops were permitted by the Government to be shipped to this country, and so far freight had not been available for even that proportion. The import of tea from all other sources was now altogether prohibited. The previous home consumption had been just over 300,000,000 lbs. Such conditions caused scarcity of supplies here, and created a glut in the Eastern markets. The prices the consumer had to pay had been greatly enhanced, in spite of the controlled prices on the London market. It was generally admitted that the present regulations were not working satisfactorily, or attaining the results aimed at, and it was understood that some new system of working was receiving the attention of the authorities. There would be more difficulty in making workable regulations for the distribution of tea than for most products. The many varieties of growth, manufacture, quality, cost of production, and intrinsic value added greatly to the complications that had to be faced, to say nothing of the difficulty of securing that the price fixed for the consumer for any class of tea was loyally adhered to by all the distributors. However the price to the producer might be restricted, so long as the quantity allowed to be im-

ported was below the requirements of the country, any benefit gained at the expense of the producer would not reach the consumer unless an effective control over the retail price were obtained. That, he believed, could only be accomplished by selling the controlled grades in packets marked with the retail price and stamped by the Government, or by imposing upon tea a flat-rate price, above which it should not be sold. In consequence of the war conditions, as in the case of rubber, there had been added to the laid down cost of tea in London approximately the same amount—namely, about 4d. per lb. Under the circumstances ruling at the moment, it was not possible to know either what the cost would prove to the producer of the tea that was marketed, or how much of what he produced he would be able to find a market for. It was obvious that if the producing companies were only able to market half of their output, the cost to them must be doubled in consequence, and to whatever extent the crops were curtailed, it must bring about a corresponding increase in the cost of production. It was probable that it might prove the wisest course for the producers to agree to a certain limitation of output in order to prevent an eventual greater loss by finding themselves without a market for a portion of their crops. Apart from the uncertainties with which the industry was faced, the season generally had not been so favourable for production as during the two previous years. Even had there been no interference from scarcity of freight and other war conditions, there would undoubtedly have been a keen demand for all the tea produced. As things were, they could only wait and see how the results of the present year worked out in the light of actual experience, the essential point being that they might rest assured that when present restrictions no longer existed, the tea markets of various countries would absorb all they could produce at remunerative prices.

Mr. George Croll seconded the motion, which was carried unanimously, and dividends as recommended were approved.

A vote of thanks to the chairman, directors, and staff in London and in the East terminated the proceedings.

THE NIGER CO.

The thirty-seventh ordinary general meeting of the Niger Co., Ltd., was held on Friday at the Cannon Street Hotel, E.C., Mr. Clifford Edgar, vice-chairman, presiding, in the absence of Lord Scarbrough, on military duties.

The Secretary (Mr. W. G. Rand) having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of moving the adoption of the report and accounts, said: The figures laid before you this morning represent the results of a year's operations carried on under steadily increasing difficulties arising out of the war. We have had seriously depleted staffs, greatly higher working costs, the charges for freight (especially those incurred this year on last year's produce), insurance, coal, and package having advanced in an unprecedented degree, and in the autumn of the year a new tax was imposed upon the trade in the form of export duties on certain kinds of produce. The rise of the River Niger was quite satisfactory, and minimised the difficulties of transporting our produce to the seaboard, but the problem of ocean carriage is one that has grown steadily more serious. In the interests alike of this country and of Nigeria, and in accordance with the urgent requests of H.M. Government, the company has passed all records in its purchases of African produce, much of which is undoubtedly of the greatest value and importance to the nation and to our Allies at the present time. But unfortunately the growth in the quantity to be shipped has been concurrent with a marked decrease in the tonnage available. Some of the result is seen in the balance-sheet in the large increase under the heading "Stock of goods, stores and produce," which is more than £300,000 greater than at the end of 1914. Since the date of the accounts now presented, this state of things, with its consequent heavy lock-up of capital, has become still more pronounced, and if the Government do not wish to see a curtailment in purchases they will have to co-operate with us in one way or another in dealing with the situation. After dealing with the accounts the Chairman said that, judging from the returns for the first half of the current year, we may anticipate a further substantial increase in output. In 1916 the company acquired the rights in two mining areas, and during the current year we have, jointly with another company, purchased certain tin mining leases previously in German hands. Great efforts have been made during the last two years by crushers in this country to establish machinery and plant adequate to deal with the entire import of palm kernels and other nuts from West Africa. The production and consumption of margarine and other edible fats have enormously increased, and there is every indication of still further development. The only new opening during the year was at Maidugeri, where it is hoped to do a good business in hides and skins. Some of the £15,111 shown in the balance-sheet as expended on stations represented the cost of certain enemy properties purchased in 1916, but not actually transferred until the present year. Such properties were situated at Gana Gana, Onitsha, Etobi, Lokoja, Egbom, and Zaria. Owing to advancing years we have lost the services of Sir John Kirk and Mr. Alexander Miller. In succession to Sir John Kirk, we have appointed Lord Emmott. As stated in the report, we have recently acquired a controlling interest in the company of African Merchants, Ltd., by purchase of nearly the whole of the shares for cash.

Lord Aberdare seconded the resolution, which was carried unanimously.

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and October 13, 1917:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Oct. 13, 1917.	Total Receipts into the Exchequer from April 1, 1916, to Oct. 14, 1916.
Balances in Exchequer on April 1—			
Bank of England	—	25,209,947	25,111,665
Bank of Ireland	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs	70,750,000	37,526,000	34,872,000
Excise	34,950,000	18,620,000	26,281,000
Estate, &c., Duties	29,000,000	15,893,000	16,282,000
Stamps	8,000,000	3,850,000	3,951,000
Land Tax	—	—	—
House Duty	2,600,000	330,000	320,000
Property and Income Tax and Super Tax	224,000,000	55,258,000	37,935,000
Excess Profits Duty (including Munitions Levy)	200,000,000	98,384,000	37,737,000
Land Value Duties	400,000	237,000	121,000
Post Office	33,700,000	17,100,000	17,000,000
Crown Lands	600,000	220,000	240,000
Receipts from Sundry Loans, &c.	7,500,000	1,409,017	2,386,011
Miscellaneous	27,100,000	34,431,857	3,249,402
Revenue	638,600,000	283,259,774	180,374,413
Total, including Balance		309,695,633	205,949,419
OTHER RECEIPTS.			
Repayment of Advances for Bullion	1,000,000	2,230,000	—
Under Telegraph (Money) Act, 1913	55,000	180,000	—
Under Post Office (London) Railway Act, 1913	68,000	160,000	—
Under Housing Act, 1914	220,000	45,200	—
For Treasury Bills (for supply)	1,277,002,000	1,210,086,000	—
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	—	3,087,600	—
For 4½ per Cent. War Loan, 1925-1945	—	424	—
For 5 per Cent. Exchequer Bonds, 1919	—	34,222,000	—
For 5½ per Cent. Exchequer Bonds, 1920	—	83,964,500	—
For 5 per Cent. Exchequer Bonds, 1921	—	62,464,000	—
For 5 per Cent. Exchequer Bonds, 1922	82,110,000	—	—
For 6 per Cent. Exchequer Bonds, 1920	—	36,627,000	—
For War Expenditure Certificates	—	25,178,500	—
For War Savings Certificates	19,800,000	30,550,000	—
For other Debt created under the War Loan Acts, 1914-1917	390,132,081	23,842,319	—
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947	66,550,000	—	—
For National War Bonds	13,963,000	—	—
Temporary Advances—			
Ways and Means (including Treasury Bills £345,000,000 in 1916-1917)	574,446,000	431,896,500	—
Total	2,856,650,714	2,150,383,462	

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

* Excluding sales through joint stock and private banks which have not yet been brought to account.

	Estimate for the Year 1917-1918. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Oct. 13, 1917.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Oct. 14, 1916.
EXPENDITURE AND OTHER ISSUES.			
EXPENDITURE.			
Permanent Charge of Debt ..	17,000,000	11,743,958	14,421,888
Interest, &c., on War Debt ..	194,500,000	75,885,643	61,961,591
Payments to Local Taxation Accounts, &c.	9,700,000	3,955,910	3,953,755
Other Consolidated Fund Services	1,695,000	1,086,385	1,272,800
Supply Services	2,068,826,000	1,338,007,893	890,606,535
Expenditure	2,291,721,000	1,430,677,794	971,216,589
OTHER ISSUES.			
For Advances for Bullion	1,110,000	2,490,000	—
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1914	169,818	91,370	—
Under Telegraph (Money) Act, 1913	55,000	180,000	—
Under Post Office (London) Railway Act, 1913	63,000	160,000	—
Under Housing Act, 1914	220,000	44,500	—
For Treasury Bills for Supply	784,224,000	820,567,000	—
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	—	3,087,600	—
For Exchequer Bonds, etc., under Section 61 of the Finance Act, 1916, and Section 34 of the Finance Act, 1917	310,120	38,100	—
For other Debt under the War Loan Acts, 1914 to 1917	14,650,039	—	—
For Depreciation Fund under the Finance Act, 1917	18,543,140	—	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908	—	38,000	—
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	23,160	—
Old Sinking Fund, 1911-12, issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914	—	250,000	—
Temporary Advances repaid—			
Ways and Means (including Treasury Bills £243,900,000 in 1916-17)	566,158,000	317,796,500	—
Total	2,856,650,714	2,151,483,462	

MEMO.—Treasury Bills outstanding on Oct. 13, 1917, £956,793,000.

* Includes £18,000, the proceeds of which were not carried to the Exchequer within the period of the account.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Amount	In. or dec. on last year.	
Assam Bengal	Aug. 25	Rs. 1,29,000	—	Rs. 11,504	—	27,96,073
Barsi	Sept. 1	4,15,700	—	74,000	—	8,04,200
Bengal & N.W.	Aug. 25	2,86,770	—	35,553	—	87,75,038
Bengal Nagpur	Sept. 1	9,89,000	—	1,60,000	—	2,26,20,816
Bombay, Baroda	Oct. 6	9,89,000	—	5,300	—	9,89,000
Burma	Aug. 11	3,13,285	—	52,368	—	75,81,142
Delhi Umballa	Oct. 6	69,636	—	8,119	—	66,686
East Indian	" 13	24,92,000	—	4,59,000	—	43,13,000
Gt. Indian Penin.	" 13	33,00,100	—	2,94,300	—	33,00,100
Lucknow-Bareilly	Aug. 11	33,690	—	5,228	—	8,85,948
Madras and S.						
Mahratta	Sept. 1	9,50,000	—	42,748	—	2,36,26,313
Nizam's Gd. (Broad)	" 1	1,08,039	—	6,415	—	28,91,098
" (Metre)	" 1	48,258	—	6,110	—	15,17,259
Rohilkhand and						
Kumaon	Aug. 11	38,239	—	2,727	—	8,93,399
South Indian	Sept. 1	56,547	—	83,151	—	1,50,13,551

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

Bristol	Oct. 12	£ 11,389	+	£ 1,068	+	£ 449,551	+	£ 34,442
Dublin United	" 5	7,512	+	454	+	268,326	+	26,048
Hastings and Dist.	" 14	1,199	+	239	+	52,206	+	7,855
Isle of Thanet	Aug. 11	713	—	310	—	13,314	—	1,351
Lancashire United	Oct. 10	2,354	+	470	+	95,690	+	20,827
Provincial	" 6	2,680	+	399	+	2,680	+	399
Yorks. (Wst. Rdng.)	" 7	2,105	+	271	+	84,671	+	14,120

* From Oct. 1. † From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

Alabam Power	Aug. 8	£ 104,868	+	£ 20,192	+	£ 208,419	+	£ 50,823
Anglo-Argentine	Oct. 14	53,666	+	317	+	2,111,396	+	26,147
Auckland Electric	Sept. 21	22,154	+	1,270	+	64,876	+	2,018
Brazilian Traction	Aug. 8	M8,064,000	+	M659,000	+	M605,506	+	M449,200
Brisbane Elec. Inv.	Sept. 1	31,600	—	930	—	294,840	—	2,820
British Columbia	Aug. 8	£ 58,257	—	£ 15,877	—	£ 1,16,581	—	£ 20,753
B.A. Lacroze	Sept. 1	39,111	—	2,680	—	77,174	—	2,304
Burmah Electric	Sept. 8	Rs. 26,168	+	Rs. 2,419	—	26,168	+	Rs. 33,802
Calcutta	Oct. 13	Rs. 72,288	+	Rs. 6,944	+	Rs. 265,747	+	Rs. 20,334
Carthage and								
Herreries	Sept. 1	4,306	+	2,527	+	38,405	+	15,805
Cordoba Light								
P. & T.	Aug. 8	14,278	—	427	—	70,432	—	738
Hongkong	" 18	12,744	—	5,279	—	£ 42,008	—	£ 34,682
La Plata	Sept. 6	3,450	—	543	—	36,545	—	1,076
Lima	Aug. 8	17,094	—	2,038	—	128,748	—	1,877
Madras Electric	Oct. 13	Rs. 36,385	+	Rs. 4,080	+	Rs. 660,797	+	Rs. 123,116
Mexico	Nov. 8	£ 215,256	—	£ 108,669	—	£ 3,193,106	—	£ 197,227
Rangeon	Sept. 8	5,163	—	1,026	—	33,288	—	2,000
Singapore Electric	Aug. 25	£ 11,695	—	£ 657	—	£ 43,815	—	£ 31,418
Toronto	" 8	£ 448,806	—	£ 21,744	—	£ 3,694,880	—	£ 237,325
United of Monte V.	Sept. 29	29,426	+	2,715	+	349,679	+	10,636
Vera Cruz	Aug. 8	52,200	—	—	—	408,000	—	—
Winnipeg	" 8	£ 39,457	—	£ 46,478	—	£ 506,701	—	£ 284,329

b 28 days. * From Jan. 1. † From July 1. c Two weeks.

UNITED STATES OF AMERICA.

Chesapeake & Ohio	Oct. 7	977,000	+	117,000	+	40,769,000	+	2,830,000
Chicago G.W.	Sept. 30	361,000	+	4,000	+	12,077,000	+	403,000
Colorado & South'n	Oct. 7	500,000	+	37,000	+	13,273,000	+	1,737,000
Denver & Rio Gran.	Oct. 7	595,000	+	30,000	+	21,189,000	+	2,402,000
Louisville & Nashv'e	Sept. 30	1,636,000	+	107,000	+	55,500,000	+	8,504,000
Minn. S.P. (Soo) §	" 14	715,000	+	24,000	+	23,643,000	—	302,000
Missouri Kansas	" 14	1,776,000	+	59,000	+	31,291,000	+	5,208,000
Southern	" 30	3,128,000	+	446,000	+	82,497,000	+	11,312,000

§ Includes Wisconsin Central. † From Jan. 1.

FOREIGN RAILWAYS.

Alcoy and Gandia	Oct. 6	Ps. 8,000	—	Ps. 1,300	—	Ps. 444,520	—	Ps. 70,280
Antofagasta (Chili)	" 14	53,000	—	14,005	—	1,695,105	—	296,575
Arauco	Aug. 31	10,000	—	1,000	—	76,000	—	13,760
Argentine N.E.	Oct. 13	—	—	6,800	—	103,800	—	1,698
Bilbao R. and Canta	Sept. 1	4,284	—	667	—	31,950	—	8,833
Bolivar	" 1	10,000	—	1,807	—	32,000	—	9,490
Brazil	July 1	M3,865,000	—	M507,310	—	M275,16000	—	M324,787
Brazil Gt. Southern	June 1	M18,42,000	—	M4,100	—	M212,990	—	M33,700
B. Ayres & Pacific	Oct. 13	—	—	87,000	—	860,000	—	409,000
Do. Central	Aug. 8	26,365	—	1,371	—	52,775	—	1,677
Do. Gt. South'n	Sept. 22	114,722	+	8,255	+	3,400,014	+	601,310
Do. Western	" 23	36,000	—	21,000	—	457,000	—	156,000
Central Argentine	" 29	4,000	—	15,000	—	995,000	—	491,100
C. Ur'g'ay of Mte V.	Oct. 13	16,847	+	5,663	+	213,018	+	6,816
Do. East'n Ex.	" 13	3,721	—	426	—	29,283	—	3,592
Do. North'n Ex.	" 13	3,403	+	1,846	+	43,747	+	17,027
Do. West'n Ex.	" 13	2,012	—	47	—	68,750	—	1,202
Cordoba Central	Sept. 22	7,000	—	19,690	—	36,350	—	20,895
Costa Rica	" 1	2,579	—	3,325	—	29,688	—	40,101
Cuban Central	Oct. 14	11,443	+	2,889	+	150,631	+	40,363
Dorada Extension	Sept. 1	8,000	—	1,100	—	32,400	—	9,320
Egyptian Delta	" 10	6,553	—	1,158	—	94,861	—	15,795
Entre Rios	Oct. 13	—	—	11,600	—	163,600	—	13,590
French Sante Fé	Aug. 8	132,000	—	29,099	—	900,336	—	173,489
Gt. South. of Spain	Oct. 6	Ps. 66,881	—	16,396	—	Ps3544,539	—	Ps352,947
Gt. West. of Brazil.	" 13	17,100	—	1,700	—	51,950	—	128,150
Havana Central	Sept. 29	8,231	—	1,207	—	91,654	—	11,097
Inter. of C. Amer.	" 6	6,986	—	2,027	—	215,486	—	31,749
La Guaira and Car.	" 1	5,750	—	1,000	—	68,750	—	3,000
Leopoldina	Oct. 13	35,836	+	554	+	1,198,214	+	202,521
Manila (Nr. & Sth.)	Apr. 6	10,389	—	1,997	—	10,389	—	1,997
Midland Uruguay	Sept. 1	12,317	—	651	—	37,311	—	6,002
Mogiana	July 1	M258,2000	—	M211,261	—	M113,13,000	—	M485,967
N.W. of Uruguay	Sept. 1	£ 26,000	—	£ 1,542	—	£ 69,500	—	£ 2,250
Nitrate	Oct. 15	31,989	—	1,480	—	601,865	—	74,433
Paraguay Central	" 6	2,190	—	1,470	—	41,730	—	10,030
Paulista	July 1	M3,330,000	—	M638,609	—	M108,000	—	M99,280
Peruvian Corp.	Sept. 1	S 950,740	—	S 32,830	—	S 2,905,170	—	S 261,930
Salvador	Oct. 6	£ 13,800	—	£ 9,600	—	£ 213,851	—	£ 69,234
S. Paulo (Brazilian)	" 7	39,528	—	7,875	—	1,121,534	—	35,392
Sorocabana	July 1	M1,59,000	—	M7,540	—	M108,300	—	M122,624
Taitai	Sept. 1	19,958	—	3,021	—	60,713	—	4,568
United of Havana	Oct. 13	36,770	—	7,238	—	538,779	—	82,129
West'n of Havana	" 13	6,237	—	1,046	—	102,573	—	13,049
Zafra and Huelva	Aug. 8	12,809	—	290	—	99,265	—	940

* Months. † From Jan. 1. ‡ From July 1. c Nett. d 15 days. a 10 days.

COLONIAL RAILWAYS.

Beira	July 1	£ 54,645	—	£ 7,933	—	£ 651,261	—	£ 7,990
Canadian Northern	Oct. 14	\$ 660,600	—	\$ 112,900	—	\$ 12,310,900	—	\$ 101,200
Canadian Pacific	" 14	\$ 3,333,000	—	\$ 290,000	—	\$ 15,276,000	—	\$ 861,000
Gr. Trk. Main Line	" 14	218,054	—	2,760	—	8,345,892	—	865,957
Gr. Trk. Western	" 14	38,551	—	123	—	1,547,147	—	30,091
Detroit G. H. & M.	" 14	12,988	—	333	—	538,711	—	1,265
Gr. Trk. Pac. Prairie Sc	" 7	32,849	—	9,997	—	344,014	—	104,200
Mashonaland	July 1	54,645	—	7,933	—	651,261	—	7,990
Mid. of Westn. Aus.	Aug. 8	5,756	—	47	—	11,045	—	341
New Cape Central	Sept. 8	1,683	—	312	—	64,699	—	8,608
Rhodesia	July 1	89,593	—	105	—	840,938	—	43,602

* Months. † July 1. ‡ Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.	No. of Months.	Amount.	In. or Dec. on last year.
		Dols.	Dols.		Dols.	Dols.
Atchafalaya T. & S. Fé	Aug.	4,825,000	— 314,000	8	33,592,000	+ 3,280,000
Atlantic Coast Line	"	604,000	+ 88,000	8	7,503,000	+ 205,000
Baltimore & Ohio ..	"	3,067,000	— 594,000	8	20,597,000	— 295,000
Canadian Northern	"	593,200	— 478,800	2	1,498,100	— 269,000
Canadian Pacific ..	"	3,818,000	— 1,650,000	8	28,575,000	+ 512,000
Chesapeake & Ohio	"	1,388,000	— 165,000	8	9,165,000	— 954,000
Chicago & N.W. ..	"	3,150,000	— 398,000	8	16,874,000	— 2,471,000
Chicago Burl. & Q.	July	2,689,000	+ 164,000	7	20,983,000	— 2,182,000
Chicago G.W. ..	Aug.	301,000	— 127,000	8	2,085,000	— 574,000
Chicago Mil. & S.P.	"	2,222,000	— 1,084,000	8	15,699,000	— 3,206,000
Chicago, Rock I. & P.	"	1,643,000	— 604,000	8	13,493,000	— 1,618,000
Colorado & Southern	July	509,000	+ 127,000	7	3,250,000	+ 459,000
Cuba	"	229,018	— 29,266	12	1,922,000	— 1,595,600
Delaware & Hud. ..	Aug.	1,005,000	+ 289,000	8	4,329,000	— 895,000
Denver & Rio Gran.	"	613,000	— 262,000	8	4,999,000	— 606,000
Erie	"	1,176,000	— 850,000	8	7,262,000	— 5,152,000
Gr. Tr. Main Line ..	"	£ 216,700	— £ 88,950	8	£ 1,484,500	— £ 247,000
Grand Trunk Westn	"	£ 6,250	— £ 38,450	8	£ 30,450	— £ 303,150
Detroit G. H. & Mil.	"	£ 67,050	— £ 15,050	8	£ 53,450	— £ 93,100
Gr. Northern ..	"	2,731,000	— 772,000	8	14,670,000	— 7,422,000
Illinois Central ..	"	1,515,000	+ 44,000	8	12,518,000	+ 2,776,000
Kansas City Southn.	"	409,000	+ 81,000	8	2,953,000	+ 538,000
Lehigh Valley ..	"	1,062,000	— 145,000	8	6,621,000	— 133,000
Louisville & Nashvl.	"	1,620,000	— 196,000	8	12,598,000	— 136,000
Minn. S.P. (Soo) §.	July	1,042,000	— 469,000	7	5,307,000	— 2,049,000
Miss. K. & Texas ..	Aug.	1,085,000	+ 384,000	8	4,743,000	+ 2,347,000
Missouri Pacific ..	"	2,020,000	+ 367,000	8	13,881,000	+ 6,090,000
New York Cent. & H.	"	5,155,000	— 1,336	8	31,492,000	— 1,037,500
N. Y. N. Haven & T.	July	1,586,000	— 791,000	7	11,905,000	— 665,000
New York Ont. & W.	Aug.	457,000	+ 80,000	8	1,676,000	— 119,000
Norfolk & Western.	"	2,127,000	— 340,000	8	4,144,000	— 1,595,000
Northern Pacific ..	"	2,441,000	— 331,000	8	19,046,000	+ 926,000
Pennsylvania East	"					
and West Lines ..	July	11,445,000	+ 213,000	7	51,050,000	— 10,449,000
St. Louis & San F.	"	1,636,000	+ 690,000	12	16,661,000	+ 3,429,000
Seaboard Air Line.	"	329,000	+ 126,000	7	4,319,000	+ 210,000
Southern	Aug.	2,057,000	+ 112,000	2	3,339,000	+ 712,000
Southern Pacific ..	"	6,217,000	+ 537,000	8	40,997,000	+ 9,736,000
Union Pacific ..	"	3,483,000	— 89,000	8	26,449,000	— 454,000
Wabash	"	1,075,000	— 49,000	8	7,869,000	+ 40,000

The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

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NEW SERIES.

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CONTENTS.

Passing Events:—Revenue — War Credits — Scaremongers and Mr. Bonar Law — Baldwins — Brewing Orders — Maynards — Anglo-South American Bank — North of Scotland and Town and County Bank — B. A. G. S. — Cost of Wheat Production in Western Canada — British Dyes — Central Uruguay Railway — Beira Railway — Rosario Drainage Co. — Hulett and Sons — American Smelting and Refining — Premier Diamond Mining (pp. 415-9) — (Dick, Kerr and Co., p. 429).

Leading Articles:—German Debt Methods: and Our Own — Buenos Ayres Western Railway — Notes from Italy — By-the-Way War Notes (pp. 419-24).

Insurance News:—Pearl Assurance and London Life Association War Bond Schemes — Australasian Life Assurance Progress (p. 425).

Money and Credit Notes:—No Change in Position — Bank Return — Government Stock Transfers — Foreign Exchange Movements — New French Loan — Aircraft Manufacturing Co. Issue — Colonial Bank's New Shares — Silver (pp. 426-8).

Mint Output of Silver and Bronze Coins (p. 424).
The Week's Stock Markets (pp. 428-9).
London Produce Markets (pp. 429-30).

American Business Notes:—Second Liberty Loan — Confiscation of German Property — Canadian Northern Railway (pp. 430-1).

Tea, Oil, and Rubber:—Rubber Market — Inch Kenneth Rubber Estates — Bukit Lintang Rubber Estates (p. 432).

Mining News:—Willoughby's Consolidated — Rhodesian Mineral Output — San Miguel Copper — Tomboy Gold — Abbontiakoon — Great Boulder Perseverance (pp. 432-3).

What Balance Sheets Tell:—Assam Bengal Railway Co. — Kayser, Ellison and Co. — Highland Distilleries Co. — Bretts' Stamping Co. — Electric Supply Co. of Victoria — Anglo-British Columbia Packing Co. (p. 433).

Company Meetings:—Anglo-South American Bank — British Dyes — Eastern Telegraph Co. — Eastern Extension, Australasia, and China Telegraph Co. (pp. 434-8).

Notes on Books (pp. 431-2).

The Week in Mines (p. 432).

Dividends Announced (p. 438).

Traffic Returns (p. 439).

Answers to Correspondents (p. 439).

Public Income and Expenditure (p. 440).

CANADA.

THE BANK OF BRITISH NORTH AMERICA.

Established 1836.

INCORPORATED by ROYAL CHARTER 1840.

PAID-UP CAPITAL .. £1,000,000. RESERVE FUND .. £620,000.
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Reserve Liability of Proprietors .. 4,000,000

Total Capital and Reserves .. £7,980,000

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Reserve Fund .. 2,000,000

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PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

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ESTABLISHED 1880.

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Capital Paid Up	Yen 38,000,000
Reserve Fund	Yen 21,300,000

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Bombay.	Honolulu.	Newchang.	Singapore.
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K. TATSUMI, Manager.

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Subscribed Capital	£1,276,747	10 0
Paid up Capital	669,670	0 0
Reserve Fund and Undivided Profits ..	375,680	11 8
Reserve Liability of Proprietors	606,962	10 0

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Capital Issued	1,125,000
Capital Paid Up	562,500
Reserve Fund	600,000

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CHILDREN'S EDUCATIONAL POLICIES

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be obtained on application
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or to any of the Offices or
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O. MORGAN OWEN, General Manager.

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PUBLISHER'S NOTICES.

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The Editor cannot undertake to return rejected communications.

Letters from correspondents must, in every case, be authenticated by the name and address of the writer.

The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of *Company Meetings*, and they cannot accept responsibility for statements made therein.

ANSWERS TO QUERIES.

One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

Telegrams advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

Private Letters in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

Passing Events.

We regret to find that by a curious omission the letter which we published last week on the "Wool Industry in Australia," and signed by Mr. Fred. W. Young, did not indicate that it was written by him in his official capacity as Agent-General for South Australia. This certainly ought to have been made perfectly clear, and we can assure Mr. Young that the oversight was quite unintentional.

It was officially announced on Tuesday that last week's sales of the new National War Bonds amounted to £18,235,150. This brings up the total sold to date to £56,226,000, and shows that the volume of investment is increasing, because the numbers becoming awake to their duty are swelling. We hope they will continue to increase, for all the money will be needed. In the actual revenue returns of the week the amount credited as received from National War Bond sales is £20,468,000, although that does not include sales through joint-stock and private banks not yet brought into account. The aggregate of £56,226,000 disclosed up to the end of last week contrasts, however, with £34,431,000, the amount appearing in the Exchequer accounts covering the same period of time, as actually received, and this difference of about £22,000,000 is presumably the amount the banks have so far collected, but not yet accounted for. Last week's total expenditure was £123,627,000, and was £34,278,000 above the previous week's total, but none of this was due to heavier outlay on the war expenditure or other current demands. On supply services, indeed, the expenditure was only £40,400,000, or a daily average of £5,771,000, which was small as things have been going, but in addition to the supply outlay, £1,942,000 was absorbed by war debt interest, and £2,649,000 was required for "depreciation fund" necessities. Also, £300,000 was required to meet miscellaneous demands, so that altogether the week's outgoings came to £45,291,000, or £6,470,000 per diem. Even so the outgoings were below the recent average, and the gross aggregate of the week's pay-

ments is, as usual, accounted for by renewals of debt. The total amount of floating debt paid off last week was £78,266,000. That includes £55,765,000 of Treasury bills paid, and £22,500,000 of temporary advances. But the borrowings on new Treasury bills were £62,957,000, £12,486,000 was obtained from "other war debt" sources, and £17,750,000 was temporarily borrowed, this last, however, being £4,750,000 less than the amount of temporary loans paid off. In these ways, adding the £22,416,000, proceeds of the new National War Bonds, the £900,000 credited to sales of War Savings Certificates, and the £10,609,000—which was £2,456,000 more than the previous week's receipts—from taxes and State monopolies, the total income was brought up to £125,240,000. This was £1,613,000 more than was paid out, so the Exchequer balances are increased by that amount to a total of £20,469,000, which is about £8,300,000 less than the figure at the same date last year. The nett addition to the Treasury bill debt last week was £7,193,000, making the total amount now outstanding £963,986,000, and the total amount of War Savings Certificates now outstanding must be about £126,000,000. Merely to complete the show of our war debts, it would be interesting to know the nett amount of the "temporary" borrowings always in existence, and also how much in all has been received on the various issues of Exchequer bonds, but there is no urgent necessity to hurry up with the information, and we are glad to see that the Government has decided not to present an interim Budget. That would only confuse people's minds, and perhaps conduce to revelations about the country's position that it is unnecessary to convey to enemies either at home or abroad. It would tend also to the mixing up of accounts at the end of the fiscal year. By that time, we hope, the big fighting, at least, will be over.

It is stated that Mr. Bonar Law will on Tuesday next ask the House of Commons for a Vote of Credit for £400,000,000, which will enable the Government to finance the war till about the end of this year, and it is therefore evident that a further Vote will have to be obtained before the end of the Autumn Session to carry

on till the end of the financial year in March. The Votes of Credit for 1917-18 have been as follows:—

February 12	..	..	..	..	£ 350,000,000
May 9	..	..	..	..	500,000,000
July 24	..	..	..	..	650,000,000
October 30	..	..	..	..	400,000,000
Total to date	..	..	..	..	1,900,000,000

The amount voted in this way since the beginning of the war is shown in the following table:—

1914-15 (eight months)	..	..	..	..	£ 362,000,000
1915-16	..	..	..	..	1,420,000,000
1916-17	..	..	..	..	2,010,000,000
1917-18 (to date)	..	..	..	..	1,900,000,000
Total	..	..	..	..	5,692,000,000

It will be seen that the expenditure has steadily mounted up, and, while the estimate for the current financial year was £2,290,000,000, it is certain this will be largely exceeded. The grand total of £5,692,000,000 to date is stupendous, but it may be well to point out that this does not all represent borrowed money, about £1,500,000,000 of the war costs having been provided by taxation, and that is no mean feat. But we sadly require a more effective check by the House of Commons, and we are glad to learn that the first report of the Select Committee on National Expenditure will be in the hands of members in time to make their observations on the Vote of Credit of more real value than they usually are on such occasions.

Mr. Bonar Law did well to be angry last Monday with those fussy self-advertisers who strove to raise a rumpus about the Zeppelin raid a week ago. The exhibition they made of themselves was contemptible. That would not have mattered, but they did their utmost to make Parliament a mockery in the eyes of our Allies, and to persuade the ever-gullible Germans that their furious industry in building Zeppelins was, after all, successful. Nothing could have been further from the truth. Mr. Austen Chamberlain only spoke the truth when he expressed his profound conviction that a discussion of the kind "was not conducive to public interests, the dignity of the House, or the successful conduct of the war," and the Chancellor of the Exchequer gave the fussy, irresponsible nobodies a well-deserved trouncing. Some of these people seem to imagine that we could just as easily fill the air with "mine-fields," buoyed on bladders, we suppose, as the sea, and that it would be not only possible, but easy, to fill the whole country with gun placements from whence tempests of shrapnel and other missiles could be thrown into the heavens—to come down on our heads—against which no airship, however high above the clouds, could make way. Short of that, how is it possible for any system of defence to shut out these pests always and at all times? It cannot be done, but none the less is our defence strong, vigilant and courageous, none the less is it true that only one "Zepp" out of thirteen came over London last week. The only effective defence open to us is to destroy the dragons of the air at the source, and that we are doing every day, continuously causing such a loss of life and such expense to the enemy as must presently reduce him to impotence. Some interesting figures illustrative of the work done by our airmen at the front were given by the Chancellor of the Exchequer at Monday's meeting. During last month, he said, our Air Service, apart from many other activities, dropped about 8,000 bombs behind the German lines. In the same time the Germans only dropped about 1,000 bombs behind our lines. In the month of September our Air Service directed the artillery on something like 8,000 batteries of the enemy, and they only directed theirs against but between 700 and 800 of our batteries. Do people understand what that contrast means? They do not, if we may judge by their talk, which is pessimistic to a degree in almost all circles. If they did they would soon put down the Billings, the Hogges, the Hickses, *et id genus*. Can they not see that we have the mastery in the air, and are using that mastery to destroy the gun-power of the

enemy and also his power to go on ranging around behind our lines in France or elsewhere, or making essays in brutality against unarmed citizens here? In attaining and keeping that mastery we are saving thousands of lives among our soldiers every week. That is surely the right policy, but if it be necessary to go further in order to beat down the wild beast at bay dashes of Prussian militarism and drive out of the simple-minded German head the notion that by playing the abandoned monster they can yet win, then, as General Smuts reminded the meeting, we can beat them even in the effectiveness of our ruthless devastation. Have the Germans gained anything by their inventions, their gas, their grenade-throwing machines, their Zeppelins and large aeroplanes, and their submarines? They have not. They have been countered and outmatched at all points, and the longer they persist in mad-beast methods of warfare the more degraded will be their country's position when the war ends. Our ostentatious howlers aforesaid never think of that. Do they ever think a wise, manly, patriotic thought about anything?

Owing to the intricacies of war taxation several of our principal engineering undertakings have been unable to arrive at a settlement with the authorities. Many of the companies have estimated their liability to the Government and published their accounts, but in a number of instances where a large amount of new capital has been put in the business, the directors have declined the responsibility of furnishing accounts. Last year, Baldwins, Ltd., the well-known South Wales firm of iron and steel manufacturers, issued the usual balance-sheet, but the directors now announce that the position of the company in relation to war liabilities has not yet been definitely ascertained, and their depleted staff have been unable to complete their valuations. They are satisfied, however, that there are profits available for the usual dividends, and the distribution on the ordinary shares is to be again 12½ per cent., free of tax. As this disbursement is to be made on an additional capital of £412,500, it represents a much larger sum than that of the previous year, in itself an indication of the exceptional prosperity of the undertaking.

As expected, the Government has given way to the insistent demand of munition and other war workers by permitting the brewing, under specified conditions, during the current quarter of 20 per cent. increase standard barrelage over the barrelage otherwise permitted under the order of March 29 last, together with a further 13½ per cent. for allocation by the Food Controller to brewers supplying necessitous munition areas. By another order beer of an original gravity less than 1,036 deg. must not be sold on or after the 28th in a public bar at more than 4d. per imperial pint, and that between 1,036 and 1,042 deg. at more than 5d. But this price restriction is not likely to cause the trade, who have no wish to make enormous profits at the expense of the consumer, any anxiety. Most brewing undertakings are doing exceedingly well, as we have frequently pointed out, and unless any unforeseen circumstances intervene they should continue to obtain very satisfactory results where they were not drowned with watered capital in the boom days.

From time to time the artificial economic conditions under which we are living are brought home to us with renewed force. Look where we will, we see a large proportion of the populace laying out money on a scale undreamt of in pre-war days. Intrinsic value is no longer the dominant factor, and people in the vast majority of cases pay unquestioning what is asked for luxuries. Take, for instance, the report of Maynards, Ltd., in the confectionery trade. The profit on trading account was £70,750, or nearly 90 per cent. on the issued capital, and after providing for expenses, including the previous year's excess profits duty, there is a nett profit of £43,320. The ordinary shareholders

get 40 per cent., £10,000 is written off goodwill, and £39,250 is carried forward, subject to excess profits duty for the past year. When the not too ancient history of the company is considered, these are indeed remarkable results.

Quite a magnificent leap forward has been made by the Anglo-South American Bank, Ltd., in the year to June 30 last, and the business seems to have flourished splendidly at every point. Gross profits increased no less than £160,000 to £752,000, but expenses were £68,000 heavier at £320,000, income-tax absorbed £18,000 more at £71,000, and rebates, &c., took £12,000 more at £40,000. Consequently the nett profit of £320,000 is £62,000 to the good, which follows a decline of £11,000 last year. In the circumstances the shareholders are well entitled to have their dividend raised from 9 per cent. to 10 per cent., as this requires only an extra £2,000 after deduction of income-tax. This time the reserve fund gets £100,000 (raising it to £1,500,000), as against £75,000 written off investments last year, £500 more at £10,000 is added to the staff pension fund, and £25,000 (new) has been applied in payment of a bonus to the staff. These appropriations leave £14,000 to be added to the undivided surplus carried forward, which now amounts to £155,000. Apart from the general reserve there is a special reserve of £184,000, against depreciation of capital in Chile, so that the two together are only some £560,000 less than the total paid-up capital of £2,250,000. The flourishing nature of the business in the past year is reflected in an increase of five millions to £14,115,000 in current and deposit accounts, of £1,400,000 to £5,980,000 in bills payable, and of £460,000 to £1,296,000 in acceptances. On the other hand, bills receivable have increased £3,400,000 to £9,310,000, advances £2,000,000 to £9,507,000, cash balances £850,000 to £3,037,000, and investments £360,000 to £2,200,000. Of course, the bank has been favoured by an improvement of $3\frac{1}{2}$ d. in the average rate of exchange, which rose from $9\frac{3}{8}$ d. in 1915-16 to $12\frac{1}{16}$ d. in the past year; but even so it is a fine record to have raised the balance-sheet total by seven millions to £25,660,000 in the year, and we hope the good fortune will continue. Anyhow, able management has established the bank in such a strong position that it can face the possibility of adverse times with equanimity, and the most niggardly shareholder will not grudge the directors the extra £2,100 to which they become entitled under the articles of association.

At one time the North of Scotland and Town and County Bank, Ltd., depended so much on the prosperity of the fishing and distilling industries that we would not have been much surprised if the last few years had proved exceptionally trying. But there is no evidence of anything of the kind in the report for the 12 months ended September. Nett profits for the second year in succession have increased by some £4,000, and with the larger amount brought in the available balance is £45,000 up at £261,450. The usual dividend of $12\frac{1}{2}$ per cent. is paid, but as the deduction of the higher income-tax makes the actual distribution £3,000 less, the directors propose to pay a bonus of 1 per cent., which will absorb £4,900, so that the shareholders do not suffer any diminution of their income. Provision has been made before striking the nett profit for all depreciation on investments with the exception of the 5 per cent. War Loan, which is taken at cost, and on this occasion £47,500 is added to the reserve fund, raising it to a round half-million, while the paid-up capital is only £652,000. There then remains £126,000, or £9,000 less, to be carried forward. Notes in circulation have increased £200,000 to £1,546,000, and deposits, &c., are up two millions at £13,416,000. Cash balances are £320,000 higher at £2,600,000, and investments, including short loans, have risen £1,500,000 to £10,060,000. Discounts and advances are up £200,000 at £3,557,000, and the balance-sheet total is two millions higher at

£16,475,000. No less than $7\frac{1}{2}$ millions of the funds are in Treasury bills, Exchequer bonds and other Government securities, while temporary loans on securities exceed £1,200,000, so that the bulk of the resources are in very liquid form, but at the same time we should be better pleased if the amounts of investments and discounts, &c., were transposed, if it could be done with prudence.

The report of the Buenos Ayres Great Southern Railway has reached us too late to deal with it fully this week, but the principal figures may be given. Gross receipts amounted to £5,734,000, an increase of £185,000, or 3.33 per cent., but working expenses rose fully half a million, or 16.07 per cent., the total being £3,674,000. Consequently nett receipts were £324,000, or 13.57 per cent., lower at £2,060,000. Nett revenue credits, however, were £124,000 larger, including £25,000 more brought forward and an increase of £93,000 in exchange, interest, &c., so that the available balance is down £200,000 at £2,415,000. Last year income-tax figured among the prior charges at £121,200, but there is no corresponding item this time, and the total of these charges is £126,000 lower at £1,760,000, the final balance being only £74,000 down at £655,650. This allows of a final dividend of 2 per cent., making 4 per cent. for the year, against $4\frac{1}{2}$ per cent., and the amount carried forward is £10,000 smaller at £73,850. It is a fairly good record, all things considered.

The cost of wheat production in Western Canada is a very interesting subject, but the farmer is very sensitive regarding estimates, and the Dominion's Royal Commission, in its fifth interim report on Western Canadian agriculture, refuses to enter the controversy. But the Canadian *Credit Men's Journal* recently published an estimate, showing the cost at Fort William of various yields as follows:—25 bushels to the acre, 57 18/25 cents; 20 bushels, 65 13/20 cents; 15 bushels, 78 13/15 cents; 10 bushels, \$1.05 3/10. Mr. Norman Lambert, Western correspondent of the *Toronto Globe*, states, says the *Monetary Times*, that it is fair to say that the average cost of producing a bushel of wheat in the West in 1917 would range between 75 cents and \$1.25, according to yield, adding: "Any farmer working for himself would be able to keep well within these amounts." The *Grain Growers' Guide*, of Winnipeg, disputes these figures, especially the estimate of 75 cents. Whatever the cost is, one thing is certain, and that is, that, as the Dominion Report adds, the distance of the Canadian wheat centres from tide water is a

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handicap offsetting their undoubted advantages in fertility of soil and excellence of climate. Increasing attention will have to be paid to the problems of rail and water transportation.

A year ago British Dyes, Ltd., issued an interim report some weeks in advance of the publication of the balance-sheet, and the same course has been followed on this occasion. The only information given at present is that the issued share and loan capital has increased to over £2,000,000, and the Government loan now stands at £1,140,000. The maximum dividend at the rate of 6 per cent. is declared, and we may therefore presume that the results of the year's working have been sufficiently profitable, but we cannot say much on this point until the complete figures are available. Apparently on the technical side substantial progress has been made in the production of dyes and in the range of colours which the company is now able to produce in something approximating to the needs of the trade. So far as common dyes, such as khaki, are concerned, for which the Government supplies the principal demand, this subsidised industry appears to have met all reasonable requirements, but we are not so sure as to the success of its efforts with regard to the finer shades on which ultimately the prosperity and success of the business must depend. If it cannot compete with, and even beat, the German article, or, in the near future, the American product, it will have to go under, but in view of the fact that the discovery of aniline dyes was British, and that our chemists still lead the way in most departments if they are given sufficient encouragement, we have no doubt that with a little more experience we shall be perfectly able to hold, and more than hold, our own. At the same time, the directors of British Dyes, Ltd., seem to be in a rather apologetic mood with regard to their achievements and prospects, and they lay stress upon the fact that it will be necessary in the immediate future to lay down plant for the manufacture of the intermediate products necessary for dye-making and also to establish a much more efficient chemical department than the half-starved arrangement which is at present in force. It is pointed out that the German dye manufacturing firms before the war had assets amounting to £35,000,000, and it is ridiculous to expect a British company with a meagre capital of £3,000,000 odd to compete against such an organisation without hearty support from the interests mainly concerned. With goodwill we are perfectly convinced that our technical experts can produce quite as good material as the Germans ever did, but they must have time to acquire the knowledge that their rivals gained by long experience. We believe, however, that as we have put up an army in three years that beats the Hun organisation of half a century, we can repeat the achievement much more easily in the realms of trade.

In the year to June 30 the Central Uruguay Railway Co. of Montevideo, Ltd., obtained £686,800 in gross receipts, an increase of £32,100 or 4.9 per cent., but working expenses were no less than £82,740, or 19.1 per cent. higher at £515,500, and the nett earnings are therefore £171,300, showing a decrease of £50,650, or 22.8 per cent. Including £6,000 more brought forward and miscellaneous credits the total nett revenue is £300,560, a decline of £28,000. Small changes have occurred in fixed charges, which are £2,000 lower on balance, and after providing for the dividend on the 5½ per cent. preference shares £54,675 remains, which it is proposed to carry forward. A year ago 1 per cent. was paid on the ordinary stock, and £64,250 was carried forward, but under all the circumstances the present results may be regarded as fairly satisfactory.

Two of the Extension companies did considerably better than the main line. The Eastern Extension obtained an increase of £45,600 in gross receipts, which amounted to £262,400, while expenses only advanced £16,600 to £127,500, and the nett revenue therefore showed an improvement of £29,000 at £134,000. Sundry credits are smaller,

but the balance, after meeting prior charges, is sufficient to pay a final dividend of 7s. 9d. per share, making 10s. (5 per cent.) for the year against 5s. 9d., and the carry forward is nearly £8,000 higher at £9,300. The Northern Extension also did well, gross receipts being £20,400 higher at £134,140, while expenses advanced only £8,400, and nett receipts are £12,000 to the good at £67,600. Consequently, although miscellaneous credits are smaller, it is possible to raise the dividend from 8s. per share to 10s., or 5 per cent., and to carry forward a slightly larger balance at £4,200. The Western Extension did not fare so well, as there was a decrease of £8,450 in the gross receipts, which amounted to £95,200. But it was also possible to reduce expenses by £5,500, so that the nett receipts are only £2,950 lower at £33,300. It is quite a notable achievement for these companies to be able to reduce expenses under existing conditions, and the management are to be congratulated on the success of their efforts in this direction.

A kiss for Cinderella! The income debenture stockholders of the Beira Railway Co., Ltd., are to receive a dividend of 1½ per cent. in respect of the year to September, 1916, a bit of good fortune that only occasionally comes their way. For although the railway serves the only natural port of Rhodesia, it never is but always to be blest, and lest the stockholders should become too elated, it is shown on the page facing the dividend announcement that the earnings for the 10 months to July last have fallen £18,230 gross and £9,650 nett, so that any distribution in respect of the past year is extremely doubtful. It is explained that the decrease in traffic is caused by the restriction of shipping facilities owing to war conditions, and we can readily believe the difficulties under which business with Rhodesia is conducted at present, but there seems to be always something coming between the company and prosperity. For the year under review the gross receipts of the Beira-Salisbury section amounted to £388,800, an increase of £41,000, but this follows a decrease of £156,000 in the previous 12 months. Expenses were £13,000 higher at £171,400, although it is not reassuring to find that nearly £2,000 was saved on maintenance, following a reduction of £20,000 last year, and a further £2,000 on carriage and wagon repairs. On the other hand, locomotive expenses were £13,500 higher, and traffic expenses increased £2,000. Nett receipts amounted to £212,400, and of this £87,250, or £13,000 more, belongs to the Beira Co. With interest and other receipts the total nett revenue is £15,000 higher at £119,850, but income-tax absorbs £6,000 more, and after meeting fixed charges and setting aside £10,000 (against nil) for depreciation and renewals, there is a balance of £8,290. The dividend already mentioned requires £7,650, leaving £640 to be carried forward to the credit of the income debenture holders. General goods traffic amounted to 106,940 tons, a decrease of 21,035 tons, and the receipts were £13,120 less at £224,360. On the other hand, the mineral traffic amounted to 154,230 tons, an increase of 70,850 tons, and the receipts rose £46,900 to £110,940, which is much the largest figure from this source in the company's history. It may be of interest to mention that in the year to September 30, 1913, the gross receipts of the Beira-Salisbury section were £635,350, and the nett earnings were £410,250, while in the following 12 months the corresponding figures were £498,600 and £299,340 respectively.

Although the shareholders of the Rosario Drainage Co. are only receiving a small dividend, they have the satisfaction of knowing they are the proprietors of an undertaking whose profits are showing a steady growth, and when the heavy capital outlay to which the company is committed is out of the way they may not unreasonably expect a larger return. In the financial year ended June last 544 new connections were made, bringing up the total number of houses connected to 8,190. The gross revenue amounted to £67,880, an increase of

£5,070, and as expenses rose by only £2,280 nett revenue exhibits an expansion of £2,790. Or this, debenture interest and sinking fund provisions absorb £21,350, leaving £2,820 more available at £27,600. After providing for the preference dividend, which requires £7,200, the distribution on the ordinary shares is again made up to 3 per cent., and £5,000 as before allocated to reserve. There then remains a surplus of £4,340, which, added to the amount brought in, raises the carry forward to £18,970. During the year £20,750 has been spent on extensions, bringing the total capital expenditure up to £1,003,860, and the loan increased by £12,000 to £28,500. Accounts in suspense show an increase of £5,340 at £18,940, but sundry debtors are up £6,300 at £28,850. Liquid assets total £43,430, while current liabilities, including disbursements, aggregate £65,000. The company's working capital is by no means as ample as might be wished, but doubtless a way will eventually be found to obtain sufficient cash for the extension programme. In the meantime it is not impossible that work may have to be suspended on certain new works, for, as will be imagined, great difficulty is being experienced as regards the high cost of and scarcity of materials.

Although the tea and sugar plantations of Sir J. L. Hulett and Sons were visited by a severe drought in 1916-17, the company was favoured by fortune in other respects. The sugar fetched very high prices; the tea was marketed locally, and as the company was not troubled with the freight difficulties which are hampering the Indian and Ceylon companies, it is able to report profits within £14,100 of the previous year. The stock of tea and sugar on hand is up £26,670, but proceeds of tea and sugar sales and sundry revenue items are £112,550 less at £728,470, and the total at credit of profit and loss exhibits a reduction of £85,880 at £817,650. On the debit side, however, stock on hand July 1, 1915, was £36,090 smaller, and as expenses were £35,700 lower at £593,650, the profit on the year's operations comes out at £161,500, some £14,100 below that of the previous year. The balance of £161,500 is struck, however, before providing for depreciation and reserve for income-tax. Depreciation and writings off are £5,290 less at £40,000, but income-tax reserve requires £12,500 more at £27,500, so that nett profit, after providing for debenture service, is £21,300 less at £68,860. But on this occasion only £12,860 is allocated out of revenue to reserve, against £32,500 and £5,000 to reserve for depreciation of investments 12 months ago, and consequently there is £4,670 more available for dividends at £56,000. The distribution on the ordinary shares is then raised from 8 to 10½ per cent., absorbing £52,500, compared with £40,000, leaving the surplus on the year £9,170 down at £3,500. As, however, a larger amount was brought in there remains £3,730 more at £74,800 to go forward. General reserve and the reserve account for depreciation now total £85,370. A further 12,250 shares have been purchased in South African Sugar Refineries and £14,060 invested in Delville Estates. There is £16,430 more on deposit at the National Bank, and investments altogether total £127,430 against £68,780. Cash is down £29,000 at £12,540, and sundry creditors are £23,000 larger at £138,300, but debtors exhibit an increase of £15,240 at £116,570, stocks are £24,770 larger at £89,170, and stores are up £12,930 at £101,620. Liquid assets, apart from stock and stores, exceed current liabilities by about £41,000. The company seems to be in a stronger position than was the case some years ago, but with a business of this character a very cautious policy is essential. We observe from the report that the Union Government has now fixed a maximum price at which sugar can be sold, but what effect this will have on the company's profits remains to be seen. It is to be hoped that this year climatic conditions will be more favourable.

The most interesting point in the report of the American Smelting and Refining Company for the six

months ended June 30 is that for the first time in three years or more the company is enjoying a nett income from its Mexican properties. All the mines and smelters in Mexico owned by the company are now operating, except those at or adjacent to Chihuahua and those at Velardena. Work, however, is carried on under many difficulties, and only to a limited extent. The transportation difficulty is serious, but the company is managing its own railroad transport by permission of the Mexican Government. The company's income from mining, smelting, and refining properties, and from miscellaneous sources, was \$18,757,899, an increase of \$5,528,840. A more scientific method of estimating depreciation and ore depletion, based on a percentage of appraised value, has resulted in an increased charge on this account of \$1,000,000. Various charges against income, including provision for Federal income and excess profits taxes, amount to \$8,555,779, thus reducing the nett income to \$10,202,119, as compared with \$11,145,693 for the same period of last year. After paying the regular dividends, and a special Red Cross dividend of 1 per cent. on the common stock, there was carried to surplus account \$5,165,700, making the total surplus \$28,607,365. The property account stands at \$138,756,544, a decrease of \$2,409,139, while investments show an increase of \$916,897 at \$1,744,174.

After an interval of over three years the Premier Diamond Mining Company has resumed the payment of dividends on the deferred shares. The amount is 6s. 3d. per share, equivalent to 250 per cent., less tax. This compares with 550 per cent. for 1913-14, and 750 per cent., the highest rate ever paid, in 1912-13, but these dividends were free of income-tax. Washing operations, which were suspended from August, 1914, to January, 1916, in common with other diamond producers, have been continued uninterruptedly since, owing to the good demand for stones from the United States, but the prospects for the future are again very uncertain, owing to the entry of the United States into the war. Demand from that quarter has already begun to fall off, and with the prolongation of the war it must tend to diminish still further.

German Debt Methods—and Our Own.

From the language used by William Hohenzollern and his Hindenburg, we are safe in inferring that the latest German borrowing performance has not yielded the necessary cash. What fresh money it actually has gathered in we cannot tell, and probably the Berlin Government will be shy of making true figures public, but the *Frankfurter Zeitung* declares that the loan is "a proof of Germany's economic and moral powers of resistance," and calls it a "glorious democratic victory." Imagine Frankfort "democratic"! As for the Kaiser, he blares about it in his usual trumpery, Bombastes style, calls the world to witness how "the whole German people stands in the fourth year of the war at the side of its heroic sons in the field, and behind the Imperial Government and Army Command, ready for sacrifices of blood and treasure until the honour and freedom of the Fatherland are assured against the assault of enemies in superior force." Tawdry fustian—yet with a wail in it. As for Hindenburg, he proclaims to the world that "once more the success of this loan shows our enemies that economically Germany cannot be conquered," and that it is "an assurance to me that the German people is imperturbably confident of victory." This is altogether too much in the transpontine, blubber-heroic style to be effective even in Germany—what do the Rathinaus, Ballins, and Thyssens think of it?—and rather points to the imminence of despair than to its opposite. Whatever the amount scrambled together by coercion, forced conversion of existing debts, and other forms of Teutonic persuasion may be, we may be certain that it is a total insufficient to cover the already contracted obliga-

tions that William and his surrounding assassins have laid upon the backs of the German people. Assuming that clamoured for or predicted £625,000,000 comes in, as the Berlin wolves allege, that would bring up the total consolidated war debt of the empire to about £3,700,000,000; the credits already noted exceed these amounts by an indefinite sum, perhaps by as much as another £1,000,000,000, for neither the Reichstag nor the people have been told how much has had to be secretly advanced to prop the rickety finances of the several States making up the German Empire, nor how much it has cost and is costing to keep the Turkish and Bulgarian armies in being, let alone what the prodigious outlays are in other directions. Probably it would be no exaggeration to estimate the total debt laid upon Germany by this war at between £5,000,000,000 and £6,000,000,000 sterling, assuming it to be over within the next three or four months, and nearer the larger figure than the former. How are the German people going to carry that load? The Kaiser and his brigands take good care not to touch on that branch of the subject.

In contrast with German methods and vauntings we may place our modes of raising money. They are honest, and were illustrated with conspicuous vividness at the Albert Hall meeting held last Monday in furtherance of the sale of National War Bonds. A rouse-up was necessary because sales of these bonds have been disappointing. Much more money than is being offered is wanted to reduce the mass of floating debt in the form of Treasury bills, and the country, in sections and classes, shows a reluctance to hand over its constantly growing means to the Treasury which is disagreeable to contemplate. So the Prime Minister, Mr. Bonar Law, and General Smuts launched on Monday at the Albert Hall a new campaign of thrift and economy designed to rouse the country to a sense of its duty, a gathering at which Sir Robert Kindersley—who is doing magnificent work in organising War Savings Associations throughout the country, of which there are already 40,000 with a membership of some 4,000,000, through whom £125,000,000 has been obtained—presided. The principal speech of the evening was delivered by Mr. Lloyd George, and it was a magnificent speech. Nothing could be better for the purpose in view, and contrasted with the posturings and simulations of William Hohenzollern and his chief butcher, it throws into high relief the moral dignity, the calmness and purity of motive inspiring us in the conduct of this war. Many excellent maxims were uttered by the Prime Minister. They are familiar enough to readers of this REVIEW, and therefore need not be recalled or dwelt upon. But he did especially well to emphasise the artificiality of war prosperity. "The prosperity of peace," he said in one of his axiomatic phrases, "comes from the creation of wealth, and the prosperity of war from its dissipation." How many among those now revelling in wealth's dissipation realise that? We are now dissipating the wealth that has been accumulating for generations, and mortgaging the fruits of our future peace industry for many a long year. Although it is true enough, and we hope it will continue true, that most of this debt is due to ourselves, it will none the less prove a serious clog to our civilisation and progress when the war ceases and peace requirements fall upon us with increased force. We have no choice, however, but to persevere, and "time is indeed on our side." We have fought the Prussian monster, and, in spite of his superior preparation and concentrated energy of war-making, we have beaten him. He realises that he is beaten, and is now fighting to avert his doom—fighting savagely, foully, with increasing fiendishness, with a perfect freedom from every kind of human scruple, and the last months of the war may therefore be occasionally the most horrible of all. Nevertheless, we have no help for it but to fight on, to hold together, all of us, and it is our duty as citizens to deny ourselves to provide the means wherewith to make the victory complete, not only for ourselves, but for our Allies, for the oppressed everywhere, so that there may be no dubiety about our triumph. Only by victory can

we attain to the power to heal the world of its wounds and set the oppressed at liberty.

Why, then, was a meeting of this kind so necessary? Do not the majority of citizens recognise their responsibilities, see the dangers that threaten us if we are apathetic or indifferent? Probably they do, but there are large minorities in various classes of the community who are yet ignorant of what this war means, and, to all appearance, indifferent to the sacrifices it demands. The lady who, the other day, went into a West-End store and paid 10s. for a pie which she wanted for her dog's birthday party, was a type of the obliviousness which prevails at one end of the scale. Go amongst the miners or into great centres of workmen in any part of the kingdom, and you will find them much more concerned with the prospects of a favourite horse in a race, or with the qualities of one football team compared with another, with a hundred trivialities and selfishnesses, not with the war. Amongst the working classes at large a spirit of "profiteering" is at least as dominant as among a section of their employers. It is visible in continual demands for higher and still higher wages, in slack or sulky working or in easy-going indifference. The workmen who strike, or threaten to strike, seem to have no consciousness of the tremendous interests at stake in this war, think only of themselves and their immediate circumstances; they never appear to rise to a conception of the dangers that threaten, not only our institutions, but the whole of our civilisation, laboriously built up by the labours of many generations of men. An overwhelming cataclysm overhangs the world, compared to which the foundering of the empire of Rome, empire of the Cæsars, would seem but as an episode in human development. It is to kindle the imaginations of these people, to awake them if possible to a sense of their danger and of their duty, that meetings like that of last Monday are necessary. It will have to be followed up by similar gatherings all over the country, and we hope they will be successful. The motive behind the movement is noble, the appeals are honest, and the National War bond as now presented is an excellent security. No trickery is behind it, no concealment, and we cannot but admire the moral courage of those who say, "This money is wanted to win the war; give it therefore, not once or twice, but continuously. True, we only give you 5 per cent. bonus in redemption, and no other bait; but do not give for gain, give for duty, for our necessities, for the deliverance of your families, of our Allies, of the world, from irremediable ruin." They make a mistake, we believe, in the very rigidity of their uprightness, because they ignore modes of mind that lie deep down in human nature; but their very purity of motive commands respect, and we must give time for them to put forth their full effort. Therefore, we bid them go on and prosper.

Buenos Ayres Western Railway.

If the principal Argentine railways had not, on the whole, been exceedingly well managed in the past, the conditions prevailing in the 12 months to June 30 might easily have proved disastrous, especially as they have been followed by the recent serious strikes and lawlessness on an almost unprecedented scale. There is good reason to believe that these later troubles have been inspired and fomented by German bribery; but whatever the cause the results have had a paralysing effect on the business of the country, and we are afraid the Government has a heavy responsibility for not taking more prompt and vigorous measures to suppress the disorders. Already the railways had sufficient difficulties to contend with, as the report of the Buenos Ayres Western shows. Gross receipts for the year amounted to £2,505,000, a decrease of £210,000, while working expenses were £95,000 higher at £1,675,400, so that the nett receipts were £305,000 lower at £829,600. Adding miscellaneous credits and a rather smaller balance brought forward the total nett revenue is £996,480, or £320,000 less than last year. Debenture interest required £5,500 more, but there was a saving of £4,000 in payments to the Buenos Ayres Midland

Co., and after providing for other prior charges and the interim dividend of 2 per cent. (actual) on the ordinary stock the balance available is £318,000 less at £154,230. This allows of a final dividend of only 1 per cent., making 3 per cent. for the year against 5 per cent., and leaving £24,120, or £28,000 less, to be carried forward.

Receipts from passenger traffic showed a decrease of £87,300, or 13.75 per cent., from baggage and parcels £13,950, or 7.90 per cent., and from goods £191,300, or 14.80 per cent.; but, fortunately, animals brought an increase of £100,600, or 20.60 per cent., the number of cattle carried being 638,000 larger, while there was an increase of 493,500 in sheep and of 132,000 in pigs. The total tonnage of goods was 1,916,000, a decrease of 133,300, or 6½ per cent. Maize yielded only 245,000 tons, a decrease of 133,200 tons, or 35.2 per cent. Wheat traffic amounted to 675,700 tons, a decrease of 33,480 tons, or 4.7 per cent., but the receipts were £70,000, or 17.3 per cent. less. Oats, however, were better, the tonnage being up 25.3 per cent. and the receipts 11.4 per cent., while in the case of hay an increase of 6.3 per cent. in tonnage was accompanied by a decrease of 24.4 per cent. in receipts. The total of goods and livestock hauled was 3,573,000 tons, an increase of 216,000 tons, but the tonnage hauled one mile was 54,000,000 less at 425,730,000 tons. Average freight earned per ton was 9s. 5½d. against 10s. 7½d., but the receipts per ton-mile were higher at 0.953d. as compared with 0.890d. As regards passengers, the number carried was 7,674,000, a decrease of 464,000, or 5.7 per cent., and the average miles per passenger fell from 20.48 to 19.36, with the result that the average fare also dropped from 1s. 6½d. to 1s. 5d. Mr. Foster, the general manager, in his report on the year's working gives the following as the principal causes that have militated against any recovery in passenger traffic, and they are a rather interesting summary of the conditions that have been prevailing:—

1. Financial depression existing prior to July, 1914.
2. Intensification of the crisis through subsequent European events.
3. Aggravation of the situation by loss of crops in two consecutive years.
4. Unprecedented period of drought severely affecting condition of camps and stocks.
5. Restricted travelling owing to large amount of unemployment, reduction in wages and shortage of ready money.
6. More extensive use of underground tramway on account of greater frequency of service and lower fares.

It may be hoped that most of these influences are of a temporary character, but the competition of the Underground has evidently come to stay. Anyhow, it would hardly be possible to imagine more adverse conditions.

Capital expenditure amounted to £303,000, a decrease of £223,000 as compared with the previous year. Most of it was in connection with the electrification of track and the power house at Dock Sud. With regard to working expenses, maintenance of way and works amounted to £233,750, a decrease of £20,000, maintenance of locomotives £121,440, a decrease of £26,000, and repairs of other rolling stock were £15,500 less at £110,000. In the circumstances these economies are doubtless justifiable, but having regard to the high price of materials the amount of work done must have been less than the figures by themselves would indicate, and there will be heavy arrears to make up when conditions become more normal. Locomotive running expenses were £609,160, an increase of £146,000, but traffic expenses were only £5,000 higher at £388,500, and general charges £2,500 at £128,200. But in spite of the saving on maintenance and repairs, the expense ratio was 66.88 per cent., against 58.22 per cent., almost entirely due to the increased cost of fuel, which has been a serious problem for all the railways. In this connection Mr. Foster says that the managers of railways in Argentina have been faced with one of the most difficult and arduous of problems in combining efficiency with economy and still maintaining a good service, in spite of constantly falling traffics and an increasing rise in working costs beyond their control.

The fuel bill alone rose £135,000, or 50½ per cent., although the consumption was actually less by 2,490 tons. As regards the saving in maintenance of locomotives, he claims that this was rendered possible by the careful adherence to a previously drawn up programme of work, further facilitated by the reduced traffics and the fact that at the beginning of the financial year the engine stock was in very good order. Efficiency of train control also helped to keep transportation expenses within moderate limits, and it is pointed out that with a decrease of 6.5 per cent. in the volume of goods handled and an increase of 18.4 per cent. in the live stock traffic the corresponding mileage actually fell 8.8 per cent.

As to the general position and prospects, Mr. Foster says that the loss of the bulk of the 1916-17 maize harvest and the severe damage sustained by the 1917 wheat, oats, and linseed crops following upon the shortage in the previous wheat crop brought the company face to face with a most dismal outlook. The unprecedented drought destroyed a large area of pasture lands and rendered the position of stock owners very precarious indeed, so that the railways agreed to concede a rebate of 25 per cent. on the ordinary rates in force for transporting animals from place to place in search of suitable pasture. Hopes were entertained that the new maize crop, which should have been ready for moving last May, would have come to the rescue and provided some compensation, but the drought and the enormous locust invasion literally wiped out the whole crop. So great was the disaster, that the company reckons to carry only 21,400 tons, much under an average month's haul in a normal season. It is satisfactory, however, to learn that the prospects generally are now much brighter. The climatic conditions under which the new crops were sown and have since developed have been simply ideal, while the propaganda for the cultivation of larger areas has had good results, and it is estimated that the area sown this year is 10 per cent. larger than last. In conjunction with the National Bank, arrangements were made to advance the funds necessary for the purchase of seed by approved colonists, the railway company bearing 25 per cent. of the risk, and over 2,000 tons of seed were delivered on the company's recommendation, sufficient to plant 38,960 hectares. The National Seed Committee, in addition, supplied 10,800 tons of seed to farmers on the company's line, and no stone has been left unturned either by the Government or the railways to insure the largest possible area being planted, and, given a continuance of favourable conditions, the new crops should be the most abundant in the history of the country. With the permission to raise rates by 22 per cent. as from the middle of December, the outlook for the railways will be decidedly brighter,

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CAPITAL SUBSCRIBED	- £31,304,200
CAPITAL PAID UP	- 5,008,672
RESERVE FUND	- 3,600,000
DEPOSITS, &c. (Oct., 1917)	159,041,262
ADVANCES, &c. do.	62,433,784

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but the labour troubles are still giving rise to anxiety, and the future is not perfectly assured, especially if the shortage of shipping is not greatly ameliorated in the near future.

Notes from Italy.

Italian revenues for the two months of July-August amount to £24,867,000, showing an increase of £7,280,000 above the corresponding months of the preceding fiscal year. The total forecast for the current year is of £130,854,000, an average of £21,760,000 every two months; therefore, the two first months returned about 3 millions more than was expected. The Treasury has been authorised by a recent decree to ask advances from various banking institutes for a total amount of 20 millions sterling. America has opened a new credit to Italy for 35 million dollars; up to now Italy's debt towards the United States has reached 255 million dollars. The *Gazzetta Ufficiale* publishes the recent decree by which 15 Senators and 15 Deputies are appointed to examine the tariff question according to the proposals formulated by the Royal Commission. The members of the Parliamentary Commission will be elected by the Senate and by the Chamber. The second clause of the decree is worded as follows:—"Should it be deemed necessary to take some urgent measure implying innovations in tariffs, concerning the regulation of commercial agreements, and the falling off of existing commercial conventions with other States, the Government of the King is free to provide through Royal Decrees, after having consulted the above-named Parliamentary Commission." It is to be hoped that the Commission will include also some Free Traders, but we have good reason to fear that the strongly organised majority will be Protectionist. The more justified do our misgivings appear as the Royal Commission referred to, which was appointed last January, leaves very little doubt as to its views, as can be judged from the six different tariffs it proposed: (1) a maximum tariff to be applied to nations with which Italy's relations have no special character, either friendly or hostile; (2) a minimum tariff applied to countries which Italy has good motives to come to commercial agreement with; (3) the preferential tariff; (4) the colonial *régime* (on Protectionist lines) to be applied to Italian colonies; (5) a maximum tariff to be used against those countries that oppose heavy duties to Italian exports; (6) a tariff against dumping. The Free Trade Deputy, E. Giretti, has made an excellent speech, which has been printed and circulated, commenting on the dangers implied in the recent Bill, by which the Government is authorised to deal with the renewal of commercial conventions. He asked that no definitive measures should be taken without having been previously submitted to Parliamentary discussion, and expressed the view that agreements allowing the largest facilities to trade should be entered into between Allied States during and after the war, reciprocally conditioned by the *most favoured nation* clause, and to put off until peace treaties be discussed any decision regarding the *régime* to be applied to our trade as to future intercourse with the Central Empires and with neutrals. This ought to be such as to pave the way to general co-operation and free competition, while allowing no preferential treatment either to the industrial or to the agricultural interests at home. He quotes on the subject the resolution passed by the Federation of the Southern Chambers of Commerce, expressing the hope that "the Government will mitigate rather than increase the tariff on special imports, so that agricultural production may not find itself shut out from foreign markets, and that those industrial regions (North Italy) to which the war has brought large profits may use them to emancipate themselves from the need of Protection, which means a heavy burden on all consumers who lost rather than gained through the war." The Chamber will reopen on October 16th. The policy of the Home Office has been lately subjected to severe criticism for having shown itself unable to cope with Socialist agitation and with the problem of food supplies. Regarding the latter,

new regulations have been introduced; the rationing of bread, macaroni, and rice will begin from October 11th, and as to the open *sabotage* of the war performed by Socialist leaders and others, a decree has just been issued according to which all those acts that may tend to depress the spirit of the country or otherwise impair her power for resistance, will be punished by imprisonment up to five years, and fines up to the amount of £20. In more serious cases imprisonment may reach ten years and fine £400. Wheat production is reckoned to be lower than the average—38,000,000 quintals, against 48,000,000. Corn has yielded 23,000,000 quintals, against an average of 26,000,000. About the same can be said of rye, oats, beans, and potatoes. Rice has reached the usual average. Italian workmen abroad are required also during the war. France has asked the Italian Government for 28,000 workmen for her munition factories, railway works, &c., and they were granted, notwithstanding the large number employed here in war works, apart from munition work, like road-making, &c., which are reckoned to require more than 180,000 men. In twelve days the supreme command has sent to the French frontier 10,000 men belonging to the Engineering Corps.—*From our Italian Correspondent.*

By-the-Way War Notes.

Various incidents of the past eight days have increased the captious mood of many amongst us. Grumbling always increases in the intervals between the "pushes" of our troops, and those who croak then get a hearing that might otherwise be denied to them or be less sympathetic. But since we last wrote two incidents have occurred to lend support to those who shake their heads and hint at coming disappointments, if not disasters. One was the Zeppelin raid of last Friday. It in one sense came to nothing. Thirteen of these monsters seem to have directed their flight upon England from various points in the enemy country, but only one managed to get as far as London—a fact surely favourable to the vigilance and efficiency of our defences. It hovered there, dropped some bombs, which killed and wounded by sheer chance a certain number of people, but seems to have done little material damage. Elsewhere in England people were also killed or maimed by chance, and then the ships got lost in a fog as well as buffeted by a gale, and drifted to France for their punishment. But because two or three bombs were dropped in London, and because none of the airships were brought down within the kingdom—although one at least would appear to have been hit in the north—a yapping arose as usual about the "inefficiency" of our Air Service, and the utmost was made by certain individuals—ever more eager to call us to admire the Germans, in self-glorification, than to uphold their own country—in order to make political capital out of the incident. The display they made of their mental calibre and attitude was not beautiful.

Then in the North Sea a sudden pounce was made on a convoy of Norwegian merchant vessels heading for ports in this country under the escort of two of our destroyers. The attack was well planned, swift, and overwhelming; most of the vessels were sunk, with the maximum of contempt for human life, in the usual Hunnish style, and the two British destroyers escorting them were also sent to the bottom, after fighting to the last moment, also in the usual British style. Doubtless German spies had supplied the information, which made the stroke practicable, and it was impishly smart and successful; that was all. Immediately, however, a clamour arose here about the "inefficiency of our guardianship of the North Sea," and loud censure was indulged in by the frothy and self-advertising politician over the neglect and incompetence of the Admiralty authorities, as they alleged. In the House of Commons on Monday one M.P. so far forgot his self-respect as to ask the Home Secretary "if he did not think it time that the First Lord of the Admiralty went back to his work on the North-Eastern Railway." And the man seems to be incapable of feeling ashamed of

himself. These manifestations of discontent are none the less to the last degree humiliating.

Untoward episodes of such kind cannot be prevented, no matter what the vigilance and strength of our guardianship of the ocean may be. As long as the Germans have ships, guns, ammunition, men and spies, rebuffs and minor strokes of this sort—as well as sudden incursions by Zeppelins and aeroplanes—are possible to an enemy, alert, strained to the utmost and at bay. They may be expected to occur in ever-increasing recklessness and augmenting cruelty the nearer we are to the end of the war, and that we should be ready to repel such attacks is certain. On the whole we are ready, and each fresh sally by the foe is proof of our readiness even when it scores a small success. The better spirits among us surely try to comprehend the supreme elements of the great conflict, and their efforts should rather be, and are, directed to strengthening by sympathetic support the actions of our hard-working Army and Navy than to lie in wait in order to strike from behind on every chance, no matter how trivial, at the men responsible for the defence of the country. To foresee and to foil every outburst of a raging and beaten foe would require us to be as degraded as he is himself.

But in Flanders also expectations have not been fulfilled, thanks to the weather, so discontented gossip, insinuations against the Army command, prophetisings about German "strength," depressing views about the future and the present condition of Russia—any pretext that can be laid hold of gets utilised with diligence to depress the public mind. And there is no more reason for depression to-day than there was when the French and ourselves retreated before the first onrush of the drilled and cunningly armed swarms of Teutonic barbarians in August, 1914. Here again it is surely permissible to urge upon the public to keep a grasp of the larger aspects and purposes of this world-conflict. If people but did so they would realise that pauses, small reverses, untoward incidents like Zeppelin raids and dashes of pirates here and there on the sea, must be borne with, for at their greatest success they can have no effect whatever in changing the fortunes of war, or help the Germans in the least to retrieve their position. Instead of half believing, or tacitly accepting as true, the vauntings of the beaten leaders of the German and Austrian aggression, would it not be wiser to look at the position in which Germany now stands before the world, and try always to contrast it with the one held by the supreme "War Lord" and his betrayed country in the end of July three years ago? Where in the present position of the two derelict Empires and their deceived Allies is there any sign now of the victory that was then deemed sure? Have they gained anything morally by their three years of slaughter, accompanied by a series of crimes the wildest savages anywhere existing would not be capable of perpetrating, because they lack the necessary *kultur*? Behold Germany to-day—isolated, abhorred, cut off from any save criminal fellowship with the rest of the world. Has Germany a friend in the wide world to-day whose hand is worth grasping, whose help could avail her at the final agony of the conflict, who can stand upright without her support? She has not one. Austria, with Germany's help, has wrought devastation in the Balkans and overwhelmed Serbia, overrun Wallachia, and, with Bulgaria as obedient tool, has marred all our Balkan campaign, caused our Dardanelles expedition to fail, and multiplied manifold our task in Mesopotamia, helped to check the advance of the Russians in Asia also, and in all has been but digging her own grave. Have any of the "triumphs" in these directions achieved "victory" in the sense that the word implies—unassailable conquest, secure possession, increased respect among men? No. The Balkan regions are no more Austrian or German now than they were four years ago. Nor anywhere in Russia itself, or in Poland, have the leagued Empires attained a success that can be looked upon as in the

least durable. Their own ruin alone will force them to recoil, and let go when the war ends. They toil to-day to make that ruin complete, irretrievable.

The present position of Russia is naturally made the most of by disgruntled people who try—probably unconsciously—and bend the mood of the public towards the acceptance of an inconclusive peace. But is Russia really so lost as the moanists would have us believe? Again, no. Russia is in sore distress and confusion, but the forces of order and recuperation are to-day stronger than those of anarchy and decay, and their strength grows. Russia will recover and clear the foes out of the country. What other is this Baltic expedition suddenly sprung on the world by Germany than a confession of her growing impotence at the real, the critical fronts in the war? Does any reasonable man believe that Germany would gain anything permanent in Russia, even if her troops managed to go forward now and seize Petrograd? Will the Kaiser's resisting power on the critical battle lines be increased if part of his fleet and army have to winter in the Baltic and its frozen regions? Not likely. Until the German fleet becomes powerful enough to open the channels into the Baltic and keep them open against the fleets of the Allies, nothing Germany can do at Riga or Reval, or Petrograd, or elsewhere along the Russian shores of the Baltic and the Gulf of Finland can avail to avert the ruin Prussia has brought on the German race. This Baltic episode is, therefore, but a demonstration, made for political reasons, because it seemed easy, and capable of yielding spectacular effects. Failing to break the strong lines held against their forces anywhere else, what could the "war lord" troupe do but attempt the easiest "stunt" open to it? Germany made this sensational dash into the Gulf of Riga, effected some landings and captures, and set the Press *claqueurs* at work to magnify the feat in order, if possible, to increase the total of the seventh War Loan, and to raise sufficiently the spirits of the despairing civil population within the Empire to avert their revolt. A "conquest" of the kind might also impress Turk and Bulgar, and keep them patient on the grill a little longer. We hope it does—but that is all the feat can accomplish. Russia has suffered a wound, but it is only a flesh wound, so to say, nowise mortal, and probably invigorating and cleansing in its consequences rather than injurious.

How weak these Central Powers are one might more accurately gauge by the way Mackensen has been held up on the Danube all the season, and in the Carpathians, and by the snapping and biting impotence of the Bulgarians, who are being contained until consumed by the Allied army under General Sarrail in Macedonia. Would it not have been a greater feat of arms than any performed in the Baltic and around Riga had Mackensen been strong enough to drive the Rumanian and Russian armies out of Moldavia, to overrun Bessarabia and seize Odessa; or to do all these things preparatory to an overwhelming onslaught on our lines in the south? He could not do any of these feats, try as he might, and the season is over, the winter at hand. Only a weak point could be found on the north-east of the new Russian Republic, for all its chaotic condition, where a chance of easy victory offered, and that it was taken in preference to any other is proof of Germany's exhaustion, not of her reviving strength.

But the same inference is to be drawn at whatever point of contact between the forces of civilisation and barbarism we may select to examine. Wherever the German troops are struck in the West, they have to recoil. Daily the consumption of German men is withering in its intensity, in its systematic thoroughness, and this week's brilliant stroke of the French north of the Aisne, and north-east of Soissons, by which they have attained command of the heights overlooking the Plain of Laon, captured more than 11,000 prisoners and much booty—a magnificent stroke and a crushing—ought to stop the mouths of the ever-despairing among us. Brilliantly planned, valorously executed, as this attack was, it might have had less

success if the Germans had been in the strength there they possessed even a year ago. They had not the strength, and, above all they no longer have the stamina, the courage. The French and ourselves are devouring them. The strain is such that their reserves no longer suffice to stem the victorious onsets. Their extremity is such as to deprive them of the forces required to stem the British and French assaults. And every advance made compels the beaten foe to attempt counter-attacks, whose only effect is to waste still further his failing strength. Small though our advance was in the beginning of this week, seven counter-attacks have already been shattered against our new positions. in and around the Houthulst Forest. At the moment of writing the Germans seem to have been so demoralised by General Petain's tremendous blow in the Laonnais as to be unable to muster for counter-attacks. And yet we have croakers in plenty among us.

On the Italian front, likewise, Austria is making a supreme effort to drive back the Italian forces. In order to try and drive the Italians from their lines on the Bainsizza plateau and their fronts in the Upper Isonzo from Monte Rombon to Tolmino, the Austrian commanders, prompted and helped by the German, have made most elaborate preparations. German troops have been drawn from the Russian front and massed behind the Austrian lines—the Austrians being naturally called upon to make the greatest sacrifice and supply most of the gun fodder—and a tremendous attack has been launched, supported by an enormous concentration of artillery. As we write we have only heard of the initial steps in this attack, and chiefly from enemy sources. The enemy already boasts of victory in eager anticipation. The boast is so premature that we are strengthened in our belief that once more the barbarian Empires will receive a lesson that will help much towards ending the war. Indeed, what has happened this week on land and sea, odd though the admission may look, raises considerable thoughts in this student's mind that the fury the mad savages are now displaying must soon so exhaust them that they may be ready to submit to *our* peace before the winter is over. We begin even to hope that the German sheep themselves may pluck up courage to stand up to their oppressors and say, "Away with you, begone lest we destroy you. We also are men."

There is yet another aspect in which we can view all this welter of war. Do not the weaknesses now manifest in the armies of the Central Empires, does not the hunger now consuming their unarmed populations, as also probably those of Turkey and Bulgaria, promise to make the coming peace easier to arrange according to the Allied ideals? That question deserves an elaborate answer, but we can to-day only look at it transitorily and at one spot now, in the Balkans. Whoever has followed the recent history of that tormented part of Europe knows that in the Balkans Bulgaria is the State that would have given most trouble had the arrangement of peace been attempted before her exhaustion. Bulgaria is Prussian in temper, in greed, in unscrupulousness, in faithlessness also towards her neighbours, and, were Bulgaria to be established after the war merely in the position left her by the Treaty of Bukarest—she wants much more—we might be certain that there would be no peace of any stable kind possible in the Balkans. But peace has been so long delayed, Bulgaria has shown her true temper so completely, and is now so exhausted that the Powers will be in a position, without firing a shot, to compel her population to accept whatever it is expedient in the interests of the other nationalities of the Peninsula to grant. Germany is now powerless to give financial assistance to Bulgaria in any attempt to resist our will, because Germany is ruined. And Austria is ruined, ready to fall to pieces. There is, therefore, no help from outside available either for Bulgar or Turk, and in the end financial impotence is going to be the best guarantee that the peace which the Allies in unison must elaborate can be made durable, secure.

Before we had read Mr. Archibald Hurd's notes in Thursday morning's *Daily Telegraph* we had come to the conclusion indicated above, that what we are

beholding this week is something very like the last despairing efforts of the Hohenzollern tyranny to avert ruin. Mr. Hurd's conclusion is based principally upon the increased destruction of our merchant ships as revealed in the Admiralty return for last week. Evidently the mutinies in the German fleet and the political crisis in Berlin—which is probably far more ominous to Hohenzollern tyranny than we are aware of—have spurred the discredited but still dominant military faction to send out every submarine they possess in order to make "a grand splash," and they have done it. Last week we lost in all 25 merchant ships, or nine more than the week before. Seventeen of them were ships of over 1,600 tons burden and eight were smaller vessels. The week's destruction is, therefore, one higher than the average for the whole month of July, and, as usual, scaremongers are welcoming the disagreeable facts and making the most of them. The facts are lamentable, grievously so, but instead of howling over them, would it not be more to the purpose if these newspapers were to try and drive some conception of patriotic duty into the minds of their readers? How many people, for example, yet realise what is necessary, nay, what is imperative, in the way of food economy? Go to any fashionable restaurant or hotel you please and find the answer. It is inevitable that we shall have to be rationed unless whole classes amongst us awake to their duty. The construction of ships to replace those destroyed in this most abominable of all methods of warfare is smaller than the numbers lost, and will continue to be smaller for some little time. Therefore such increased losses as those of last week should stimulate public instructors to speak out consistently and unceasingly against waste. Instead of that, or doing that only half-heartedly, we have ragings at the Admiralty dictated by political rivalry, by party rancour, or, too often, by mean personal ambitions. The display excites disgust. After all, while admitting the seriousness of the losses, do not let us forget the relative proportions of things. Last week there was an increase of fully 26½ per cent. in the number of ships entering and leaving our ports. The totals were last week—2,648 ships in and 2,689 out, a total of 5,337. The previous week the total was 4,218, consequently the number of ships against which the Germans could send their assassin boats was larger by 1,119, but the increase in the sinkings was only about .03 per cent.: such is the arithmetical measure of Boche success.

MINT OUTPUT OF SILVER AND BRONZE COINS.

The total amount of silver and bronze currency issued for the United Kingdom from the Mint in the last four years has been as follows:—

	Silver.	Bronze.
	£	£
Year ended July 31, 1914	1,247,720	346,124
" " 1915	7,404,087	241,900
" " 1916	10,362,026	314,925
" " 1917	4,514,107	547,590
Total	23,527,960	1,450,539

The total amount of silver and bronze currency withdrawn from circulation in the United Kingdom in the same years was:—

	Silver.	Bronze.
	£	£
Year ended July 31, 1914	602,045	12,609
" " 1915	145,457	5,926
" " 1916	91,545	3,441
" " 1917	191,695	2,056
Total	1,030,752	24,032

In addition, silver and bronze currency was issued from the Mint for export to the Colonies as follows:—

	Silver.	Bronze.
	£	£
Year ended July 31, 1914	116,710	2,225
" " 1915	331,520	7,190
" " 1916	685,090	9,030
" " 1917	885,950	15,715
To	2,019,270	34,160

Activity in the Aircraft Industry.

HOW TO HELP IN ESTABLISHING IT FOR GREAT BRITAIN.

The air of activity in the world of aircraft is one of the omens of victory. At last there has been a general awakening to the needs of the future, and the aeroplane industry without doubt will receive that attention which is necessary for the great things we have set out to accomplish. Within the next few weeks the effort we make must be the one by which we are to stand or fall. Hence all must help in every way they can with the work of creating the vast machinery with which to build our great fleets of the air. Whitehead Aircraft, Ltd., from the day of their inception have been working hard for the effort they knew we would have to face at this stage of the war. Commencing in a modest way, they added workshop to workshop and machine to machine, knowing that the war to some considerable degree would be won in the air. By sheer hard work and the genius of organisation they continued to grow to such an extent, and to turn out machines so rapidly for the Government that we can never be grateful enough for their assistance in helping us to gain the ascendancy. And now, when reprisals, which must be carried through in no half-hearted way, and more frequent battles at the front call for no limit to be put on the output of machines, they are faced with the necessity for enlarging their mammoth works. They have decided to place them on such a footing that no request for machines shall ever be turned aside, and in order that this country will get a long start in the great aircraft industry, which is to be the greatest commercial enterprise when the war drums cease to throb.

Whitehead Aircraft, Ltd., to do this have appealed to the Treasury to enable them to increase their capital, and when the necessary formalities have been arranged the public will be asked to join them.

Whitehead Aircraft, Ltd., intend to help to maintain by every means in their power the splendid traditions of the pioneer work they have done for Britain, and in their task they will have the full support of the public. Aircraft shares will be popular both now and after the war for many reasons. The first reason of all is the patriotic one. We have determined one and all that the glorious work at the front shall go on and that by our reprisals the Germans will be taught the lesson that they cannot trample with impunity on the race. The second reason we must bend now to the task we have in hand is that after the war the blue riband of the aircraft industry will go to the nation which makes the best preparation now for gaining it.

It does not require the prophetic brain to help us realise that when peace comes there will be a great boom in building craft for the air. Our naval and military forces and the commercial enterprises of the future will also depend to a large extent on the latest forms of aircraft, and far-seeing men who want to get there first will be dependent on the new industry for the machinery by which to make their business conquests.

Whitehead Aircraft, Ltd., have no fear but that the industry they are helping to build up now for Britain will be one which will eclipse all that have gone before. Their plans for new workshops, new machinery on which the latest designs of machines shall be constructed, and for taking on a greater army of workmen are all ready, and everything now depends on the determination of the British public to see the thing through. The materials, the workmen skilled in the art of aeroplane construction, the machinery and all the essentials must be in the hands of Great Britain.

Whitehead Aircraft, Ltd., invite the co-operation of all who want the industry to be British and who are determined that they will leave no stone unturned to achieve this great ambition.

Write to Whitehead Aircraft, Ltd., 67, Grena Road, Richmond, Surrey, for a copy of "Aircraft, the New British Industry."—(ADVT.)

Insurance News.

Yet another life office, the Pearl Assurance Co., have adopted a scheme in order to assist in the campaign to popularise National War Bonds. The special advantages of the Pearl policy are that if the assured under scheme "A" policy should meet his death by accident within the United Kingdom, bonds for double the amount will be handed to his representative. The benefit extends over the whole duration of the policy, and should be especially esteemed in districts whose remoteness from air raid risks nullifies the value of aircraft insurance only. Under the company's scheme "B" the extension to corporations brings the instalment plan within the reach of all, providing as it does business houses with facilities for investing reserves and providing for obligations. In the event of discontinuance of an "A" policy, a liberal proportion of the premiums paid will be returned, provided that not less than £15 has been paid for each £100 bond. Under the "B" scheme, which is applicable to all lives, the company guarantees a return on discontinuance of 95 per cent. of all the premiums paid, less £5 on each £100 sum assured deducted from the first year's premiums, with compound interest at 3 per cent. per annum.

The London Life Association works on somewhat different lines. The directors of this office announce that they are prepared to take up National War Bonds in connection with proposals under any of the association's ordinary tables for whole-life or endowment assurance, so that the sum assured shall be payable in whole or in part in War bonds or in any issue into which they may be converted. On payment of the first premium the directors undertake to purchase the bonds for the necessary amount. For an extra premium the directors are prepared to cover active service abroad in case of new policies, an important concession being that after the payment of two years' extra premiums the policies will be free for all future war risk, and will cover travel or residence in any part of the world (aviation only excepted). An alternative to paying extra premiums is given. The extra premiums are believed to be considerably lower than those charged by other life offices.

After the decline in the aggregate volume of new business in recent years the figures of the principal Australasian life offices for 1916 show a resumption of progress. On the other hand, the effect of the war upon the mortality experience of the offices was felt in greater degree during 1916 than in the previous year, and the total paid by them during the two years is estimated at about a million and a-quarter sterling. The offices are liable upon nearly all policies issued before the war without extra premium, and where an extra rate has been imposed upon new policies issued since the outbreak of war experience has shown that the rates charged have frequently been inadequate. War claims have arisen to a large extent from policies which have been in existence for only a short period, so that the loss to the companies from this cause was substantial. Expenses have shown a reduction in each of the last three years. During 1916 the increase in the funds was greater than in 1915, although slightly below the increases shown in 1914 and 1913.

Chinese Imperial Government 5 per cent. Tientsin-Pukow Railway Supplementary Loan of 1910 and City of Bombay Improvement Trust 4 per cent. Guaranteed Debentures of 1900.—The coupons of these loans, due November 1 next, will be paid on and after that date at the Hongkong and Shanghai Banking Corporation, 9, Gracechurch Street, E.C.

The East Rand Proprietary Mines, Ltd., announces that as £90,000, or one-fifteenth, of the outstanding debentures has been purchased, the drawing which would otherwise have taken place on March 1 next in terms of the trust deed will not have to be made.

Subscriptions to THE INVESTORS' REVIEW will be received in Canada by

Messrs. Sells, Ltd.,

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from $5\frac{1}{2}$ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Everything remains as before in the Money market, and it cannot be otherwise. What is there to disturb either loan or discount rates so long as the financing of the war proceeds smoothly? Some days a larger amount of Government paper falls due than on others, and sometimes there are greater amounts of new Treasury bills to be paid for than usual. These variations may cause a difference of $\frac{1}{2}$ per cent. in the price ruling for short credits in the open market, and money is then described as usable. It is that always, however, at a price, only occasionally there is a larger balance over at the end of the day than the market is able to use up, and then overnight loans go for what they will fetch.

The Bank return this week shows a swinging backwards from the expansion of last week. Instead of being further up other securities are now £7,826,000 down, and Government securities have declined £266,000 compared with a decrease of £960,000 last week. These reductions have affected the Bank's liabilities on deposits, those of the Government, the public deposits, being £2,677,000 down, while other deposits have shrunk £7,825,000. Both the larger decline in other securities and a reduction in the reserve, which is £467,000 lower, have contributed to the greater diminution of deposits, and their smaller total has increased the proportion of reserve to the liabilities notwithstanding its reduction in amount. Its proportion is now $19\frac{3}{4}$, a rise of 1 per cent. on the week, which is exactly the amount of the reduction shown a week ago.

Although no official announcement has been made on the subject, we learn that at the beginning of the month the Bank of England informed the Stock Exchange Committee that in future it would be prepared to certify sub-transfers of British Government securities, transferable by deed, a course which it was hoped would obviate any delay in future on the part of London jobbers in paying for transfer by deed stock. This delay is usually ten days, which is the average time taken by the Bank to complete the transfer. The jobbers contend that the Bank's action does not meet their difficulty, since the Bank's certifying of the transfers will not protect them against the risk of forgery. Negotiations, however, are taking place with a view to removing this objection of the London jobbers so as to enable registered stock to be transferred almost as quickly as the inscribed variety. Registered stock is preferred to inscribed, especially by provincial holders, because its transfer does not involve either personal attendance at the Bank or the issue of a power of attorney. A very large amount of the War Loan is held in the form of registered stock.

There has been a slight improvement in the sterling value of the franc this week, the Paris exchange being quoted at below 27 f. 50 centimes. The reason for this is that it is expected a portion of the new French

loan of £400,000,000 will be floated in this country, as was the case with the two previous issues. Those loans bore 5 per cent. interest, and the subscriptions here reached about twenty millions on each occasion, but the new loan, a perpetual Rente, will perhaps carry only 4 per cent. The news of the German offensive in Russia has caused a further sharp depreciation in the value of the rouble, the Petrograd exchange being quoted at 355 roubles per £10, as compared with 333 a week ago. But the market now is largely a nominal one. The quotations for Amsterdam exchange here continue to be very unreliable owing to the heavy delay in telegraphic advices from Holland. In the second week of October the rates quoted here were appreciably lower than the rates for sterling quoted in Amsterdam, which means that those buying florins here were paying too much for their remittances.

Preliminary information about the new French loan shows that it has been arranged on sensible and generous lines. The minimum amount asked for is £440,000,000. That is the amount of debt which the Government would like to solidify, as we might say, and we hope that the response will enable it to do much more in that way. The new stock is not to be convertible or redeemable before January 1, 1943. It is to bear 5 per cent., exempt from taxation, which is surely most liberal—indeed, it seems more than is necessary, and the Bourse is said to lean to the view that a 4 per cent. rate of interest would have done.

The British, Foreign, and Colonial Corporation, Limited, on its own behalf and through the London City and Midland and Lloyds Banks, offer for sale 250,000 7 per cent. cumulative and participating "B" preference shares in the Aircraft Manufacturing Company, Limited, at the price of 21s. per £1 share. In addition to the fixed cumulative dividend of 7 per cent., these shares are entitled to 20 per cent. of any profits which it may be decided to distribute in any year after the dividend on the preferred ordinary shares has been paid, but such additional dividend is limited to a further 7 per cent. According to the statement supplied by Mr. George Holt Thomas, chairman and managing director of the Aircraft Company, the business was started as a private one in 1912, and became a public company on the issue of 100,000 first preference shares a year ago. The total capital is £402,500, and since the outbreak of the war £194,000 has been spent on buildings, plant, and machinery. The turnover shows an enormous expansion, that for the year to March, 1914, being under £200,000, while for the 12 months ended March last it was well over £2,500,000. Profits have increased in corresponding ratio, and, starting with a nett profit of £9,700 for the nine months ended March, 1913, they have increased to £107,000 for the latest accounting period. The British, Foreign, and Colonial Corporation has secured the shares at 21s., subject to a commission of $7\frac{1}{2}$ per cent., and it is paying an underwriting commission of 1s., with an overriding commission of 3d. per share. With the future of air navigation likely to become an increasingly important factor and the well-established business which the Aircraft Manufacturing Company has secured, the shares appear to be a fairly attractive industrial investment.

The capital of the Colonial Bank is to be increased from £2,000,000 to £3,000,000 by the creation of 50,000 additional shares of £20 each. These new shares are to be offered to the existing shareholders at a premium of £2 a share, but only £300,000, or £6 a share, will be called up. The new capital is being raised in order to provide additional funds for extending its business to foreign countries, power to do which was recently obtained by a special Act of Parliament. During the past year the bank has greatly extended its operations in West Africa, where it now has ten branches instead of two, as in April last.

SILVER.

The Silver market continues to display weakness, and the price of bars has fallen to $41\frac{3}{4}$ d. per oz., which is 1d. below the figure of a week back. It has stood at this price, however, for several days, and it may be that

the recoil is now at an end. A slight recovery in the Shanghai exchange sufficed to fix the price where it is. Messrs. Mocatta's circular tells us that it has been reported in London on good authority that the United States Mint has satisfied its immediate requirements by buying from Mexico 6,000,000 ozs. A Reuter's telegram, however, has contradicted this, and says the negotiations between the Governments have been broken off. If that proves to be true silver may not only steady, but rally. As for the rest, the course of the market depends principally on China. Montagu's circular places the stock of the metal in Bombay at 3,500 bars, still unchanged, and the only change in the Shanghai stock of 24,400,000 ozs. in sycee and \$15,100,000 is an increase of \$200,000 in the coined portion.

Applications for the Rs. 90,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,03,45,000. Of these Rs. 112,70,000 were allotted in deferred transfers, and Rs. 7,30,000 in immediate transfers. Tenders for bills and deferred transfers at 1s. 4 29-32d. and for immediate transfers at 1s. 5d. received about 44 per cent. The amount to be offered next Wednesday is again Rs. 90,00,000. Since April last Rs. 31,20,00,000 have been sold, realising £21,240,859.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, October 24, 1917.

ISSUE DEPARTMENT.

	£		£
Notes Issued	71,853,505	Government Debt	11,015,100
		Other Securities	7,434,900
		Gold Coin and Bullion	53,403,505
		Silver Bullion	—
	£71,853,505		£71,853,505

BANKING DEPARTMENT.

	£		£
Proprietors Capital	14,513,000	Government Securities	58,065,870
Reserve	3,113,296	Other Securities	90,635,003
Public Deposits (including		Notes	30,243,755
Exchequer, Savings		Gold and Silver Coin	2,135,551
Banks, Commissioners			
of National Debt, and			
Dividend Accounts)	40,055,006		
Other Deposits	124,244,025		
Seven Day and other Bills	14,852		
	£181,980,179		£181,980,179

Dated October 25, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year.		Oct. 17.	Oct. 24.	Increase.	Decrease.
Oct. 25.		1917.	1917.		
£	Liabilities.	£	£	£	£
3,171,954	Rest	3,066,203	3,113,296	47,093	—
52,543,213	Pub. Deposits	42,711,954	40,755,006	—	2,696,948
112,171,721	Other do.	132,069,335	124,244,025	—	7,825,310
18,167	7 Day Bills	16,617	14,852	—	1,765
	Assets.			Decrease.	Increase.
42,187,852	Gov. Securities	50,231,870	58,065,870	266,000	—
102,442,757	Other do.	100,359,103	90,635,003	9,724,195	—
37,827,146	Total Reserve	32,846,046	34,379,306	466,742	—
				10,504,023	10,504,023
				Increase.	Decrease.
£	Note Circulation	£	£	£	£
56,686,020	.. ..	41,639,280	41,609,750	—	29,530
56,063,466	Coin and Bullion	56,035,326	55,539,056	—	496,270
23 p.c.	Proportion	18 5 p.c.	19 7 p.c.	1 2 p.c.	—
6 "	Bank Rate	5 "	5 "	—	—

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,415,416,000	363,290,000	—
June	1,486,612,000	1,147,630,000	339,182,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August	1,624,368,000	1,364,782,000	269,586,000	—
September	1,348,317,000	1,136,590,000	211,727,000	—
October	392,265,000	337,308,000	54,957,000	—
" 10	381,976,000	326,800,000	55,066,000	—
" 17	371,167,000	318,823,000	52,344,000	—
" 24	354,974,000	301,789,000	44,185,000	—
Total ..	15,433,727,000	12,583,000,000	3,879,789,000	—

CURRENCY NOTES.

Return of Currency Notes for the week ended October 24, 1917.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes	3,169,776	2,363,391	133,700,314
10s. notes	1,031,344	1,000,532	33,413,861
Note certificates	190,000	—	18,100,000
Previous total	727,531,557	543,344,579	—
	731,922,678	546,708,503	185,214,175

Ratio of gold held against notes, this week, 17.05 p.c.; last week, 17.14 p.c.

PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended Oct. 20.)

REVENUE.	EXPENDITURE.
£	£
Customs	National Debt Service
Excise	Interest, etc., on War Debt
Estate, &c., Duties	Development & Road Improv
Stamps	Payments to Local Taxation
Land Tax and House Duty	Other Consolidated Fund
Property and Income Tax	Charges
Excess Profits Tax	Supply Services
Land Values	Bullion Advances
Post Office	For Advance for Interest
Crown Lands	on Exchequer Bonds under
Sundry Loans	Capital Expenditure
Miscellaneous	(Money) Act, 1904
Bullion advances repaid	For Treasury Bills
For Treasury Bills for Supply	Expenditure
5% Exchequer Bonds, 1922	under War Loan Act, 1916
6% Exchequer Bonds, 1920	Other Debt under War Loan
National War Bonds	Acts, 1914-16
War Expenditure Certificates	For Exchequer Bonds under
War Savings Certificates	Section 61 of Finance Act,
4% War Loan, 1929-1942	1916, and Section 34, 1917
5% War Loan, 1929-1947	Under Telegraph (Money)
Other Debts created under	Act, 1913
War Loan Act, 1915, and	Under Post Office (Lon-
Finance Act, 1916	don) Railway Act, 1913
Telegraph Money Act, 1913	Under Military Works Acts
Under Post Office Rly. Act,	Under Housing Act, 1914
1913	Public Buildings Expendi-
Under Military Works Acts,	ture Act, 1903
1897-1903	Old Sinking Fund, 1907-8
Under Public Buildings	Old Sinking Fund, 1910-11
Under Housing Act	China Indemnity
Repayment of Advance for	Depreciation Fund
Interest on Exchequer	Suez Canal Drawn Shares
Bonds, 1904	Temporary Advances repaid
China Indemnity	Increase in Exchequer
East African Protectorate	balances
Loan repayment	
Suez Canal Drawn Shares	
Ways and Means Advances	
Decrease in Exchequer	
balances	

* Excluding sales through banks which have not yet been brought to account.

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Sept. 21, 1917.	Sept. 14, 1917.	Sept. 22, 1916.
	£	£	£
Gold coin and certificates	86,195,800	81,041,200	51,742,200
Gold Settlement Fund	74,677,400	76,929,200	23,558,200
Gold with foreign agencies	10,500,000	10,000,000	—
Total gold held by banks	171,373,200	169,070,400	75,300,400
Gold with Federal Res. Agent	107,201,800	104,094,000	38,622,000
Gold Redemption Fund	1,888,400	1,825,400	388,200
Total gold reserves	280,463,400	274,989,800	114,310,600
Legal tender notes, silver, &c.	9,986,800	10,217,000	1,528,400
Total reserves	290,450,200	285,206,800	115,839,000
Bills discounted—Members'	36,751,600	33,166,600	5,541,200
Bills bought in open market	32,202,400	33,689,000	16,776,000
Total bills on hand	68,954,000	67,155,600	22,318,000
U.S. Gov. long-term sec.	10,785,800	9,071,600	9,510,600
U.S. Gov. short-term sec.	8,214,000	8,473,200	1,607,800
Municipal warrants	42,800	42,800	4,827,400
Loans on gold coin and bullion	—	—	—
Total earning assets	87,996,600	84,743,200	33,203,200
Due from other Fed. Res. bks—n.	267,400	1,310,800	5,853,200
Unfulfilled items	47,540,800	44,924,400	—
Total deductns. fm gross dep.	47,848,200	46,235,200	5,853,200
5% Red. Fund ag Fed. Res. bknts	100,000	100,000	10,000
All other resources	80,800	61,600	1,690,200
Total resources	420,435,800	416,146,800	161,741,000
Capital paid in	11,870,800	11,870,800	11,084,600
Government deposits	5,006,000	4,320,400	8,069,400
Due to members—Res. account	230,340,300	227,858,200	—
Due to non-mbrs—clearing ac.	10,155,800	10,124,200	—
Members' bank deposits—nett	—	—	103,691,200
Collection items	31,899,800	31,253,600	—
Total gross deposits	278,392,400	273,551,400	111,700,600
F.R. notes in actual circulat'n	134,049,200	128,619,400	38,327,000
F.R. bknts in circn—nett liab.	1,000,000	1,512,200	5,280,000
All other liab. in for Gov. c'dts	523,100	491,200	91,200
Total liabilities	420,435,800	411,341,800	161,741,000
Gold res. ag nett deposit liab.	7.3%	74.3%	71.4%
Gold & lawful money reserve	78.6%	78.6%	72.6%
against nett deposit liabilities	—	—	—
Gold res ag F.R. nts in act circ	81.4%	82.2%	101.8%

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Oct. 20, 1917.	Oct. 13, 1917.	Oct. 6, 1917.	Oct. 21, 1916.
	£	£	£	£
Loans	814,256,000	797,924,000	793,284,000	1,641,460,000
Reserve held in own Vaults	124,410,000	130,000,000	169,972,000	84,220,000
Reserve held in Fed. Res. Bk.	91,584,000	90,828,000	29,880,000	33,070,000
Cash in own Vaults	20,102,000	19,522,000	17,302,000	—
Reserve held in Other Depos.	15,254,000	14,350,000	22,478,000	10,698,000
Net Demand Deposits	73,212,000	717,290,000	711,720,000	652,156,000
Net Time Deposits	414,770,000	414,400,000	4,560,000	33,035,000
Circulation	6,530,000	6,478,000	6,000,000	6,326,000
Excess Lawful Reserve	18,008,000	10,724,000	1,280,000	15,202,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Oct. 20, 1917.	Oct. 13, 1917.	Oct. 6, 1917.	Oct. 21, 1916.
	£	£	£	£
Loans	169,342,000	167,652,000	166,848,000	146,256,000
Specie	11,400,000	11,500,000	11,500,000	12,120,000
Deposits	174,634,000	171,958,000	169,440,000	1,617,600,000
Legal Tenders	3,566,000	3,270,000	2,914,000	1,932,000

BANK OF FRANCE (25 francs to the £).

	Oct. 18, 1917.	Oct. 11, 1917.	Oct. 4, 1917.	Oct. 19, 1916.
Gold in hand ..	131,496,040	131,474,280	131,354,760	195,431,400
Silver in hand ..	10,278,500	10,361,720	10,391,280	13,142,400
Bills discounted ..	124,251,520	23,084,200	29,132,800	18,086,000
Advances ..	41,981,160	44,581,040	43,883,400	47,024,680
Note circulation ..	867,207,240	864,318,120	856,801,560	672,000,640
Public deposits ..	1,426,520	1,012,600	1,090,760	3,178,000
Private deposits ..	114,381,440	112,957,800	115,988,480	101,670,240
Foreign Bills ..	65,480	57,680	69,800	71,000

Proportion between bullion and circulation 26.80 per cent., against 25.83 per cent. last week. Advances to the State £481,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £20,649,960, decrease £21,440, and at the branches £25,671,820, decrease £41,160.

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Oct. 6, 1917.	Sept. 29, 1917.	Sept. 22, 1917.	Oct. 7, 1916.
Total Coin & Bullion ..	125,364,750	125,288,050	125,573,150	125,563,550
Treasury Notes ..	50,969,600	49,324,050	38,210,950	18,503,650
Bills discounted ..	602,877,800	781,525,450	563,297,950	373,403,050
Advances ..	464,800	461,350	449,750	516,650
Note circulation ..	—	510,246,800	480,177,650	361,527,250
Deposits ..	300,006,700	477,046,250	298,606,950	160,816,950

Clearing House return during September £404,766,500, against £386,111,030, in August.

BANK OF ITALY (25 lire to the £).

	Sept. 10, 1917	Aug. 31, 1917	Aug. 20, 1917	Sept. 10, 1916
Total cash ..	41,088,240	41,455,600	41,027,320	43,130,520
Inland Bills ..	25,353,400	25,424,500	24,580,320	19,514,520
Foreign Bills ..	831,720	532,600	832,840	853,520
Advances ..	13,110,800	13,608,680	12,332,280	7,544,800
Government securities ..	8,786,200	8,783,400	8,815,000	8,828,320
Circulation ..	190,191,160	187,716,520	184,004,480	138,103,160
Deposits at notice ..	25,062,440	23,487,760	23,658,800	14,127,640
Current accounts ..	13,906,480	13,120,280	13,120,840	15,878,640

BANK OF SPAIN (25 pesetas to the £).

	Oct. 13, 1917	Oct. 6, 1917	Sept. 29, 1917	Oct. 14, 1916
Gold ..	77,675,320	77,499,153	77,023,822	47,344,088
Silver ..	28,898,949	28,995,607	29,355,359	29,675,088
Foreign Bills ..	3,767,825	3,647,029	3,639,815	4,044,715
Discounts and Short Bills ..	29,731,931	29,897,971	28,853,869	24,074,708
Treasury Account, &c. ..	25,178,988	25,136,552	25,319,158	31,161,829
Notes in Circulation ..	118,195,586	108,052,700	105,790,271	92,531,610
Current Accounts, Deposits ..	38,608,239	38,231,869	38,543,344	31,655,050
Dividends, Interests, &c. ..	1,902,757	2,101,219	2,209,406	1,724,362
Government Securities ..	4,505,978	5,034,518	6,411,528	1,609,545

BANK OF SWEDEN.

	Sept. 29, 1917.	Sept. 22, 1917.	Sept. 15, 1917.	Sept. 30, 1916.
Gold ..	11,919,000	11,637,000	11,362,000	9,499,000
Balance abroad and Foreign Bills ..	7,456,000	7,493,000	7,662,000	9,390,000
Swedish and Foreign Govt. Securities ..	2,863,000	2,867,000	2,882,000	3,754,000
Discounts and Loans ..	11,075,000	10,039,000	10,226,000	3,929,000
Notes in circulation ..	28,942,000	26,375,000	26,600,000	21,493,000
Deposits at notice ..	5,379,000	5,957,000	6,021,000	4,137,000

BANK OF NORWAY.

	Oct. 8, 1917.	Sept. 29, 1917.	Sept. 22, 1917.	Oct. 7, 1916.
Gold ..	6,733,000	6,754,000	7,031,000	6,272,000
Balance abroad and Foreign Bills ..	4,156,000	4,233,000	4,131,000	5,499,000
Govt. Securities ..	707,000	707,000	707,000	767,000
Discounts & Loans ..	17,453,000	16,702,000	16,308,000	14,647,000
Notes in Circulation ..	17,030,000	17,121,000	16,530,000	12,601,000
Deposits at notice ..	8,751,000	7,863,000	8,295,000	3,818,000

SWISS NATIONAL BANK (25 francs to the £).

	Oct. 15, 1917.	Oct. 6, 1917.	Sept. 29, 1917.	Oct. 14, 1916.
Gold and silver ..	16,051,900	16,046,184	15,974,312	13,712,704
Bills ..	7,884,184	8,875,428	9,103,148	7,154,400
Note circulation ..	2,142,608	23,431,496	23,208,236	18,331,664
Current and deposit accounts ..	3,405,380	4,114,124	4,457,000	5,023,056

STATE BANK OF RUSSIA (10 roubles to the £).

	Oct. 20, 1917.	Oct. 13, 1917.	Oct. 6, 1917.	Oct. 21, 1916.
Notes in reserve ..	10,110,000	11,600,000	12,200,000	10,530,000
Gold ..	129,560,000	129,650,000	129,310,000	155,600,000
Gold in reserve abroad ..	230,860,000	230,860,000	230,880,000	203,500,000
Loans and Discounts including Treasury Bonds ..	1,761,770,000	1,607,840,000	1,567,160,000	527,800,000
Circulation note issue ..	1,785,890,000	1,729,010,000	1,666,100,000	771,970,000
Deposits, including Treasury deposits ..	344,910,000	344,270,000	338,850,000	21,570,000

NETHERLANDS BANK (12 Florins to the £).

	Oct. 13, 1917.	Oct. 6, 1917.	Sept. 29, 1917.	Oct. 14, 1916.
Gold and Silver ..	57,696,183	56,927,333	56,911,666	49,245,750
Bills and Advances ..	13,730,415	13,303,166	12,636,666	14,597,000
Note circulation ..	68,162,333	68,256,333	67,613,583	59,810,666
Deposits ..	6,627,583	5,449,916	5,658,916	7,339,333

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Oct. 23, 1917.		Oct. 25, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	11.08	11.12	10.75	10.85
Paris ..	Three months' bills ..	11.25	11.39	Nom.	Nom.
..	Cable transfers ..	27.45	27.50	27.42	27.47
..	Three months' bills ..	27.85	27.90	27.82	27.87
Switzerland ..	Cable transfers ..	21.73	21.83	21.45	21.55
..	Three months' bills ..	22.08	22.18	Nom.	Nom.
Petrograd ..	Cable transfers ..	353	355	359	355
Genoa, &c. ..	Cable transfers ..	37.35	37.45	37.10	37.20
Spain ..	Cable transfers ..	20.37	20.47	20.38	20.48
..	Three months' bills ..	54½	55½	55	56
Lisbon and Oporto ..	Cable transfers ..	30½	31½	30½	31½
Copenhagen ..	Cable transfers ..	14.85	14.95	14.50	14.65
Christiania ..	Cable transfers ..	14.83	14.93	14.45	14.55
Stockholm ..	Cable transfers ..	12.35	12.45	12.10	12.25

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22½	27.53	27.43
Amsterdam, cheques ..	Florins to £1 ..	12.107	11.03½	10.65
Italy, sight ..	Lire to £1 ..	25.22½	37.00	36.35
Madrid, sight ..	Pesetas to £1 ..	25.22½	20.42½	20.45
Lisbon, sight ..	Pence to milreis ..	53½d.	30½d.	30½d.
Switzerland, sight ..	Francs to £1 ..	25.22½	22.12½	21.15
Christiania, sight ..	Kroner to £1 ..	18.159	15.05	14.35
Stockholm, sight ..	Kroner to £1 ..	18.159	12.65	12.00
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.15	14.40
Petrograd, sight ..	Roubles to £100 ..	94.57	345	347½
Alexandria, sight ..	Piastres to £1 ..	97½	97½	97½
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Hong Kong, T.T. ..	Sterling to dollar ..	—	2/8	2/8½
Shanghai, T.T. ..	Sterling to tael ..	—	3/10	3/11½
Singapore, T.T. ..	Sterling to dollar ..	—	2/4½	2/4½
Yokohama, T.T. ..	Sterling to yen ..	2.58d.	2/12	2/12
New York, cable ..	Dollars to £1 ..	4.86½	4.70½	4.76½
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	50½d.	50½d.
Valparaiso, 90 days ..	Pence to peso ..	—	14½d.	14½d.
Montevideo, T.T. ..	Pence to dollar ..	51d.	55½d.	55½d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13½d.	13½d.

OPEN MARKET DISCOUNT.

	Last week.	This week.
	Per cent.	Per cent.
Thirty and sixty day remitted ..	4½	4½
Three months ..	4½	4½
Four months ..	4½	4½
Six months ..	4½	4½
Three months fine inland bills ..	5½	5½
Four months ..	5½	5½
Six months ..	5½	5½

BANK AND DEPOSIT RATES.

	Last week.	This week.
	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
.. short loan rates ..	—	—
Bankers' rate on deposits ..	4	4
Bill brokers' deposit rate (call) ..	4	4
.. 7 and 14 days' notice ..	4½	4½
Current rates for 7 day loans ..	4½	4½
.. for call loans ..	3½-4	1-2

The Week's Stock Markets

It has been an extremely dull week on the Stock Exchange, with dealings at a very low ebb and a feeling of complete apathy in almost all directions. There is no particular reason for this state of affairs, and we do not see subscriptions for the National War bonds pouring in at such a rate as to interfere with ordinary business, nor has there been any important war development calculated to discourage buyers. On the contrary, the splendid advance of the French on the Aisne, our own steady progress in Flanders, and the fact that the Germans think it prudent to withdraw in the Riga sector, are all very significant developments, while the temporary reverse to our Italian Allies on the Isonzo front is not of much strategical importance so far as it has gone at present. But many people are weary, and not a few get downhearted for no intelligible reason, and so long as these conditions exist the Stock Exchange must expect to be quiet. From several points of view, it is surprising that it has kept up its courage under numerous disheartening influences so well as has been the case, and although there has been nothing to brag about, members manage to keep cheerful—at any rate, to all outward appearance.

Business has been extremely quiet on the Stock Exchange this week, and the tendency generally has been anything but cheerful. The success of the latest French attack gave some momentary encouragement to buyers, but as against that the news from the Italian front was unfavourable, and, in any case, the public for the time being appeared to be unwilling to venture much beyond the National War bonds, or securities of a similar character. Consols started the week well, but afterwards gave way, and Indian issues also lost a fraction. The 5 per cent. War Loan, however, was in some demand, and improved a little. Bank of England stock also advanced a point. Absolutely nothing transpired in the market for Colonial securities, and not a change occurred among any of the leading issues. In the Foreign division the only prominent movement was in Russians, which fell heavily and closed practically at the worst.

Mexican Irrigation, Cuban Ports, and Peruvians also were weak, but Spanish and Uruguay showed a certain amount of strength.

Home Railways have been a drooping market all the week, and nobody seems to have a good word to say for them at present. South-Western ordinary and Great Northern deferred were particularly weak, and most of the others were flat, but as an exception South-Western deferred gained a fraction.

	Last Week	This Week		Last Week	This Week
Consols.....	56½	56½	N.S.W. 4½% 5 yr. bds....	97	97
War Loan 3½%.....	85½	85½	" 4½% 1922-7.....	91½	91½
" 4½%.....	100½	100½	" 5% 1921-3.....	96½	96½
" 5% 1920-17.....	95½	95½	" 5½% 1920-2.....	98	98
" 4% 19 9-12.....	99½	99½	New Zealand 4%, 1929 ..	84½	84½
India 3%.....	56½	56½	Queensland 4%.....	80½	80½
" 3½%.....	66	65½	" 4½% 1920-5.....	92	92
Australia 5½% 1920-22 ..	99½	99½	Union of S. Africa 4½% ..	92	92
Canada 4% 1940-60.....	81	81	1920-5.....	92	92
" 4½% 1920-5.....	93½	93½	Victoria 4½% 1920-5.....	92	92
N.S.W. 4% 1933.....	82½	82½	Westn. Aus. 4%.....	81	81
Argentine 4%, 1900.....	65	65	French War Loan, 5% ..	79½	79½
Belgian 3%.....	60	60	Japan 4½% (1st), 1905 ..	97	97
Brazil, 1013.....	70	70	" 5% 1907.....	93½	93
" 5% 1914.....	80	80	Mexican 5%, 1899.....	66	65
Chinese 1896.....	92	92	Russia 4%.....	54	50X
" 1912.....	82	82½	" 4½% 1909.....	55	56
Egypt Unified 4%.....	84	84	" 5% 1906.....	68	66
Caledonian defd.....	9	9	London and N.-W.....	92½	92½
Gt. Central prd.....	133	133	London and S.-W. dfd.....	24	24
" dfd.....	62	68	Do red. pf. 1914.....	92	92
Gt. Eastern.....	36½	36½	Metropolitan.....	24½	24
Gt. Northern dfd.....	37½	37	Do. 5% pf.....	77	77
Gt. Western.....	85½	85½	Met. District.....	16½	16
LANEX. and Yorks.....	65½	66	Midland dfd.....	57½	57½
London Brighton defd.....	60	60	Nth. British dfd.....	14	14
London Chatham ord.....	92	92	Nth. Eastern.....	98	97½
			Sth. Eastern dfd.....	30	30
Canadian Pacific.....	165½	166	Chesapeake.....	54½	56
E. Indian Guar. 4½% debs.	86	86	Erie.....	23½	24
Grand Trunk ord.....	93	93	Southern.....	29½	29½
Do. 1st pf.....	58½	57½			
Do. 3rd pf.....	22	21½	Cent. Argentine ord.....	61	61
Antofagasta dfd.....	131	135	Leopoldina.....	39	39½
Brazil Common.....	5	5	Mexican ord.....	194	19½
B. A. & Pacific.....	40½	40½	San Paulo (Brazilian).....	186	181
B. A. Gt. Southern.....	76	77	United of Havana.....	83½	84
B. A. Western.....	73½	74	London & S.W.....	124	124½
Anglo-South American ..	74	78	London City & Midland.....	72	72½
Bank of Australasia.....	115	115	London County & West.....	15	15
Bank of N.S. Wales.....	34½	35	London Joint Stock.....	23½	23½
Barclay & Co. "A".....	74	74	Nat. Prov. of Eng. (£10½ pd)	27	27½
Do. "B".....	118	118	Do. (£12 pd).....	31	31
Capital & Counties.....	22½	22½	Parr's.....	29	29
Chartered of India.....	67	68	Standard of S.A.....	103	103½
Hongkong & Shanghai ..	86	85	Union Discount.....	102	102½
Lloyds.....	24	24	Union & Smiths.....	23½	23½
London & Provincial.....	164	164			
London & Brazilian.....	233½	233	Kynochs.....	38½	37½
Armstrong, Whitworth ..	39½	39½	Mond Nickel ord.....	3½	3½
Birmingham Small Arms	56½	56½	South Durham Steel ..	38½	39½
Cammell-Laird.....	64	64	Thornycroft.....	18½	2
Cargo Fleet.....	23½	23½	Vickers.....	39½	39½
Dorman, Long.....	42½	42½			
Associated Cement.....	4	4	Fine Cotton Spinners ..	31½	32½
Borax dfd.....	42½	41½	Forestral Land.....	48½	48½
Bovril.....	19½	19½	Furness, Withy.....	52½	51½
Brazil Traction.....	44½	45	Harrods Stores.....	2½	2½
British Amer. Tobacco pf.	18½	18½	Hudson's Bay.....	7½	7½
British Aluminium.....	32½	31½	Imperial Tobacco 'C' pf.	34½	34½
Briti-h Oil & Cake.....	29½	30½	Lever Bros. 'C' pf.....	20½	20½
Brunner, Mond.....	42	42	Lyons, J.....	4½	4½
Castner-Kellner.....	37½	37½	Marconi.....	33½	38
Coats.....	6½	6½	Maypole Dairy dfd.....	26½	26½
Courtaulds.....	61½	62	National Steam Car.....	19½	19½
Cunard.....	32	32	Pears, A. & F.....	1½	1½
Dennis Bros.....	37½	37½	P. & O. dfd.....	325½	325½
Eastern Telegraph.....	149½	149½	Royal Mail.....	113½	113½
Eastmans.....	91	114½	Underground Inc. Bds.....	84	84
English Sewing Cotton ..	52½	52½			
Anglo-Egyptian "B".....	29½	27½	North Caucasian.....	18½	18½
Baku (ros.).....	2½	2½	Romanian Cons.....	12½	12½
Burmah.....	68	61½	Royal Dutch (100 gulden)	50	50
Lobitos.....	41½	42½	Shell.....	58	58
Malak Pipelne.....	3½	3½	Spies (100).....	10½	10½
Mexican Eagle pf.....	38½	38½	Ural Caspian.....	18	18
Anglo-Java Rub. (2½).....	7½	7½	Perlimau 2½.....	61½	61½
Anglo-Malay 2½.....	15½	15½	Pataling 2½.....	45½	45½
Ayer Kuning £1.....	52½	52½	Port Dickson 2½.....	4½	4½
Bukit Mertajam 2½.....	54½	53	Rubber Trust £1.....	31½	34½
Bukit Sembawang 2½.....	37½	37½	Sapumakande £1.....	28½	28½
Carey United £1.....	48½	49½	Selangor.....	37½	37½
Chersonese.....	3½	3½	Sialang £1.....	77½	78½
Gula Kalumpung £1.....	36½	37½	Singapore Para 2½.....	410	5½
Highlands £1.....	65½	65½	Singapore United 2½.....	3½	3½
Java Para £1.....	34½	35½	Taiping 2½.....	4½	4½
Johore Rubber Lands £1.....	39½	39½	Tanjong £1.....	9½	9½
Langen Java £1.....	42½	48½	Tanjong Malim £1.....	38½	38½
Linggi 2½.....	30½	31½	Tebrau £1.....	78½	78½
London Asiatic 2½.....	9½	9½	United Serdang 2½.....	12½	12½
Malacca £1.....	52	52	Vallambrosa 2½.....	25½	25½
Malayalam £1.....	38½	39½			
Abbottiakoon (10-).....	4½	4½	Gt. Boulder (2½).....	13½	13½
Bechuanaland Exp.....	710½	711½	Kyshtm.....	2	1½
Brakpan.....	5½	5½	Mashonaland Agency.....	6½	6½
Broken Hill Prop. (8½).....	53½	53½	Meyer & Charlton.....	5½	5½
Cam & Motor.....	12½	12½	Modder "B".....	8½	8½
Central Mining (£12).....	6½	6½	Do. Deep.....	7½	7½
Chartered.....	15½	15½	Mysore.....	3½	3½
City Deep.....	3½	3½	Rand Mines (5½).....	3½	3½
Cons. Gold Fields.....	35½	36½	Rio Tinto (£5).....	68	68
Cons. Langlaate.....	21½	22½	Russo-Asiatic.....	38	38
Crown Mines (10-).....	2½	2½	Spring Mines.....	3½	3½
De Beers dtd. (£2 10s.) ..	13	13	Tanganyika.....	3½	3½
East Rand.....	7½	7½	Tanayik.....	18	18
Geduld.....	28	28	Van Ryn Deep.....	34½	34½
Gov. Areas Mod.....	31½	31½			

American Railroads have shown more strength than has been the case recently, Chesapeake being particularly favoured. International Mercantile Marine also received substantial support, and advanced several points. Canadian Pacific, Grand Trunks, and Mexicans were completely neglected, and the Argentine group, after showing considerable strength, eased off

and closed below the best on renewed doubts as to the actual situation in the country. The passing of the Central Argentine dividend also was an unfavourable factor. Antofagastas fell a point, but San Paulos gained a similar amount, and United of Havana, after being weak, displayed a certain amount of strength.

Bank shares as a rule have not received much attention, but National Provincial, Chartered of India, and a few others were a little firmer, while Hongkong and Shanghai lost a point. The movements, however, in no case had much significance. Among Breweries, Allsopps, Watney Combes, and City of London were most prominent in a market that has been showing a good deal of animation, but even here the best prices were not fully maintained. Iron and Steel shares have been irregular, and apart from a spectacular advance in Otis, and a persistent inquiry for South Durham, there has been nothing of any consequence to mention. Explosive shares are gradually slipping back after their sharp advance. Land shares were scarcely mentioned, and Nitrates, where they moved at all, were weak. Marconis also were a dull market, and in the Textile group, apart from fractional gains in Coats and Courtaulds, nothing has transpired. Shipping shares were rather flat, and Prince Line and Indo-China were weak, but the others were steady. Among Miscellaneous Industrials, Apollinaris, Darracqs, Dunlop Rubbers, Associated Cement, and Eastmans were firm, and the small Egyptian group was in considerable request, otherwise the changes were quite unimportant.

Oil shares showed a considerable amount of strength. Kerns, Ural Caspian, Venezuelan Concessions, Lobitos, and Trinidad Leaseholds being apparently most favoured, but Burmahs and North Caucasian gave way, and prices were rather wobbly at the finish. Rubber shares continue to attract a substantial amount of small investment business, and with the improvement in the price of the raw material, the market has been confident and fairly active, although dealings are not on anything like the scale that was experienced up till a few weeks ago.

Dick, Kerr, and Co., Ltd., has had the best year it has experienced for a long time, the nett profits, after making provision for special taxation, amounting to £95,465, an increase of £24,000. With £2,000 more brought in, the directors are enabled to raise the dividend from 6 per cent. to 10 per cent. and again set aside £25,000 to special reserve for contingencies, while the carry forward is increased by £16,000 to £36,100. Although the war taxation has not been finally settled, the directors believe that ample provision has been made for any liability under this head. All departments have been fully occupied with Government work, and during the year the company has acquired control of the United Electric Car Co., Ltd., whose preference shares it is offering, in the first instance, to its own share and debenture holders, free of commission and stamp duty. Nothing in the balance-sheet calls for special mention, but the increase in creditors, debtors, and contracts reflects the expansion of business that has taken place.

LONDON PRODUCE MARKETS.

General trade again pursued a quiet course, but as regards trend of values, firmness, almost without exception, was the salient feature.

SUGAR.—This market continued without change during the period under review.

COFFEE.—Steady absorption by the home trade was again the leading feature, and all mild descriptions experienced a ready sale at full prices. In auction, good competition ensued, with the exception of low and undesirable grades. For future delivery, scarcely any business was effected, and prices ruled barely steady.

COCOA.—Market keeps firm, and quite a fair amount of trade resulted by private treaty. No public sales were held this week.

TEA.—Market firm, a good demand being evidenced for the 13,000 packages Indian and 4,000 packages Ceylon submitted to auction. D class, however, formed an exception and proved only saleable at a much lower range of values. This was attributable to the order that no tea is to be retailed over 4s. per lb. after the 31st inst.

SPICE.—Pepper firm. Black Singapore, spot, sold, 1s. 3d.; Muntok at 1s. 6d. Fair Zanzibar cloves, spot, 2s. Topioca firmer. Fair Singapore flake, spot, sold, 6½d.; fine Penang, medium, 68s, and fair 60s., with fair Penang seed pearl 62s. to 63s. per cwt. In auction, 92 bales Bombay capsicums, fair, on stalk, sold, 40s.; good Macassar mace, 3s. 7d. to 3s. 9d. 500 bags pimento, 4½d. per lb. Ginger firm, quiet.

RICE.—Business moderate at fixed rates. Beans and peas unaltered.

HEMP.—East India continued in demand, and prime dressed sold in auction at £90; ditto, undressed, £74. Some Yuchow Chinese hemp sold, £132.

SHELLAC hardened under good support accorded. Fair T.N., December, sold, 243s to 250s. and 247s.; March, 244s. to 250s.

GAMBIER firm. Block, afloat, sold, 63s., ex quay terms, Liverpool.

RUBBER dealer on an improved inquiry. Plantation spot crepe,

sold, 2s. 8d. to 2s. 9d.; November-December, 2s. 9d.; January-March, 2s. 10d. to 2s. 10½d.; January-June, 2s. 10d. to 2s. 10½d. Ribbed smoked sheet, spot, sold, 2s. 6½d. to 2s. 7d. Fine hard Para, spot, sellers, 3s. 5½d.; soft fine, spot, 2s. 7d.; ball, 1s. 8d.

COPRA firm, quiet. F.M.S., Singapore, afloat, buyers, £45 15s.; F.M. Straits, £45 10s.; West India, £46; Ceylon, £46; Malabar, £46.

TALLOW.—No auctions held, the market being largely nominal, with values generally at official maximum level.

CORN (Mark Lane).—A steady tone was retained in all directions since Monday last, while business continued mainly in wheat and flour, supplies in general being still kept down. Wheat:

CURRENT PRICES OF CHIEF ARTICLES. WEEK ENDING OCTOBER 26, 1917.

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt., duty 14½, 98% polarisation	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'sabr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granulated, first marks	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	New Zealand	nom.	nom.
German-Cubef.o.b.	nom.	nom.	(scoured) Merino	nom.	nom.
French Cube	nom.	nom.	Greasy Crossbred	nom.	nom.
prompt	nom.	nom.	Cape snow white	nom.	nom.
Crystallised, West India ..	2 6 9	2 6 9	Indiarubber p. lb.		
Best, 88% f.o.b.	nom.	nom.	Plantation, Spot		
Tea —per lb., duty	s. d. s. d.	s. d. s. d.	Crepe ..	0 2 8	0 2 9
1½ lb.			Coal —per ton		
Indian Pekoe ..	1 0-1 6	1 0-1 6	Durham, best ..	nom.	nom.
Broken ..	1 0-1 6	1 0-2 8	Seconds ..	nom.	nom.
Orange ..	1 0-3 0	1 3-2 6A	East Hartlepool ..	nom.	nom.
Broken ..	1 1-3 0½	1 6-2 9	Seconds ..	nom.	nom.
Pekoe Souehong	1 1-1 3	1 0-1 6	Steamers, best ..	30 0	30 0
Ceylon Pekoe ..	1 0-1 6	1 1-1 6	Seconds ..	27 0	27 0
Broken ..	1 0-3 0	1 0-2 7	Lead —per ton.	£ s. d.	£ s. d.
Orange ..	1 0-1 6	1 0-1 3	English Pig ..	nom.	nom.
Broken ..	1 0-3 0	1 0-2 9	Foreign soft ..	£30½-£29½	£30½-29½
Pekoe Souehong	1 0-1 3	1 0	Quicksilver —per bottle firsthand	nom.	nom.
Cocoa —per cwt., duty 6d. per lb.	s. s.	s. s.	Tin —per ton		
Trinidad—per cwt.	88 0-97 0	88 0-97 0	English Ingots	£248-249	£247-249
Grenada ..	79 0-90 0	80 0-90 0	Lo., bars ..	£219-250	£248-250
West Africa ..	61 0-70 0	61 0-71 0	Standard cash ..	£219	£217 15 0
Ceylon Plantation	70 0-88 0	73 0-88 0	Tin Plates, per box	nom.	nom.
Guayaquil Arriba ..	97 0-99 0	98 0-100 0	Copper —per ton.		
Coffee —per cwt., duty 42½ per cwt.			English, Tough.	nom.	nom.
East India ..	82 0 104 6	81 0-1-4 6	per ton ..	nom.	nom.
Jamaica ..	67 0-120 0	60 0-20 0	Best Selected ..	£119-£123	£119-£123
Costa Rica ..	78 0 103 0	78 0 100 0	Sheets ..	£150	£150
Provisions —			Standard ..	£110-110½	£110-110½
Butter , per cwt.			Jute —per ton.		
Australian finest	nom.	220/-223/-	Native firsts for shipment	£18 10	£18 10
Argentine ..	—	220/-223/-	f.o.b.	f.o.b.	f.o.b.
Irish Creameries	224/-229/-	224/-229/-	Oils —		
Dutch ditto ..	nom.	nom.	Linseed, per ton ..	£58-£63	£58-£63
Russian finest ..	nom.	nom.	Rape, refined ..	£71	£71
Paris baskets ..	230/-238/-	230/-238/-	" crude ..	£66	£66
Danish finest ..	nom.	nom.	Cott'n Seed, crude ..	£60	£60
Brittany rolls ..	25/6-26/	28/	Oil, refined ..	£67-£95	£67-£95
Bacon —per cwt.			Petroleum Oil, per 8 lbs.	1/7½	1/7½
Irish ..	161/-162/-	161/-162/-	Water White ..	1/8½	1/8½
Continental ..	162/-	162/-	Oil Seeds, Linseed	—	—
Canadian ..	162/-	162/-	Calcutta—per ton	29 15 0	29 15 0
American ..	157/-	157/-	Rape ..	30 0 0	30 0 0
Hams —per cwt.			Iron —per ton		
Irish ..	184/-	184/-	Cleveland Cash ..	nom.	nom.
Canadian ..	160/-	160/-	Tobacco —duty, unmanufactured		
American ..	110/-137/-	110/-137/-	7½ to 10½ per lb.		
Cheese —per cwt.			Maryland & Ohio	nom.	nom.
Dutch ..	nom.	nom.	per lb. bond	nom.	nom.
Canadian ..	nom.	nom.	Virginia ..	0 8-2 11	0 8-2 11
English Cheddar	137/-	137/-	Kentucky leaf ..	0 7-10 11	0 7-10 11
Wilt's leaf ..	nom.	nom.	Latakia ..	2 0-5 0	2 0-5 0
New Zealand ..	nom.	nom.	Havania ..	1 6-6 6	1 6-6 6
Rice —per cwt.			Manilla ..	nom.	nom.
Japan ..	29 6	29 6	Cigars, duty 10½ per lb. ..	2/ upds.	2/ upds.
Rangoon 2 stars ..	26 3	26 3	Timber —Wood.		
Eggs —per 120.			Pitch pine ..	300/-400/-	300/-400/-
English ..	36 0-38 6	38 0 40 0	Indian teak ..	380/-700/-	380/-700/-
Irish ..	33 0-35 6	33 0-36 0	Turpentine —		
Danish ..	nom.	33 6-36 0	American Spot ..	3 17 3	4 9 6
Spelter —			Copra —per ton	46 0 0	46 0 0
G.O.B. as to position ..	£54-£50	£54-£50			
Flour —per sack.					
Country Straight					
Runs ex Mill ..	44/3	44/3			

Native grain remains at 73s. 6d. per qr. of 504 lbs. Of imported grades, chief dealings were confined to No. 1 Northern Manitoba at 79s 6d.; No. 2, 78s., and No. 3, 76s., landed. Australian, 81s. 6d., ex quay. Flour: Country straight runs 44s. 3d. per sack, ex mill. Iron Duke remains nominal at 73s. 6d., ex store. Barley: English, 62s. 9d. per qr. Maize nominal in absence of supplies temporarily. Oats: Canadian Western No. 2, 62s. 6d., ex ship, 63s. 6d. landed. American white clipped, No. 2, in latter position, 61s.

COTTON (from our Manchester correspondent).—We have experienced a healthy state of affairs in the market during the past week. The tone has been strong, and prices have tended to go against buyers. Producers are in a more independent position than for a long time back, and buyers who want goods have to be willing to operate on the terms of sellers. Sentiment has again been bullish,

and the large demand for raw cotton is keeping prices up. Many people believe there is little probability of any slump in values during the next six months. The large inquiry in piece goods has been well maintained, but rather more difficulty has been met with in arranging transactions. Light fabrics have again moved off freely for India, but only odd lots have been put through in grey shirtings. Without there being any general flow of orders for China, a little more activity has been reported in grey and white goods. Some useful lines have been booked for Java and Singapore. There has been plenty of business about for Egypt. Perhaps on the whole South America has been rather quieter. Many manufacturers have derived support from Government contracts in strong and heavy materials. The demand in home trade circles remains encouraging. American yarns for home use have hardened in quotation, the rise in prices in certain qualities being rather surprising. It is now a difficult matter to obtain early delivery of fine wefts, especially 54's. Ring spinners are now doing much better. In Egyptian yarns an increased turnover has transpired for India, and in home counts steady buying has occurred from day to day.

American Business Notes.

When they started it, the Washington authorities seemed to think that £400,000,000, or \$2,000,000,000, would suffice as subscription to the second Liberty Loan. But it was hardly put before the country when the ambition grew to make it £600,000,000, and now they talk of not being satisfied with any sum short of £1,000,000,000. Already by the middle of this week the £600,000,000 figure was reached, and the money keeps pouring in at the rate, says one correspondent, of £100,000 a minute, day and night. From Chicago, which is the "head centre" of German, Sinn Fein, and other suborned forms of disaffection, the amount of money tendered has been far beyond estimates, and, in fact, this city leads the way on the percentage footing in the amount it subscribed, which places it ahead of Philadelphia, Richmond, St. Louis, New York, San Francisco, and Boston.

While thus providing money in abundance, President Wilson's Government continues to tighten its hold upon exports, and in this way gives most effective support to the Allies in bringing about the submission of Germany through starvation. It is likewise laying hands upon much stored property in the States. Cotton and other raw materials have been bought up by Germany against the never-to-arrive time when her industries will resume work and set out to conquer the world as if nothing had happened. These stocks will be confiscated as discovered, and the realised property of Germany already in the official custodian's hands is being turned into the new "Liberty Loan." Decidedly the United States knows how to make war.

By the passage without amendment in the Canadian Senate of the Canadian Northern Railway Purchase Bill, that enterprise has now become the property of the nation, and it may be interesting to recall a few facts about it. Many people on this side have still got the impression that the Canadian Northern Railway was an enterprise of the "wild-cat" type, got up, as rival lines to the New York Central used to be in the States, for blackmailing purposes; or if not that, a speculation entered upon with a view to gratify the ambitions of individuals eager to emulate, and, if possible, excel, the feats of Lord Mountstephen, Lord Strathcona, the late J. J. Hill, and their associates, in creating the Canadian Pacific Railway. In reality the Canadian Northern is much more than a mere gambling adventure. It is now, as Mr. J. E. Armstrong says, a trans-continental line, superior, because easier, in grades and alignments to any of its competitors. That is to say, less power is required to move its traffic than on either the Canadian Pacific or Grand Trunk Pacific roads. And its traffic is already important, because it runs to the north of both the other trans-continental lines, and taps the grain-growing regions heretofore without railway service. Its gross earnings have therefore risen from \$25,912,000 in 1915 to \$42,320,000 in 1917, and its nett earnings from \$6,623,000 to \$11,525,000 within the same time. This income is not sufficient to pay interest on the bonds issued, and yet the road cannot be described as having been excessively costly. It is estimated that

\$56,000,000 has been paid for its rolling-stock, but \$11,000,000 have been knocked off that figure for depreciation, leaving \$45,000,000, or £9,000,000, as the value of the rolling-stock, and Mr. Armstrong said that the men acquainted with such matters told him the stock was worth more than \$60,000,000. It also possesses grain elevators along the line, or elevators are located on its system, part Government owned, capable of warehousing 63,310,000 bushels of grain. But what the entire capital outlay has been from first to last we cannot say.

As regards its present financial position, it was claimed, says the report of the Royal Commissioners, Messrs. Drayton and Acworth, issued last spring, that after paying working expenses and fixed charges, the deficit was only \$248,127. In reality, however, they pointed out, the report of the board hides the fact that more than \$5,400,000 was paid away as interest and charged to capital in the year as part of the cost of construction. At the close of the year ending June 30 the fixed charges were put at \$16,540,000, of which the Dominion and British Columbia Governments have undertaken to pay \$4,515,000 under certain agreements. That leaves the company to find \$2,500,000 of nett income more than it had available in the previous year. These few facts indicate the stress in which the enterprise was placed and the necessity laid upon the Dominion Government to intervene. In fact, it had no alternative. Either it must assume the responsibilities of this new half-developed, partly-finished railroad through the continent to the Pacific—even as it had to do in the case of the Grand Trunk Pacific—or see the enterprise fall into discredit and become incapable of performing the services for the community it was designed to supply.

A good deal of assistance had already been given to the Canadian Northern system by the Dominion and Provincial Governments, so that it was in a manner public property before actually taken over by the State. In the majority report of the Royal Commission it is shown that subsidies to the amount of \$38,874,000 have been granted, and that the value of the land grants comes to \$34,380,000; also cash loans amount to \$25,858,000, and no less than \$199,141,000 nett of securities have been guaranteed by the Dominion Government, the Province of Alberta, the Province of Saskatchewan, the Province of Ontario, and the Province of British Columbia. The gross amount guaranteed, in fact, is \$211,641,000, but \$12,500,000 is deducted, being "Government guarantee debentures held as collateral." British Columbia is responsible for \$39,953,000, Saskatchewan for \$14,762,000, Alberta for \$18,950,000, and the Dominion Government for \$104,613,000. Even the Province of Ontario is brought in, and guarantees \$7,860,000. Thus altogether \$298,253,000 nett, or almost £60,000,000, has been provided on the credit of the Federal and Provincial Governments of the Dominion.

Notes on Books.

La Question de L'Alcool: Allégations et Réalités. Par Yves Guyot. (Paris: Librairie Félix Alcan. Prix 3 fr. 50.)

From time to time paragraphs appear in the newspapers informing the public that the Government scheme for acquiring the drink interests of Great Britain are nearly complete. It has always been alleged that the present Prime Minister is a strong supporter of total abstinence, and consequently of coercion in the matter of the consumption of alcoholic liquors. When, soon after the war broke out, the Government of Russia persuaded the Tsar to issue a decree taking away from the Russian people the liberty to buy and consume vodka, the deed was represented to the world as a necessity, as a purely philanthropic reformatory measure, and we mostly accepted it at that. At any rate, the ravages of strong drink in Russia were by all accounts appalling, and as the prime agent by whose help the Russian peasant or artisan got drunk was the State, it

seemed fitting that the State should try to undo the mischief for which it was responsible. That a measure to put a stop to the corrosive moral influences of excessive drinking might be advisable at a crisis was accepted as probably in order by nearly everybody. But in regarding the Russian position as meritorious, although exceptional, could a measure of the kind obtain the cordial assent of thinking men familiar with human nature as being of universal application? It seems to have been held so by our anti-drink extremists. Russia's action, therefore, gave a great "push" to the teetotalers in this country, and to their co-zealots in France and the United States. The substantial majority, as we believe, of the intelligent inhabitants of these countries are still against universal and compulsory abstinence from alcoholic liquors; but the active minority, with its spacious statistics, not always or often capable of bearing the test of examination, and its harrowing pictures of the ravages of drink amongst the poor, have apparently got the upper hand, here at least, and our drink production is going to be owned, so it is alleged, and its consumption regulated by the bureaucracy. If that be so, then God help us and it.

Before giving adhesion to this policy, it would be well if citizens could study the facts as set forth with his usual method and lucidity in the above-noted small volume by M. Yves Guyot. He deals with the subject in thorough fashion by examining the nature of alcohol, its consumption and the effects thereof, and by recounting the measures taken in various countries to control or minimise the ravages of excessive drinking, and by recounting the consequences of such measures. He comes to the conclusion that more harm than good is done by State interference, that State monopolies are productive of far more evil than good. In this connection his account of the celebrated Gothenburg monopoly system is most interesting and valuable, well worth reprinting in English by itself. The facts therein set forth are drawn principally from English sources. Also the history of prohibition in the United States is briefly surveyed, and the conclusion come to is that the campaign against strong drink is based on false assumptions, and that the measures taken to control its consumption never produce the results expected. We should class M. Guyot, indeed, as a logical and convinced Free Trader in drink as well as in other commodities, and that is, on the whole, the attitude towards which this journal leans. If people would only investigate the facts and look back to the habits, say, of a century ago, they would be able, perhaps, to grasp the notorious truth that habits of excessive drinking have been abandoned, not at the bidding of the law or the police, but by the self-discipline of the people themselves. What was the social usage in the time of the Prince Regent, for example, and down even to at least the earlier years of the reign of Queen Victoria? In the upper classes it was one of free and often excessive drinking. It was no disgrace for a nobleman and gentleman to be picked up drunk in the streets, or to be habitually drunk in society. As the upper classes set the example, so the lower classes followed. Yet gradually reformation came, and within the last thirty years the usages of society in this matter have completely changed without any help from laws, new or old. Habits are changing now amongst the working classes, have been doing so for years. [One day years ago, before the world-war, this writer was walking through St. James's Park towards Pall Mall with Mr. John Burns. As we were passing St. James's Palace Mr. Burns seized the writer by the arm and exclaimed, "Look at that. Would you have seen anything like that 20 years ago?" We looked, and saw two working men each with a bunch of flowers in his hand for his wife, and carrying some of his tools, on their way home. Thereupon Burns launched out into a just and well-deserved panegyric of the artisan, his cleanliness and sobriety, his increased self-respect, his manlier habits and ideals in life, his improved and happier home. The lesson was impressive and unforgettable; the sight proof of a self-evolved reformation which has unquestionably permeated downward through all the gradations of work-

ing-class society.] As men get educated, as their homes become more comfortable, they themselves take the drink habit in hand and control it. There are much more deep-seated evils to combat and overcome than the drinking of spirits and beer. As Mr. Will Thorne, quoted by M. Guyot, said: "Among the names that I have found in the list of subscribers to the prohibitionist funds I have noted some who have been bitterly opposed to all the efforts directed to raise the level of life for the masses, and who never have had any other point of contact with the workmen than that of living by their labour." That is true, and something to ponder over.

Whisky drinking has been increasingly prevalent in Scotland, particularly in Glasgow, of late years, and possibly strong measures were necessary to prevent the demoralisation of the workers there; but is it because he is by nature a wickedly inclined being that the workman on the Clyde is so fond of his whisky? Is it not rather because of his surroundings, the conditions under which he has to live, the excessive severity of his labour, and the restrictions imposed against all kinds of innocent amusement that he has become a drunkard? We should like to have questions like that answered by competent and trustworthy observers; and even supposing no answer of a satisfactory kind is forthcoming, we none the less hold to the view that it will not pay in the long run to coerce the nation, or particular classes of citizens, into sobriety, and in doing so to deprive them of their own moral initiative, by which alone men and nations can elevate themselves and become strong. M. Guyot has done a good service in this book, which exposes much false hysterical reasoning and many false statistics, and warns his countrymen away from deceptive ideals.

Tea, Oil and Rubber.

Last week the amount of rubber landed was 266 tons, while 488 tons were delivered, with the result that stocks have been further encroached upon to a small extent. That, of course, is inevitable so long as imports are artificially restricted, but the Government, which is by far the largest consumer, is not likely to allow stocks to reach the famine point, as they have done in the case of tea, and we may be sure that shipments will be arranged as soon as they are considered necessary. The gradual depletion of stocks, however, has helped to strengthen the market for the raw material, and the price has been firmly maintained round 2s. 9½d. This has naturally given a further fillip to the share market, the tone of which has been cheerful, and, if it is not overwhelmed with orders, there has been enough business passing to keep up a fair show of activity. Buyers have distributed their favours impartially between the older companies and those which give promise of substantial capital appreciation, with the result that fractional gains are distributed all over the list.

Excellent results are shown in the report of the Inch Kenneth Rubber Estates, Limited, for the year to June 30. The output was 424,220 lbs., an increase of 140,670 over the previous 12 months, and the gross average price realised was 2s. 9.41d. against 2s. 7.17d., while the all-in cost was a shade higher at 1s. 3.71d. against 1s. 3.41d. Consequently nett profits have risen £12,000 to £31,100, and, with a larger amount brought in, £14,000 more at £33,340 is available. This allows the directors to increase the dividend from 40 per cent. to 75, and to double the allocation to reserve at £3,000, while £7,000 more at £13,470 is carried forward, subject to income-tax and excess duty. The planted area has been increased by 30 acres, and now amounts to 1,408 acres, so that the yield works out at just 300 lbs. per acre. We are not told the dates of planting, but there is scope for a considerable increase in the yield per acre, so that the estimate of 440,000 lbs. for the current year is a very modest one. The reserve fund of £34,500 exceeds the paid up capital, and the debenture issue is fully covered by a redemption fund. The balance-sheet, therefore, looks strong at all points.

It is rather an unusual experience in these days to find a rubber company returning smaller profits, but the Bukit Lintang Rubber Estates, Ltd., in the year to June 30 does not reach its previous record by £1,700. However, £1,000 more was brought in, so that the dividend of 50 per cent. can be repeated, and £3,000 again placed to reserve fund (raising it to £27,000), while £8,900, or £500 more, is carried forward, the difference being accounted for by the incidence of income-tax. Output yielded 275,000 lbs., or 4,000 less than last year and 25,000 lbs. below the estimate, the manager explaining this discrepancy by heavy thinning out of trees and shortage of labour. For the current year the estimate is 280,000 lbs., so that evidently not much improvement is expected, but the average yield per acre is very low, and there ought to be scope for a large increase a few years hence. Gross price realised was 2s. 6.91d., or just a shade more, than last year, while the all-in cost was 1s. 2.73d. against 1s. 1.12d. It is all right, but there are flaws occasionally even in the wonderful rubber industry, and investors must keep their eyes open for them.

The Week in Mines.

There has been less activity in the Mining, as in other markets, this week, but the tone generally has been firm. Far Eastern Rand shares have been in request, and show a further general advance, and De Beers and Giants have been prominently firm in their respective sections. Broken Hill Proprietary have been in strong demand, and also Mount Morgans. Russians have been exceptionally dull.

SOUTH AND WEST AFRICANS.

No little interest was aroused in the South African market by a report from Johannesburg stating that only one tender had been made for the Eastern Geduld block of 2,526 claims, on the basis of combining it with the adjoining Grootvlei Mine, the amalgamated concern to be financed by the Rand-American Syndicate, formed last year under the auspices of Messrs. Lewis and Marks and Messrs. Lewisohn and Sons, of New York. It is also reported that the Springs Mines is collaborating with the new Anglo-American Corporation in tendering for the Springs and Southern Geduld block of 2,050 claims, described as the "jewel box," on account of its proximity to the Modder Leases and the Springs Mine. East Rand Mining Estates, in view of its interest in the Grootvlei, rose 2s. 3d. to 19s., and Springs have risen to the new high level of 80s. Rand Selections have advanced ½ to 4½, Welgedachts ¼ to 1½, and Modder Leases ¼ to 3½, but New Modders, on profit-taking, have relapsed ½ to 23½. Among Rhodesian shares, Giants were bought on a development report, and rose 1s. 9d. to 9s., while Lonely Reefs at 28s. 3d., and Zambesias at 27s., were also supported. But the low-priced issues, recently prominent, have been subjected to profit-taking and are generally lower. In the Diamond section, De Beers Deferreds have risen ½ to 13½, but Premier Deferreds were unaffected by the resumption of dividends. West Africans have been inactive and dull.

COPPER AND MISCELLANEOUS.

The feature of the Copper share market was the demand for Mount Morgans, which have risen 2s. 6d. to 35s. The past month's return was a poor one, but the reduction in output is officially ascribed to a purely temporary cause. Arizonas have improved to 46s. 9d., but Rio Tintos have relapsed ½ to 68. Tin shares have moved irregularly within narrow limits. Broken Hills have been fairly firm, with a specially good demand for Proprietarys, which have risen 1s. 9d. to 53s. 3d. The demand for these shares is based on expectations of what the report for the half-year ended May 31 will show in regard to the iron and steel production. The monthly returns show that the production of open-hearth steel rose from 39,000 tons to 77,000 tons, that of pig-iron from 18,000 to 64,000 tons, and that of blooms from 9,000 to 68,000 tons. It will thus be seen that the expansion of output was remarkable, though in the current half-year operations have been hindered by the strike. British Proprietarys have eased to 39s. 3d., but Souths are ½ higher at 9½. With the exception of Sisserts, which have spurted ¼ to 1½, Russians show a general decline. Russo-Asiatics have declined ½ to 3½, and Kyshtims 3.32 to 1.20.32.

MINING NEWS.

WILLOUGHBY'S CONSOLIDATED.—The accounts for the year ended December 31 show a credit balance of £21,472, an increase on 1915 of £5,116, which follows an increase of £6,508 on 1914. A sum of £55,000 has been transferred to reserve, leaving £4,729, against £39,024, to be carried forward, but no transfer to reserve was made last year. Out of the reserve fund £35,000 has been written off for depreciation of investments, and £35,000 is appropriated as provision against unproductive mining claims, leaving the balance of this account at £10,000. It is proposed to postpone the redemption of £14,080 of 5 per cent. first mortgage debentures due for redemption at par on January 1 next, but it is not stated whether any consideration is to be given for the postponement.

RHODESIAN MINERAL OUTPUT.—The production of gold in September was £291,367, a decrease of £30,668 on the same month of last year. The following table shows the production since January, 1913:—

MONTH	1913.	1914.	1915.	1916.	1917.
January	£ 220,776	£ 249,032	£ 293,133	£ 318,586	£ 296,113
February	2 8,744	259,888	286,789	313,769	289,734
March	257,797	273,236	299,686	335,368	300,183
April	241,098	295,907	315,541	339,386	297,977
May	242,452	290,662	316,893	323,783	299,271
June	241,303	306,421	322,473	313,070	302,195
July	249,301	326,670	336,505	322,365	238,731
August	250,376	316,972	344,493	338,001	294,359
September	250,429	309,398	321,085	322,935	294,367
October	247,068	337,711	339,967	325,608	—
November	239,036	317,711	313,160	317,135	—
December	251,687	309,669	331,376	306,205	—
Totals..	2,903,267	3,580,207	3,823,166	3,895,311	2,658,930

The number of producers was 211, or 9 less than in August and the output of other metals was 17,691 ounces of silver, 50,688 tons of coal, 337 tons of copper, 5,266 tons of chrome ore, 769 tons of asbestos, 87 carats of diamonds, and 2 tons of wolframite.

SAN MIGUEL COPPER.—After writing off £5,143 for depreciation, the nett profit for 1916 was £13,969, as compared with £2,072 for 1915. The directors have written off the expenditure on mine development, amounting to £11,995, leaving a balance of £1,973. Outlay on development was considerably larger than in the previous year, but the directors have followed the usual practice of writing off the full amount. The output was 21,192 tons, against 26,834 tons, and the production of fine copper in precipitate 345 tons, as against 425 tons in 1915. Deliveries of washed ore amounted to 34,243 tons, against 25,599 tons. The average price of best selected copper was £135 19s. per ton, as against the average of £83 10s. 10d. in 1915.

TOMBOY GOLD.—In the year ended June 30 there was a profit of £72,438, against £76,924. The dividend is maintained at 10 per cent.; £11,414, against £30,000, is written off property, plant and machinery, and £30,726 is carried forward, against £19,702. During the year there were milled 146,939 tons, against 150,488 tons, for a yield of \$1,150,611, against \$1,074,088. The cost rose from \$770,866 to \$811,666, and the profit dropped from \$353,222 to \$338,645. Reserves of ore have decrease from 575,000 tons to 540,000 tons.

ABBONTIAKON.—There was a further, and heavy, drop in profits in the year ended December 31. There were milled 117,885 tons, against 133,103 tons, and the revenue was £230,756, or 39s. 1d. per ton, as compared with 39s. 3d. per ton in 1915. Working costs rose 3s. to 32s. 6d. per ton, and, including depreciation, the aggregate expenditure was £204,018, or 34s. 7d. per ton. The accounts show a profit of £17,930, a decrease of £42,935, and £35,955 was brought in. This sum is not available for distribution, owing to its employment largely in purchasing supplies for future operations. Stores on hand at December 31 amounted to £48,310, an increase of £20,578. The whole of the original loan of £140,000 from Fanti Consols and the Gold Coast Amalgamated has been repaid, but a temporary loan of £6,000 obtained from the former company is still outstanding. During the first nine months of this year the working profit amounted to £18,027, or 4s. 1d. per ton. Reserves of ore are estimated as follows:—379,550 tons, valued at 9.70 dwts.; 165,765 tons, valued at 6.31 dwts.; 395,587 tons, valued at 3.90 dwts.

GREAT BOULDER PERSEVERANCE.—Since June last the position of this West Australian mine has become more serious, for the tonnage treated remains so low, on account of labour shortage, that considerable losses are being incurred in working. As the directors consider the prospect of any improvement very remote, they have decided to close down the mine and to realise the assets. A special meeting to sanction this proposal will be held on October 30. The present issued capital is £1,400,007 in £1 shares. It was originally £175,000, but in 1903 the holders received eight shares in a new company for each share in the old company. Excellent dividends have been paid in the past, but no distributions have been made since 1913.

What Balance Sheets Tell.

ASSAM BENGAL RAILWAY CO., LTD.

For several years prior to 1915 the operations of this undertaking were attended with increasingly satisfactory results, but unfortunately the abnormal rains in the spring and summer of that year did extensive damage to the company's property. On the hill section the floods were so serious that a continuous length of 75½ miles had, in the first instance, to be closed, while the line was not re-opened throughout until July 12, 1917. In the circumstances, the earnings of the system must be considered satisfactory, and the level to which many items of expenditure have been kept down must be regarded as a very creditable achievement. In these times, when many companies find themselves forced to economise in maintenance charges, it is satisfactory to note that although receipts were less, a larger sum was expended on maintenance of way, works, and stations. Turning to the chief revenue heads, we find that coaching traffic produced Rs. 48,200 less, while the revenue from the Chittagong jetties fell away Rs. 45,530; but goods and sundries yielded Rs. 64,630 and Rs. 20,670 more respectively, so that total gross is only Rs. 8,900 down at Rs. 67,38,500.

Expenses were only Rs. 2,280 more, at Rs. 52,59,150, and nett earnings come out at Rs. 14,79,330, a decrease of Rs. 11,170. The guaranteed 3 per cent. dividend on the capital stock has been paid as usual, and the nett earnings are retained by the Secretary of State in reduction of the charges incurred by him. Good progress has been made towards the completion of the Mymensingh Bhairab Bazar branch line, but the other two new sections, which were begun later, are necessarily in a more backward state. These will, of course, be completed as soon as it is found possible, and add to the company's sphere of usefulness.

KAYSER, ELLISON AND CO., LTD.

In the year to June 30 the results were very similar to those of the previous 12 months, the nett profit being only a trifle larger at £38,670; but, as provision has been made for liabilities under the Finance and Munitions Acts which have not yet been agreed, it is probable that a very conservative view has been taken of the position. At any rate, the shareholders have no cause to grumble, as they again receive a dividend of 12½ per cent. and a bonus of 7½ per cent., free of income-tax, a very handsome return. With £6,700 more brought in, the carry-forward is increased by a similar sum, and now amounts to £20,480. Creditors have risen £111,000 to £203,000, including a loan from bankers, and also provision for war taxation. During the year £63,700, or £50,000 more, was spent on property and plant, but £10,000 has again been written off for depreciation. Stocks have risen £46,500, and investments £86,000, but cash has dropped £75,500, and is now less than £300. The position, however, is quite comfortable.

HIGHLAND DISTILLERIES CO., LTD.

A further remarkable improvement took place in the earnings of the Highland Distilleries Co. during the 12 months ended August 31 last. Nett profit has gone up £9,760 to £19,840, the dividend is raised from 10 per cent., free of tax, to 15 per cent., free of tax, and £6,450 more at £11,940 is carried forward. The results are all the more satisfactory when it is borne in mind that before striking the profit provision had been made for excess profits duty, an impost which must have called for a much larger sum than in the previous year. In the balance-sheet stock of barley, whisky, &c., is £6,140 down at £27,200, and creditors are £28,150 larger at £38,840, but sundry debtors exhibit an increase of £17,780 at £26,400, cash and bills receivable total £13,970 more at £32,450, and debenture bonds have been reduced by £5,800 to £11,800.

BRETT'S STAMPING CO., LTD.

A further expansion took place in the trading profits of this company during the financial year ended August 3 last, but expenses were higher and a larger sum was written off for depreciation, so that the amount available, before making provision for excess profits duty, is slightly less. The earnings are, nevertheless, very satisfactory, and the shareholders doubtless feel well satisfied with the substantial distribution on the shares, which is again made up to 20 per cent., free to tax. The trading profit amounted to £19,610, an increase of £4,480. Working expenses were £1,480 more at £5,020, and depreciation received £6,350, against £3,060. There is £270 less available at £8,240, and, after making up the dividend to the rate mentioned, and allocating £3,000 to war contingency account, there remains the sum of £5,130 to carry forward. Balance-sheet changes call for no comment. The liquid position seems to be satisfactory enough.

ELECTRIC SUPPLY CO. OF VICTORIA, LTD.

Only trifling progress was shown by this company in the year to March 31 last. Gross revenue was £2,200 higher at £88,240, but expenses rose £1,600 to £57,000, so that the nett earnings were not much higher. The amount brought in, however, was substantially larger, and the balance available is £5,000 to the good at £35,960. After providing for the debenture service, there remains £21,700, from which £5,250 is paid on account of arrears of preference dividend and £10,000 more at £16,400 is carried forward. Last year £10,200 was allocated to preference dividend, and why the amount should be cut practically in half on this occasion is not explained, although we assume that there must be some good reason for it. At the same time, we think a point of that sort ought to be put on record in the annual report, and not left to the chairman's statement at the meeting, which is very apt to be overlooked or lost.

ANGLO-BRITISH COLUMBIA PACKING CO., LTD.

This company evidently obtained a much higher price for its salmon last season, for although the pack only amounted to 250,670 cases, against 345,000 cases in the previous year, gross revenue is £5,700 larger at £380,160. Salaries and insurance were £32,475 lower at £213,820, and, after spending £7,310 more on repairs and renewals, total expenditure exhibits a reduction of £27,350 at £311,360. Thus profit goes up £33,060 to £68,800, and the company is able, after setting aside £35,000, against £10,000, to income-tax and excess profits duty reserve, to increase the distribution on the ordinary shares from 20 to 30 per cent., and to allocate £3,500 more at £15,000 to cannery development account. These allocations and disbursements leave, including the amount brought in, £32,500 to go forward. The balance-sheet discloses a greatly improved position. Loans have been reduced £77,750 to £23,000, and creditors are down £28,100 at £25,400. Debtors and proceeds of salmon sales are together £81,000 less, but cash is up £19,400 at £21,380, and, altogether, liquid assets exceed current liabilities by £33,500. Out of this provision will have to be made, apparently, for war taxation, but there is a stock of salmon and stores valued at £105,850, and the company's resources should be equal to its requirements.

COMPANY MEETINGS.

ANGLO-SOUTH AMERICAN BANK, LTD.

A 10 PER CENT. DIVIDEND.

RESERVE FUND OF £1,500,000.

The 20th annual general meeting of the Anglo-South American Bank, Limited, was held on Wednesday, at Winchester House, Old Broad Street, Sir Robert Harvey (the chairman) presiding.

The Secretary (Mr. A. K. Raphael) read the notice convening the meeting and the auditors' report.

The Chairman said: Gentlemen,—You will observe that we have on this occasion enclosed with the balance-sheet and report a list of the members of our staff who have joined his Majesty's Forces, from which you will notice that the total now reaches 173, of whom 23 have made the supreme sacrifice (two having fallen since the list was issued), 26 are wounded, four are prisoners of war, seven have left the forces medically unfit, and three members of our Hamburg staff remain interned in Ruhleben Camp, having loyally kept to their posts on the declaration of war. I am convinced that your deep sympathy is extended to the relatives of those who have gloriously fallen on the field of honour, and that your sincere good wishes accompany our gallant men who are fighting for our country. (Hear, hear.)

Last year I cited, as an evidence of the great confidence felt in this country in the ultimate successful outcome of hostilities, the fact that the Government had, among their other financial arrangements, been able to issue Treasury bills to the extent of £1,000,000,000 at a very moderate rate of interest. In January last the great loan, known as the "Victory Loan," was issued. You are all aware that the total subscribed, including conversions of previous loans, was no less than £2,000,000,000, and we have the pleasure to inform you that our contribution to this figure consisted of £2,000,000, of which £500,000 was taken for our own account and about £1,500,000 represented applications which were procured from our customers. (Hear, hear.) As the bulk of this latter sum came chiefly from our branches, we may congratulate our branch managers on an excellent response to the appeal which they made to the community in their respective districts.

THE BANK'S PROFIT-EARNING CAPACITY.

I have previously directed your attention to the fact that our profit-earning capacity depends very much on the margin of interest obtainable in South America over that current here, and as there has been a plethora of money in the principal countries of that continent, and more particularly in Argentina, you will recognise the increasing difficulty which has been experienced in maintaining our gross profits by the medium of business in local advances and discounts. This difficulty has been increased by the fact that, as such loans and discounts are principally based upon the importation of commodities, in which there has been a very large decrease during the period of the war, there was a great restriction in the amount of sound business offered. As an indication of the increase in the amount of money available I may mention that the deposits held by the bank in the Argentine now total about \$1,800,000,000, as against \$1,000,000,000 a year ago, and \$1,200,000,000 in 1914, before the outbreak of war, and we have enjoyed our full proportion of the development. Happily, the decreased earning power in local advances has been compensated by opportunities in other departments of our business, and we are pleased to tell you that, besides the ordinary commercial transactions, we have continued to obtain a fair share of the finance of the shipments of commodities necessary for the use of our own and the Allied countries in foodstuffs, raw material, nitrate, and metallic substances necessary for national purposes, the value of which, already large during the year ended June, 1916, has again considerably increased during the period now under review.

CONDITIONS IN ARGENTINA.

The condition of internal affairs in the Argentine is not satisfactory. Industrial unrest has culminated in strikes of such a serious character that the railways entirely ceased running for several weeks, and there has been destruction of property belonging to the railways, due mainly to a lack of energetic action on the part of the authorities. You will readily understand what a serious dislocation of business such an event as this has caused, and we trust that the settlement will be of such a character as to preclude a recurrence of this disturbance for a very long time. The prospects of the crops are generally very good, and if tonnage can be found for their shipment there is every likelihood that there will be a surplus of cereals available for the Allies, which will prove to be a very impor-

tant factor in the provisioning of the armies and civilian populations. A very large proportion of the grain, as well as the meat, wool, and other products of the country, continue to be taken for Governmental purposes, and as the prices rule even higher than a year ago, the Argentine will, if nothing intervenes to materially modify present calculations, again have to receive enormous sums of money for its products. But the great determining factor is the time of shipment and the number of ships available.

CABLE FROM BUENOS AIRES MANAGER.

It is customary for us to receive at this time of the year a cable from our Buenos Aires manager, giving the very latest information regarding the prospects of the crops, and his cable just to hand reads as follows:—

"Cereals: Everything at present points to an excellent outcome, but anxiety is expressed as to the available storage and freight. The wool clips are reported to be of good quality, but the market is adversely affected by export tax proposals. Pastoral conditions are excellent. Money is cheap. The market for Cedula and high grade securities is buoyant. The labour situation is not encouraging."

The wine industry of Mendoza is suffering from the lessened consumption, due to the general bad commercial situation and the decrease in employment. Certain arrangements have been made to maintain the value of wine on a profitable basis, but it is too early yet to assure ourselves that this will be a complete success. Exchange has been very high during the year, and at one time reached about 52d. for cable transfers, as against the previous record of 40d. Up to quite recently the value of the dollar was subject to adjustment by the importation of gold from the United States, and during the year 30 million dollars were imported, on which very handsome profits were made by those who were permitted to undertake the business.

UNITED STATES AND THE WAR.

The entry of the United States into the war has had the result that those shipments are stopped, except under special licence, and if this permission be not granted freely, it is possible that the rate of exchange may rise again to a record figure, with the result that purchases of the produce of the country will have to pay a correspondingly higher price for their requirements. It seems certain that, although the realisation of the country's produce may be deferred, the actual and potential wealth of Argentina must be increased by the higher price ruling for all her exportable articles. So that, with political and industrial security, she ought to make an advance during the immediate future, in spite of severe financial stringency in the national Treasury. It is to be hoped that the authorities will be wise enough not to imperil seriously the present standard of their currency. Various projects have been brought forward for the purpose of raising the considerable loan which the national Government somewhat urgently needs, but nothing has been decided upon. One of the chief difficulties in the matter is that, although there is ample money in the country, the public have never been accustomed to subscribe for internal loans of great importance, and it is not reasonable to anticipate that they would, at the outset, subscribe to an entirely new type of investment, absolutely excellent as it undoubtedly would be from all points of view; to the extent of the very large sum needed for the relief of the present situation.

AFFAIRS IN CHILE.

Chile has experienced a rapid improvement in the value of its dollar, which on June 30, 1916, was at 9½d. At the corresponding date of this year it was 12½d., and it has since been up to 16d., and is now 14½d. The reasons for this are similar to those which have affected the Argentine rate—an excess in the value of exports over imports. You will appreciate in some measure how this excess has increased when I tell you that in nitrate alone the exportation has been 614 million quintals, or only very slightly less than last year, whilst the value of the commodity has risen from about 6s. to between 14s. and 15s. per quintal. The other productions of Chile—wool, copper, cattle, cereals, &c.—have continued to realise high prices, and the quantities available have not been less than in the previous year. All these circumstances have combined to produce for the local community an increase of the prosperity which had existed during recent years, to a large measure as a result of abnormal conditions.

The development of business between the United States of America and South America, to which I have alluded on previous occasions, has continued, and our office in New York continues to develop its business on a very satisfactory basis.

DEVELOPMENT OF THE SPANISH BRANCHES.

Equally gratifying is the progress we are able to report with regard to the development of our Spanish branches. You will

recall from my statement last year that we commenced our direct representation in that country by opening a branch office in Barcelona in November, 1910. We had the satisfaction of being the pioneer British Bank in Spain, and you will be gratified to learn that, in spite of the innumerable difficulties which are inseparable from such an undertaking in abnormal times like the present, our success in Barcelona has encouraged us to establish branches in Madrid and in Bilbao, which, although only recently opened, have already fully justified their existence. (Cheers.) We feel confident that our offices there will, in course of time, prove valuable instruments in facilitating Anglo-Spanish trade relations, as well as those between Spain and the South American continent and other countries where you are represented, and will thus add to the prestige and earning capacity of our institution.

ADDITIONAL BRANCHES OPENED IN SOUTH AMERICA.

We have opened four additional branches in South America, viz.:—At Comodoro Rivadavia, Trelew, Descado, and San Julian—and I would like just to direct your attention to the geographical position of these offices on the map which I have suspended behind me here. You will observe that we had, prior to the establishment of these branches, offices extending from the north of Chile right down the coast through the Straits of Magellan, and one on the south-east coast of Patagonia, at Gallegos. The new establishments link up these branches with the existing ones in the northern part of Argentina, so that there is now scarcely an important place on the coast of Chile or Argentina in which traders cannot find legitimate facilities for the development of their business on application to one or other of the offices of this bank. (Cheers.) The districts we are now touching have, in two cases, not hitherto been provided with banking facilities, and in the other two there has been only one bank, and I want to impress upon you that in this matter of extensions our policy is to act as pioneers for the development of the local trade and industry, and not merely to enter into fields where there already exist facilities, and to create an undue competition. The districts around our four new branches are pastoral and agricultural, which we regard as among the soundest bases for trade, while in Comodoro Rivadavia there is also an increasing output of petroleum.

Our branch in Paris, I am pleased to tell you, is steadily improving its position and sending us a reasonable return.

THE BANCO DE LA NACION BOLIVIANA.

I have so far dealt with the countries where we are directly established, and will now briefly refer, as on former occasions, to those parts of South America where we have also relatively important interests, the principal of these being Bolivia and Peru. In the former place, the Banco de la Nacion Boliviana, in which we are interested, is one of the creations of the outgoing President, Señor Dr. Ismael Montes, whose name will ever be associated with financial and economic reforms and legislation. Under his regis the institution in question has become the sole bank of issue for the country, absorbing for that purpose the Banco de Bolivia y Londres, the Banco Agrícola, and the Banco Industrial. It has now a capital of four million pounds, of which one million five hundred and seventeen thousand pounds is paid up, and, since its establishment as the one national institution, the rate of exchange has remained unusually firm. The general outlook may, indeed, be regarded as entirely satisfactory; the high prices for imports, which I mentioned as so important a factor last year, still keep up, so that the new President, Señor Don José Gutiérrez Guerra, himself a distinguished economist, will take up the reins of office under promising conditions.

CONDITIONS IN PERU.

Conditions in Peru are equally flourishing, as, indeed, they are bound to be, in view of the record prices that are being obtained for their produce. Gold imports have constantly increased with the considerable balance of trade, and would, no doubt, continue if the metal were obtainable, but export of the precious metal is now prohibited from all the important centres. The wise and able Government of President Pardo is fully justifying the confidence that was felt on his accession to office. The result of these conditions is that the value of properties has risen, and there is general prosperity, in which the banks are benefiting to a very considerable extent. Our own interest in Peru lies in our holding of shares in the Banco del Peru y Londres. As you may be aware, it is the leading bank in the country, and it has not failed to take full advantage of the favourable conditions prevailing. In addition to the two countries mentioned, we are also interested, in a minor degree, in other parts of Central and South America, and have every reason to be well satisfied with our business there.

I should like to make one passing reference to our sympathy with San Salvador, where there has been recently an earthquake of considerable dimensions and duration. Happily, the loss of

life was small, but the damage to property was considerable. I am pleased to say, however, that our latest information is to the effect that the losses are gradually being made good, and in the long run the future of the coffee crops will not be appreciably affected.

THE BALANCE-SHEET.

I will now direct your attention to the figures in the balance-sheet. You will observe a very large increase in our figures as compared with those published a year ago. The three items which attract most attention on the debit side are bills payable, which are higher by one million four hundred thousand pounds; acceptances on account of customers, four hundred thousand pounds; and current accounts and deposits, which show the very satisfactory increase of five million pounds. The increase in the bills payable (including those for customers' account) arise, principally from the increased values of commodities which are paid for in such drafts, while the deposit accounts have gone up, partly from the same reason, in a measure from the amounts received by the new branches established, and also from the increased business which we are doing in London and abroad. It will be satisfactory to note that, as against this total increase in liabilities of some seven million pounds, we have in the most liquid type of assets—viz., cash in hand, high class securities, and bills receivable—five million pounds more than in the previous year—(cheers)—whilst the advances to customers have increased by two million pounds. I may tell you that many advances, of which the ultimate repayment could not, three years ago, have been regarded as assured, are now liquidated, and we can assure you that any provision that may have been necessary for debts of an even moderately doubtful character has been amply made. (Hear, hear.)

POSITION OF THE BANK'S CAPITAL ABROAD.

In view of the improvement in the exchanges, you will be interested to know the precise position of our capital abroad. The amount we have in Chile would, if remitted home at today's exchange, provide an amount that would almost entirely release the special reserve of £185,000 which we have built up on account of depreciation, but you will appreciate the fact that whilst the amount remains in Chilean currency—that is to say, so long as we are in business in that country—it would be inadvisable for us to use the money for any other purpose. We therefore leave the item in our balance sheet without any alteration. Our capital in the Argentine and Uruguay shows a moderate appreciation.

You will observe an increase in the gross profits for the year of £160,000, the total now amounting to £752,000, but against this we have to face an increase in charges from £252,000 to £320,000, and in income tax from £53,000 to £71,000. I would like to emphasise the fact that the gross profit increase must be regarded, at all events in part, as due to abnormal circumstances, and if, therefore, we should be unable to maintain the figures on subsequent occasions, I shall crave your indulgence.

THE INCREASE IN CHARGES.

On the other hand, the increase in charges is due almost entirely to the higher remuneration, either in the shape of fixed salaries or war bonuses, which it has been necessary and right for us to give to our staffs, both at home and abroad, and I think you will agree with me that, although some decrease in the cost of living may be expected later on, we are not, for a long time, likely to find a reduction to the old level of prices, and we must therefore anticipate that, to a certain extent, our future expenses will be on a higher basis than formerly. I would like to give you a few statistics showing how the increases are made up. We are paying to men who have joined the Forces £12,000 a year. The war bonus given to the staff to enable them to meet the higher cost of living amounts to £20,000, and the expenses in Chile in local currency amount to £30,000 extra by reason of the higher sterling exchange at which they have to be charged in our accounts. It is to be remembered that against the last-mentioned item you have the fact that the profits earned in that country are remitted on a more favourable basis.

DIVIDEND AND RESERVE FUND.

You will observe that we have increased our dividend by 1 per cent. to 10 per cent. per annum, that we add £100,000 to our reserve fund, £10,000 to the staff pension fund, appropriate £25,000 to payment of a bonus to the staff, and, after paying the directors' additional remuneration of £2,100, we carry forward £155,000, or £14,000 more than we brought in. These figures will indicate to you that even if we should not be able quite to maintain the earnings of the present year, we still have a sufficient margin to indulge the hope that we shall be able to maintain the dividend on this slightly increased basis, and we feel that in times such as these it is de-

sirable, from every point of view, that, so far as may be consistent with our determination to maintain a very strong financial position, the distribution to the shareholders should be as large as possible. Our reserve fund will now once more amount to £1,500,000, or two-thirds of the paid-up capital.

"AN INTERNATIONAL BANK."

I should like to take this occasion to remind our shareholders who are merchants or traders that we have now become not only a South American, but an international, bank, and that we include in our operations transactions of a financial kind with the United States, France, Italy, Spain, and other countries on the European Continent, as well as South America, and if any of you require, in the course of your business, to effect operations either in exchange, shipping, or any other class of transactions that may fall within our scope, including the securing of exchange for forward delivery in connection with the importation or exportation of merchandise, to, from, or between any of the countries in which this bank is established or represented, we shall be very pleased if you will, either through your local bankers or direct, cause the business to pass through our institution. We believe that the organisation we have built up is competent to effect such business to your maximum advantage, and is in a position to study carefully your individual requirements.

I cannot conclude without a word of appreciation of the efforts of our staff at home and abroad. The results that we have before us could not have been obtained by any efforts of the board unless they had been loyally and strenuously supported by all the staff, and I think I can best sum up the merits of the latter by saying that we feel that the managers at home and abroad have all made the very best of an excellent opportunity, whilst as regards the rank and file, we have received the same loyal and devoted service as heretofore, and last, but not least, we must recognise with gratitude and admiration the excellent results of the constant supervision and strenuous labour of Mr. Hose, our colleague and our managing director. (Cheers.)

I now beg to move the resolution, and, when it has been seconded, I shall invite any comments which you may have to make in reference to the report now submitted. I beg to move: "That the report and balance-sheet as distributed be adopted, and that a final dividend at the rate of 6s. per share, less income-tax, be, and is hereby declared, payable on the 30th inst." (Cheers.)

Mr. E. E. Barclay seconded the resolution, which, in the absence of remarks from shareholders, was at once put to the meeting, and declared carried unanimously.

The Chairman then moved: "That Mr. Andrew Geddes and Mr. Henry Campbell Waters, the two retiring directors, in accordance with the articles of association, be and are hereby re-elected."

Mr. Alfred Naylor having seconded the motion, it was unanimously agreed to.

On the proposition of Mr. J. H. Hatherley, seconded by Mr. J. Seamen, the auditors (Messrs. Price, Waterhouse and Co.) were reappointed.

The Chairman: That, gentlemen, concludes the business of the meeting.

VOTE OF THANKS.

Mr. Thomas Ford: Sir Robert, may I take the liberty of submitting a resolution which probably does not appear on your agenda, and which should come from the body of the hall? It is that a very hearty vote of thanks be extended to the board of directors, and also to the staff here and to the managers and staff abroad. (Hear, hear.) Few words are needed from me, I am sure, to commend this resolution to your acceptance. We have already heard what the chairman has said of our managing director, and if I say that he represents all that is best in British banking, I think it sums up the situation. As regards the directors, they are all men of the highest standing here, and have brought to the discharge of their duties ripe experience and sound judgment. (Hear, hear.) I think I need not go further than that. With regard to the staff, I may say that I have the pleasure from time to time of visiting the bank on business, and from the managers down to the smallest page one could not receive any greater courtesy than is shown to those who go to the offices in Old Broad Street. (Hear, hear.) But there is a larger element whom, I think, we should particularly remember here to-day, because they are more or less hidden from us, but the result of their effort is indicated by the fine balance-sheet which has been submitted to us. I refer particularly to the managers and staff abroad. It has been my privilege on different occasions

to meet several of these managers, and I think I accurately sum up the situation when I say that they are brimming over with common sense, and indicate their great appreciation of the bank they serve. It is quite nice to hear these men, whenever they come home, speak with pride of the institution they serve. (Hear, hear.) They have gone through, I believe, a difficult year, but, notwithstanding that, the satisfactory result of their labours is reflected in the balance-sheet we have before us. (Hear, hear.) I want, Mr. Chairman, if I may, to submit this resolution of thanks to the meeting, and to ask you to accept from the meeting our thanks and our acknowledgment of your services and of those of your colleagues, and, at the same time, to ask you to convey to the managers and staff abroad the high appreciation felt by the shareholders in London of their work, coupled with an expression of the hope that they may be spared for many years to serve this institution faithfully and well, as they have done in the past. (Cheers.) Perhaps some one will be good enough to second my resolution, and then, with your permission, I will put it to the meeting.

Mr. J. Trippin said he had great pleasure in seconding the proposition.

The resolution was put to the meeting and carried with acclamation.

The Chairman, in reply, said: Mr. Ford and gentlemen, on behalf of my colleagues and myself I beg to tender you our most sincere thanks for the kind and flattering remarks you have made respecting our services, and also for your resolution of thanks, and more particularly for your kind remembrance of our large staff abroad. One remark which the mover made I should like to emphasise, and that is that those employees of the bank he has met appear to take a particular pride in the success of the bank. I can assure you, gentlemen, that that is the case, as far as I know, among the whole of our employees—managers and staff alike. Every one of them takes a most extraordinary pride in the success and well-being of the bank, and it is owing to that feeling, in a great measure, and to the spirit of emulation which reigns amongst them, that we are to a very great extent enabled to conduct your business so satisfactorily. (Hear, hear.) That spirit has been instilled in a great measure by the example and the continuous energy of our managing director, and I am sure the result fully justifies the pains he has taken. We all very much appreciate that our efforts have met with your approval, and I beg once more sincerely to thank you all for your kind vote.

The proceedings then terminated.

BRITISH DYES, LIMITED.

The annual report of the board of directors of British Dyes, Ltd., was issued to the shareholders on Wednesday, and is in the following terms:—

The issued share and loan capital of the company as at April 30, 1917, consisted of:—Share capital subscribed (942,069 shares of £1 each, 15s. per share called up), £942,069; loan from Government, £1,142,069; making a total of £2,084,138.

The directors are glad to be able to report that, subject to the adjustment of the allowances under the Finance and Munitions of War Acts, they regard the results of the year's trading as very satisfactory, and they feel justified in recommending the payment of a dividend at the rate of 6 per cent. per annum, which is the maximum amount allowed. The shareholders will accordingly be asked to approve the payment of a dividend at that rate.

The production of dyes continues to be limited by the shortage, caused by the war, of certain materials, but notwithstanding this, the supply throughout the year has been increased, and the variety of dyes extended. An extensive plant for the production of Azo colours has been completed, and is now in operation. The range of direct cotton colours has been supplemented by the inclusion of a yellow, violet, and green. The supply of wool colours of this type has been enlarged. The production of methylene blue has been largely increased, and the output of mordant colours of the type of khaki yellow, green, and brown is now sufficient to meet the demands made upon the company for dyestuffs used in the manufacture of the varied clothing equipment of our own and Allied troops. Among the vat dyes of the Indanthrene type a blue and yellow are being produced. It is hoped shortly to extend the range of these colours.

The company has produced a colour similar to the alizarine blue dyestuff for wool of exceptional fastness to the action of light. The requirements of the Government for dyes for a variety of military purposes have been fully met, and this demand has to some extent necessarily interfered with the regularity of supplies to the trade.

Important installations for the manufacture of intermediate products, including paranitraniline and beta naphthol, have been completed. Plants for the manufacture of other products are being proceeded with as rapidly as possible, and as these come into operation they will provide materials from which the variety as well as the quantity of colours manufactured can be augmented.

In addition to the plant referred to, the following important work, as well as much minor work, has been carried out:—

(1) The construction of the works railway and its branches has been well advanced towards completion. (2) A number of large new sheds for the manufacture of intermediate products and colours have been completed. (3) The electrical installation has been completed, and both the old and the new works are now entirely operated by the company's own plant. (4) A power gas plant has been completed, and is in operation. (5) A water service reservoir with a capacity of 2,000,000 gallons has been constructed. (6) A pipe system for the distribution of gas, steam, and compressed air throughout the works is approaching completion.

The work of the research department has received a great deal of attention during the year, and increased facilities for laboratory and experimental work have been provided. As soon as arrangements can be made for the supply of labour and materials, the construction of the main research laboratory at Huddersfield will be commenced, the plans having already been prepared. In the meantime, research work on behalf of the company is being carried on at the universities of Oxford, Leeds, and Liverpool, in addition to the work done in the several laboratories attached to the works.

Mr. S. E. Bastow has been appointed chief engineer to the company, and has been added to the technical committee. The staff of qualified chemists is being steadily increased, and now numbers well over 100. Arrangements have been made to encourage the study of chemistry at the Universities and technical schools, and the directors propose, in order to meet the future requirements of the company, to take special steps to secure a sufficient number of students, and to equip them with a thorough scientific education and training. They rely on the approval by the shareholders of any expenditure which may be necessary for this purpose.

The question of co-operation among dye manufacturers has been engaging the attention of the Board of Trade throughout the year, but they have not yet taken any definite steps in this direction. The directors have throughout maintained the attitude that they will welcome any tangible proposal for co-operation with other manufacturers, provided that the interests of the textile and other industries dependent on the supply of dyes are safeguarded, and that the co-operation can be carried into effect in a manner consistent with the object for which this company was established.

The directors would again emphasise the fact that before dye-making can be established as a national industry in this country, it is necessary to put down plant to manufacture intermediate products, and the provision of plant for this purpose has largely devolved on the company. While a great deal has been accomplished, with limited means and under difficult conditions, in producing dyes to satisfy immediate needs and in laying the foundations of the industry, it should be clearly recognised that not much more than a beginning has been effected up to the present, and great efforts have yet to be made. The supply of materials, plant, labour, qualified chemists, and of capital must be very largely increased. The need for the employment of greatly increased capital is emphasised by the fact that the recently published accounts of five of the German dye manufacturing firms show assets which amount in the aggregate to upwards of £35,000,000 sterling, including cash resources of approximately £10,000,000 sterling.

EASTERN TELEGRAPH CO., LTD.

The eighty-sixth ordinary general meeting of the Eastern Telegraph Co., Ltd., was held on October 24, Sir John Wolfe Barry, K.C.B. (the chairman of the company), presiding.

The Chairman said: I presume, gentlemen, that you will take the report as read, as it has been circulated among you. ("Agreed.") It now becomes my duty to offer a few remarks—and they will not be long—on the report and accounts. As you are aware, it has been customary for many years past to submit our annual accounts for the approval of the stockholders in May of the following year, but it was found impossible to do so this year, owing to delays arising from the war in obtaining the necessary returns from foreign stations and administrations. It is, perhaps, needless for me to say that we have taken the earliest opportunity of submitting the accounts for your approval. These have now been in your possession some days, and you have taken the report as read. I think you will agree that, owing to the continuance of the abnormal conditions under which we are working consequent upon the war, it is hardly worth while to explain the variations that occur in the individual items in the report, as was customary in normal times, and I propose only to refer to them in a general way. I have no doubt you will consider that the nett result of the year's working is remarkable, and we have every good reason to congratulate ourselves on the satisfactory balance shown. When discussing the accounts for the previous year at our last meeting, I emphasised the fact that the gross revenue for the year under discussion was in excess of any hitherto attained; but the accounts now before you show a great advance on those figures, the gross revenue for the year 1916 being nearly £415,000 in excess of that for the preceding year, the exact figures being, for the year 1916, £2,519,283; for the year 1915, £2,104,432; or an increase of £414,851. On the other hand, the expenses show an increase of a little over £201,000, the chief increase being £45,500 in working expenses at stations, £114,800 in the expenses attending maintenance of cables, while £41,000 more was disbursed in respect of special payments to the staff and other expenses in connection with the war. The actual

profit for 1916, therefore, shows an increase of £213,400, the exact figures being, for the year 1916, £1,459,340; for the year 1915, £1,245,934. From this, however, has to be deducted an increased payment of £139,252 in respect of income-tax and excess profits duty payable in England, the total charge on this account due to the Government for the year being, as you will see, the substantial sum of £446,290. It is satisfactory that, notwithstanding these heavy duties and the large increase in expenditure, we have been able to make a contribution of £500,000 to the general reserve fund, while maintaining the previous year's dividend and bonus of 8 per cent., free of income-tax, on the ordinary stock of the company, and to carry forward £54,688, an increase of £28,000 over the corresponding figure of 1915. As a result of the approximate valuation of the investments in respect of the reserve funds, the board has considered it desirable to augment the fund set aside on account of investment fluctuations, and a further sum of £150,000 has accordingly been taken from the general reserve fund on this account. A total of £600,000 has now been provided for this purpose, and the amount of £2,679,000, at which they appear in the balance-sheet, may now be taken as the approximate actual market value of the investments at the date of the accounts. The £723,000 Treasury bills and £394,000 war expenditure certificates which we held have since been discounted, and the proceeds invested in the new 5 per Cent. War Loan issued in February last. The 4½ per Cent. War Loan which we held—viz., £103,000—has also been converted, and in order to contribute as far as possible towards the success of this loan we anticipated our possible cash surplus for the current year of 1917, and we now hold on account of the general reserve fund £1,700,000 of the 5 per Cent. War Loan stock. It may also interest you to know that the total amount of this stock held by this and the other associated companies in Electra House is about six million pounds. Notwithstanding the increase of traffic which we have carried during the year under review, I am glad to say that the service has been maintained with the same high state of efficiency as hitherto, and we are justly proud of the good reputation which we have acquired in providing a satisfactory service for the telegraphic correspondence of our own and Allied Governments and the messages of the general public. I stated at the last meeting that the principal factors which have caused an increase in the number of words carried were the interruption of the Indo-European Telegraph Co.'s line to India, and also the reduction in the carrying capacity for commercial work of the Great Northern Co.'s route to China and Japan on account of Governmental requirements; but the further increase over last year is no doubt to a large extent due to the increasing uncertainty of postal correspondence throughout the Empire, which has caused merchants and others to rely more than ever upon the more certain medium of cable communication. The various facilities which we have granted to soldiers, sailors, and nurses of his Majesty's Expeditionary Forces, the British Red Cross Society and others, have been taken advantage of to a still greater extent, and it is our constant aim to grant further concessions to the public; but, as I previously stated, the introduction of these concessions does not always rest solely with us, especially under the present abnormal conditions, when a reduction in the volume of traffic, instead of an increase, would probably be to the advantage of all concerned. This particularly refers to our staff, who have stuck manfully to their work, not only in temperate but in trying climates, working exceptionally long hours, and frequently under adverse circumstances. The board fully appreciates their devotion to the company, and the country generally is greatly indebted to them for the part they have taken in the war. They would no doubt have preferred to play a more active part in the world-wide struggle, but we cannot all participate in the actual fighting. Their work, however, is no less appreciated by the Government and those who depend upon them to maintain communication with all parts of the Empire and our Allies. Before leaving that subject I should like to say something, although I cannot say enough, with regard to the extraordinarily valuable services rendered by our managing director (Sir John Denison-Pender), services which benefit not only the company but the whole kingdom.

The report and accounts for the year were adopted, the dividends approved, the retiring directors re-elected, and the auditors reappointed. The proceedings terminated with a hearty vote of thanks to the chairman, directors, and staff at home and abroad, in acknowledging which the Chairman alluded to the *esprit de corps* shown by the staff in conditions of great responsibility and difficulty, and to their duties as being of the greatest national importance.

EASTERN EXTENSION, AUSTRALASIA, AND CHINA TELEGRAPH CO., LTD.

The 83rd ordinary general meeting was held on Tuesday, under the presidency of Sir John Wolfe Barry, K.C.B., chairman.

The directors' report having been taken as read,

The Chairman said: Gentlemen,—I have now to make a few remarks on the report and accounts, but before entering upon the details of the company's operations for the past year, I wish to express the board's regret that, owing to circumstances beyond their control, they were unable to hold the annual general meeting as usual in the month of May. The circular forwarded to the shareholders on July 6 last explained the reason for the delay—namely, that in consequence of the war the company was unable to obtain the necessary data from

other telegraphic administrations to enable them to complete the accounts for audit, and this delay continued until quite recently. It did not, however, prevent the distribution amongst the shareholders, at the usual time, of the final dividend and bonus for 1916, as the board considered, from the estimated figures then before them, that they would be justified in paying 6 per cent. and the usual bonus of 2 per cent., free of income tax, without waiting for the shareholders' approval, and the audited accounts now presented to the shareholders show that our views were correct. Turning to the printed accounts—which, I think you will agree, are very satisfactory—it will be seen that the gross receipts for the year 1916 amounted in round numbers to £1,221,000, against £950,000 for 1915, showing an increase of £271,000, which is due to development of traffic all over the company's system, including the important local traffic between India and China, Japan, Straits Settlements, &c. The working and other expenses amounted in round numbers to £430,000, against £386,000 for 1915, showing an increase of £44,000, which is practically accounted for by the heavier cost during the past year of cable maintenance, staff salaries, war payments, overtime, &c., as compared with the previous year. Included in this debit is this company's proportion of the further contributions made by the Associated Cable Companies to war relief funds during the past year, which I have no doubt will meet with the same warm approval of the shareholders as at previous meetings. After deducting from the increased earnings the additional working expenses, there remains an increased nett revenue for 1916 of £227,000. Out of the balance of £791,000, provision has been made for the payment of interest on the 4 per cent. mortgage debenture stock, amounting to £30,096; for excess profits duty and income-tax payable in England, amounting to £246,000; for the dividends and bonus already paid, amounting to £240,000; as well as an increased contribution of £250,000 to the general reserve fund. The balance of £63,000 has been carried forward to the current year's account, against £38,000 for 1915. The shareholders will have seen from the printed report that the agreement entered into by the French Government with the company in 1884 for providing and maintaining, under a subsidy arrangement, cable communication between the French possessions of Cochin China and Tonquin has expired, and the cable has been sold and formally transferred to the French Government. After crediting capital expenditure with the cost of that cable (£121,454), which was originally debited to that account, the loss resulting from the transaction, amounting to £66,153, has been debited to the general reserve fund, as shown on page 5 of the printed accounts. You will also have seen from the report that, under arrangements made with the Governments of the Australian Commonwealth and New Zealand, the company's cable stations at La Perouse (near Sydney) and Wakapuaka (near Nelson) have been closed, and its cables between Australia and New Zealand extended to Wellington, where they are now being worked direct with Sydney under greatly improved conditions. The cost of the extensions and partial renewals of these cables will be debited to the general reserve fund in the accounts for 1917. On former occasions I have entered so fully into the effects of the war on the work of our Associated Cable Companies that I need not now recapitulate them. It is sufficient to say that the work has been well and successfully carried out, as is evidenced by the satisfactory financial results now placed before you. In the early stages of the war the company parted with as many of the staff eligible for military service as could be safely spared, but most of the technical men had to be retained to enable us to maintain the working of our extensive system in its usual efficient manner. Many of the young men would naturally have preferred active service with the fighting forces, but, with a very few exceptions, they loyally remained at their posts, and the largely increased traffic has been carried on under the difficult conditions created by the war with the greatest credit to all concerned.

The report and accounts having been received and adopted unanimously, the retiring directors (Sir John Wolfe Barry and the Hon. George Peel) were re-elected and the retiring auditors re-appointed. A hearty vote of thanks to the chairman, directors, and staff terminated the proceedings.

DIVIDENDS ANNOUNCED.

Agua Blanca Nitrate Co.—Interim for year of 4 per cent., less tax, payable Nov. 15, the same as a year ago.

Anglo-American Telegraph Co.—Interim for quarter ended Sept. 30 of 15s. per cent. on ordinary stock and £1 10s per cent. on preferred stock, less tax, payable on Nov. 1.

Amalgamated Zinc (De Bavay's).—1s. (No. 23) per share under deduction of income-tax at the rate of 4s. in the £.

Bank of Queensland.—At rate of 6 per cent. per annum for past half-year; carried forward, £2,952; net profit, £17,000.

Bengal-Nagpur Railway Co.—Final 15s. per cent. and bonus of £2 per cent., making total distribution of 7 per cent. for year ended March 31, against 6½ per cent.

Bryant and May.—At the rate of 14 per cent. per annum on the preference shares, and an interim of 5 per cent., free of tax, on the ordinary shares for half-year ended Sept. 30, against 3 per cent. a year ago, payable on Nov. 1.

Bank of Montreal.—2½ per cent. for quarter ending Oct. 31, together with bonus of 1 per cent., at the rate of 12 per cent. per annum, the same as a year ago.

Burmah Oil Co.—Interim for 1917, payable Nov. 9, on ordinary

shares of 1s. 6d. per share (equivalent to 15 per cent. per annum) to June 30, free of tax, the same as a year ago.

Baldwins, Limited.—A further 7½ per cent. (making 10 per cent. for the year to June 30), and, in addition, a bonus for that year of 2½ per cent., all free of tax, on the old ordinary shares. Dividend on newly-issued ordinary shares proportionate to above dividend and bonus. Warrants posted Nov. 7.

Barranquilla Railway and Pier Co.—At the rate of 5 per cent. on the shares for year ended June 30, the same as a year ago.

Central Argentine Railway.—For six months ended June 30 on the four-and-one-half per cent. preference stock of 2½ per cent., making the full 4½ per cent. for the year. Warrants will be posted on November 16. The directors are unable to recommend any further distribution on the consolidated ordinary stock in respect of the year.

Charcoal Iron Co. of America.—No. 3 of 2 per cent. on the common stock. The previous quarterly dividend was 1½ per cent.

Canadian Bank of Commerce.—2½ per cent. and a bonus of 1 per cent. for three months to Nov. 30, payable on Dec. 1, the same as a year ago.

Dunville and Co.—7s. per share and a bonus of 4s. per share. This, with the interim paid in April, will make a total of 12s. per share, together with a bonus of 4s., less tax, for year to Sept. 30. The previous year the total distribution was 12s. a share.

F.M.S. Rubber Planters Estates.—Interim on account of year's working of 5 per cent., less tax, payable on the 26th inst.

Langat River (Selangor) Rubber Co.—First interim 10 per cent.

Lambert Brothers.—In addition to interim of 5 per cent. a balance on the ordinary shares of 7 per cent., less tax, and a bonus of 12½ per cent., less tax, for year ended June 30. The distribution for 1915 was 25 per cent., including a bonus of 15 per cent.

Norfolk and Western Railway.—Quarterly, \$1 per share on the adjustment preferred stock.

National Bank of South Africa.—Interim at the rate of 6 per cent. per annum (6s. per share), less British income-tax at rate of 3s. in the £, for six months ended Sept. 30, same as a year ago. Warrants will be posted on Nov. 26.

Nobel's Explosives.—Interim at rate of 5 per cent. (free of tax), the same as a year ago.

Pabbojan Tea Co.—Interim of 6½ per cent., less tax, for 1917, payable on Oct. 31, the same as a year ago.

Premier (Transvaal) Diamond.—On deferred shares of 250 per cent. (6s. 3d. per share), less tax.

Rubber Estates of Ceylon.—Interim 5 per cent. (free of tax) in respect of year ending Dec. 31, 1917, payable on Nov. 7, the same as a year ago.

Royal Exchange Assurance Corporation.—On Nov. 6 an interim of 5 per cent., less tax, in respect of half-year ended June 30, the same as a year ago.

Sungei Besi Mines.—1s. per share, less tax, payable Oct. 31.

San Lorenzo Nitrate.—Interim 2s. per share, free of tax.

St. John del Rey Mining Co.—Interim payable Dec. 14 of 1s. per share on the preference shares, free of tax. 9d. per share on £1 ordinary shares, less tax, the same as for the corresponding period.

Sungei Matang Rubber Estate.—Interim 7½ per cent., less tax, payable Nov. 16.

South Durham Steel.—Final 2s., making 20 per cent. for the year ended Sept. 30 last.

Wolhuter Gold Mines.—No. 20 of 5 per cent. (1s. per share) for six months ending Oct. 31, against 1s. 6d. a share a year ago.

Wm. Cory and Son.—Interim on ordinary and employees' shares of 4 per cent. (less tax) on account of the year ending March 31, 1918, payable on Dec. 1.

West India and Panama Telegraph Co.—Interim for six months to June 30 for year 1917 of 6d. per share on the ordinary shares (free of tax), the same as a year ago.

Walhi Grand Junction Gold.—Interim 1s. per share (free of tax).

The numbers of 848 of the 4½ per cent. second mortgage debentures and 450 of the 5 per cent. third mortgage debentures of Vickers, Ltd., drawn for redemption on Dec. 1st., at £105 and £104 respectively, are announced.

*Eat less
Bread*

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			W'ks.	GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.		Amount	In. or dec. on last year.	
		Rs.	Rs.		Rs.	Rs.	
Assam Bengal ..	Aug. 25	1,29,000	— 11,504	†	27,96,073	+ 1,45,236	
Bart ..	Oct. 1	4,15,700	— 74,000	†	8,04,204	— 104,800	
Bengal & N.-W. ..	Aug. 25	2,86,770	— 35,553	†	87,75,018	+ 52,781	
Bengal Nagpur ..	Sept. 1	9,89,000	+ 1,60,000	†	2,26,20,816	+ 18,71,681	
Bombay, Baroda ..	Oct. 13	11,46,000	+ 13,000	†	21,35,000	— 18,000	
Burma ..	Aug. 25	3,64,270	— 7,860	†	82,12,689	+ 15,110	
Delhi Umballa ..	Oct. 13	94,300	+ 22,704	†	1,63,986	+ 30,917	
East Indian ..	" 13	24,92,000	+ 4,59,000	†	43,13,000	+ 5,67,000	
Gt. Indian Penin. ..	" 13	33,00,100	+ 2,94,300	†	33,00,100	+ 2,91,300	
Lucknow-Bareilly ..	Aug. 25	47,561	+ 5,779	†	10,19,998	+ 84,765	
Madras and S. ..							
Mahratta ..	Sept. 1	9,50,000	+ 42,748	†	2,36,26,311	+ 15,96,558	
Nizam's Gd. (Broad) ..	" 1	1,08,039	+ 6,415	†	28,91,698	+ 27,412	
" (Metre) ..	" 1	48,258	+ 6,110	†	15,17,259	+ 20,221	
Robilkund ..							
Kumaon ..	Aug. 25	37,196	— 5,710	†	9,80,592	+ 44,006	
South Indian ..	Sept. 1	6,547	+ 8,151	†	1,50,13,551	+ 12,80,825	

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

		£	£		£	£
Bristol	Oct. 19	11 603	+ 1 245	†	461,155	+ 35,688
Dublin United ..	" 12	6,777	+ 238	†	275,103	+ 26,274
Hastings and Dist. ..	" 21	1,155	+ 219	†	53,161	+ 8,075
Isle of Thanet ..	" 13	195	— 141	*	350	— 324
Lancashire United ..	" 17	2,483	+ 622	†	9,447	+ 21,463
Provincial	" 20	2,314	+ 93	*	6,803	+ 320
Yorks. (Wst. Rdng.) ..	" 21	2,126	+ 369	†	88,903	+ 14,792

* From Oct. 1.

† From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

		£	£	Ms.	£	£
Alabama Power ..	Aug. §	104,868	+ 20,192	12	1,213,551	+ 383,096
Anglo-Argentine ..	Oct. 21	53,113	— 47	12	2,164,500	+ 26,100
Auckland Electric ..	Sept. 21	22,154	+ 1,270	4	64,876	+ 2,018
Brazilian Traction ..	Aug. §	M8,064,000	+ M659,000	8	M605,000	+ M449,000
Brisbane Elec. Inv. ..	"	31,600	+ 930	9	294,840	+ 2,820
British Columbia ..	Aug. §	£8,257	+ £15,877	1	1,16,581	+ £20,753
B. A. Lacroze ..	"	39,111	+ 2,68	2	77,174	+ 2,304
Burmah Electric ..	Sept. b	Rs. 26,168	+ Rs. 2,419	2	26,168	+ Rs. 33,802
Calcutta ..	Oct. 20	Rs. 71,493	+ Rs. 6,458	*	Rs. 27,289	+ Rs. 26,792
Carthage and ..						
Herrerias ..	Sept. b	4,306	+ 2,527	*	38,405	+ 15,805
Corroba Light ..						
P. & T. ..	Aug. §	14,278	+ 427	5	70,432	+ 738
Hongkong ..	25	13,932	+ 1,113	9	£455,947	+ £35,865
La Plata ..	Sept. b	3,450	— 543	9	36,545	+ 1,076
Lima ..	"	13,700	+ 522	9	144,448	+ 1,355
Matras Electric ..	Oct. 17	Rs. 36,385	+ Rs. 4,080	8	Rs. 660,797	+ Rs. 123,116
Manila Electric ..	Aug. §	65,467	+ 667	8	547,492	+ 70,625
Mexico ..	Nov. §	£215,256	+ £108,600	*	£3,193,106	+ £197,227
Rangoon ..	Sept. §	5,161	+ 1,026	*	36,288	+ 1,900
Singapore Electric ..	Aug. 25	£11,695	+ £657	*	£43,935	+ £13,418
Toronto ..	"	£448,806	+ £21,744	8	£3,694,180	+ £237,125
United of Monte V. ..	Sept. §	29,426	+ 2,715	11	329,679	+ 10,636
Vera Cruz ..	Aug. §	52,200	—	7	408,000	—
Winnipeg ..	" §	£39,457	+ £46,478	8	£506,701	+ £284,329

b 28 days. * From Jan. 1. § Nett. a From July 1. c Two weeks.

UNITED STATES OF AMERICA.

CHANGES IN STOCKS OF AMERICAN						
			£	£	£	£
Chesapeake & Ohio	Oct. 7	977,000	+ 117,000	†	40,769,000	+ 2,830,000
Chicago G. W.	" 7	316,000	— 25,000	†	12,393,000	+ 379,000
Colorado & South'n	" 7	354,000	+ 19,000	†	13,627,000	+ 1,561,000
Denver & Rio Gran.	" 14	63,000	+ 60,000	†	21,825,000	+ 2,462,000
Louisv'e & Nashv'e	" 7	1,454,000	+ 125,000	†	56,954,000	+ 8,629,000
Minn. S. P. (Soo) §	Sept. 14	75,000	+ 24,000	†	23,643,000	+ 302,000
Missouri Kansas	Oct. 14	919,000	+ 48,000	†	33,070,000	+ 5,243,000
Southern	" 7	2,389,000	+ 370,000	†	84,886,000	+ 11,682,000

§ Includes Wisconsin Central. † From Jan. 1.

FOREIGN RAILWAYS.

		£	£	£	£	
Alcoy and Gandia ..	Oct. 20	Ps. 10,000	+ Ps. 2,000	†	Ps. 465,020	+ Ps. 65,280
Antofagasta (Chili) ..	" 21	48,990	+ 7,520	†	1,744,095	+ 364,095
Arauco ..	Aug. 31	10,000	+ 1,000	†	76,000	+ 13,700
Argentine N.E. ..	Oct. 20	700	+ 6,000	†	104,500	+ 4,302
Bilbao R. and Canta ..	Sept. *	4,284	+ 667	9	31,950	+ 8,553
Bolivar ..	"	10,000	+ 1,807	3	32,000	+ 9,490
Brazil ..	July *	M3,865,000	+ M507,310	†	M275,16000	+ M3247,587
Brazil Gt. Southern ..	June *	M184,200	+ M4,100	†	M212,990	+ M33,700
B. Ayres & Pacific ..	Oct. 20	6,000	+ 78,000	†	866,000	+ 487,000
Do. Central ..	Aug. §	26,365	+ 1,371	2	50,775	+ 1,677
Do. Gt. South'n ..	Oct. 21	35,000	+ 383,000	†	1,110,705	+ 464,549
Do. Western ..	S. Oct. 23	36,000	+ 21,000	†	457,000	+ 156,000
Central Argentine ..	Oct. 20	19,300	+ 92,700	†	1,014,300	+ 798,600
C. Uruguay of Mte V. ..	" 20	19,390	+ 6,442	†	252,403	+ 72,268
Do. East'n Ex. ..	" 20	4,315	+ 315	†	63,598	+ 3,277
Do. North'n Ex. ..	" 20	3,123	+ 992	†	46,870	+ 18,019
Do. West'n Ex. ..	" 20	2,360	+ 88	†	27,339	+ 14
Cordoba Central ..	" 20	12,000	+ 13,610	†	403,350	+ 113,355
Costa Rica ..	Sept. 1	2,579	+ 3,325	†	29,088	+ 20,101
Cuban Central ..	Oct. 20	12,003	+ 2,788	†	192,034	+ 43,151
Dorada Extension ..	Sept. *	8,000	+ 1,100	†	32,400	+ 9,300
Egyptian Delta ..	Oct. 20	7,118	+ 1,702	†	101,979	+ 17,407
Entre Rios ..	" 20	1,500	+ 10,300	†	168,100	+ 23,800
French Sante Fé ..	Aug. §	132,000	+ 29,099	8	900,336	+ 173,429
Gt. South'n of Spain ..	Oct. 13	Ps. 48,149	+ 35,746	†	Ps. 392,688	+ Ps. 96,301
Gt. West. of Brazil ..	" 20	18,400	+ 2,200	†	530,350	+ 130,350
Havana Central ..	" 13	7,534	+ 1,226	†	107,070	+ 13,505
Inter. of C. Amer. ..	Sept. 6*	6,986	+ 2,027	†	215,486	+ 31,749
La Guaira and Car. ..	"	5,750	+ 1,000	†	68,750	+ 3,000
Leopoldina ..	Oct. 20	38,999	+ 6,999	†	1,236,313	+ 209,520
Midland Uruguay ..	Sept. 1	12,337	+ 651	†	37,311	+ 6,002
Mogiana ..	July	M258,2000	+ M211,261	†	M113,310	+ M485,967
N.W. of Uruguay ..	Sept. *	26,000	+ 1,542	9	69,500	+ 2,250
Nitrate ..	Oct. 15	3,299	+ 1,480	†	61,865	+ 72,453
Paraguay Central ..	" 20	2,220	+ 1,580	†	45,270	+ 8,050
Paulista ..	July *	M3,330,000	+ M638,009	†	M19,086,000	+ M949,280
Peruvian Corp'n ..	Sept. *	S 950,740	+ S 38,300	†	S 2,905,170	+ S 201,930
Salvador ..	Oct. 6	13,800	+ 99,600	†	£213,851	+ £69,234
S. Paulo (Brazilian) ..	" 14	37,145	+ 6,084	†	1,158,679	+ 4,470
Sorocabana ..	July *	M1,550,000	+ M7,540	†	M 10,083,300	+ M122,264
Tatal ..	Sept. *	19,938	+ 3,001	†	60,773	+ 4,508
United of Havana ..	Oct. 20	40,575	+ 9,371	†	5,791,294	+ 91,499
West'n of Havana ..	" 20	6,830	+ 1,371	†	109,418	+ 14,420
Zafra and Huelva ..	Sept. *	11,221	+ 1,432	10	101,486	+ 2,722

* Months. † From Jan. 1. † From July 1. c Nett. b 15 days. a 10 days.

COLONIAL RAILWAYS.

		£	—	£	10	£	+	£
Beira ..	July *c	\$4,645	—	7,933	10	651,261	+	7,990
Canadian Northern	Oct. 14	\$960,600	+	\$112,900	†	\$12,310,000	—	\$101,203
Canadian Pacific ..	" 21	\$3,429,000	+	\$497,000	†	\$18,705,000	+	\$9,110,000
Gr. Trk. Main Line	" 21	203,218	+	4,743	†	8,599,110	+	3,324
Gr. Trk. Western ..	" 14	40,009	+	4,438	†	1,587,236	+	34,529
Detroit G. H. & M. ..	" 14	14,427	—	1,969	†	553,138	+	3,324
Gr Tk Pac Prairie Sc	" 14	35,096	+	12,194	†	379,110	+	116,394
Mashonaland ..	July *	54,645	—	7,933	10	651,261	+	7,990
Mid. of West'n Aus.	Aug. *	5,756	—	47	2	11,045	+	312
New Cape Central ..	Sept. 8	1,683	+	312	†	64,699	+	8,608
Rhodesia ..	Aug. *c	92,209	—	5,417	11	933,147	+	38,185

* Months. † July 1. † Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.
Atchafalaya T. & S. Fé ..	Aug.	4,825,000	— 314,000	8	33,592,000	+ 3,280,000
Atlantic Coast Line ..	"	604,000	+ 88,000	8	7,503,000	+ 205,000
Baltimore & Ohio ..	"	3,067,000	— 594,000	8	20,597,000	— 299,000
Canadian Northern ..	"	593,200	— 478,800	2	1,498,100	— 269,000
Canadian Pacific ..	"	3,818,000	— 1,650,000	8	28,375,000	+ 512,000
Chesapeake & Ohio ..	"	1,388,000	— 165,000	8	9,165,000	— 934,000
Chicago & N.W. ..	"	3,150,000	— 398,000	8	16,874,000	— 934,000
Chicago Burl. & Q. ..	July	2,669,000	+ 104,000	7	20,929,000	+ 1,182,000
Chicago G.W. ..	Aug.	301,000	— 127,000	8	2,085,000	— 574,000
Chicago Mil. & S.P. ..	"	2,222,000	— 1,084,000	8	15,699,000	— 3,028,000
Chicago, Rock I. & P. ..	"	1,643,000	— 604,000	8	13,195,000	— 1,618,000
Colorado & Southern ..	July	509,000	+ 147,000	7	3,430,000	+ 659,000
Cuba ..	"	229,018	— 29,206	12	1,922,000	— 1,995,600
Delaware & Hud. ..	Aug.	1,003,000	+ 280,000	8	4,320,000	— 195,000
Denver & Rio Gran. ..	"	613,000	— 262,000	8	4,499,000	— 696,000
Erie ..	"	1,176,000	— 850,000	8	7,261,000	— 5,152,000
Gr. Tr. Main Line ..	"	£213,700	— £88,950	8	£1,484,500	— £217,150
Grand Trunk West'n ..	"	£6,250	— £38,150	8	£39,450	— £39,100
Detroit G. H. & M. ..	"	67,750	— 415,050	8	£1,670,000	— 1,422,000
Gt. Northern ..	"	2,731,000	— 772,000	8	14,518,000	+ 2,776,000
Illinois Central ..	"	1,515,000	+ 44,000	8	2,933,000	+ 538,000
Kansas City South'n ..	"	409,000	+ 81,000	8	6,621,000	+ 133,000
Lehigh Valley ..	"	1,062,000	— 145,000	8	12,598,000	— 130,000
Louisville & Nashv'l ..	"	1,62,000	— 196,000	8	12,598,000	— 130,000
Minn. S.P. (Soo) § ..	July	1,042,000	— 469,000	7	5,307,000	— 2,049,000
Miss. K. & Texas ..	Aug.	1,085,000	+ 384,000	8	4,743,000	+ 2,344,000</

The Issue by the Aircraft Manufacturing Company, Ltd., of the Shares referred to in this Offer has been sanctioned by the Treasury.

The Treasury has been consulted under the notification of the 18th January, 1915, and raises no objection to the issue of the within-mentioned Shares. It must be distinctly understood that in considering whether they have or have not any objections to the new issues, the Treasury does not take any responsibility for the financial soundness of any schemes or for the correctness of any of the statements made or opinions expressed with regard to them.

The special permission of the Committee of the Stock Exchange has been granted for dealing in these Shares so soon as the Share Certificates for the Shares now offered are ready.

The List of Applications for purchase will close on or before the 3rd day of November, 1917.

THE Aircraft Manufacturing Company, Limited.

(Incorporated under the Companies Acts, 1908 to 1917.)

Contractors to the Admiralty and War Office.

Manufacturers of Aeroplanes, Seaplanes, and Aircraft of all kinds.

Capital - - £402,500

DIVIDED INTO

100,000 Seven per Cent. Cumulative Preference Shares of £1 each,

Entitled to a fixed cumulative preferential dividend at the rate of 7 per cent. per annum, payable free of all present or future income tax up to the limit of five shillings in the pound, and a right upon any distribution of assets of the Company to priority as to repayment of Capital.

250,000 Seven per Cent. Cumulative and Participating "B" Preference Shares of £1 each.

Entitled, subject to the dividend on the First Preference Shares, to a fixed cumulative preferential dividend at the rate of 7 per cent. per annum, and to a participation of 20 per cent. of the amount by which the remaining profits which it shall be determined to distribute in any year shall exceed £5,000 (the amount of the fixed dividend on the Preferred Ordinary Shares), provided that such participation shall not in any one year exceed an additional 7 per cent. For the year ending 31st March, 1918, such further dividend is limited to one-half of the above participation. Upon any distribution of assets of the Company these Shares are entitled, after payment of the amounts due in respect of the First Preference Shares, to priority as to repayment of Capital.

50,000 Preferred Ordinary Shares of £1 each,

all of which are issued. Entitled out of the remainder of such profits to a dividend at the rate of 10 per cent. per annum and thereafter to one-half of the Balance thereof.

50,000 Deferred Ordinary Shares of One Shilling each,

all of which are issued. Entitled to the remainder of such profits.

The Company has entered into an Agreement with the British, Foreign and Colonial Corporation, Ltd., that neither Debentures (other than Debentures to the Company's Bankers to secure overdrafts or advances from such Bankers) nor shares ranking in priority to, or pari passu with, the Preference Shares now issued, shall be created without the sanction of the "B" Preference Shareholders.

OFFER FOR SALE OF

250,000 7% Cumulative and Participating "B" Preference Shares of £1 each.

Dividends payable 1st June and 1st December.

THE BRITISH, FOREIGN & COLONIAL CORPORATION, LIMITED,

57, Bishopsgate, London, E.C.2.

will receive applications for the purchase from them of the above 250,000 Seven per Cent. Cumulative and Participating "B" Preference Shares of £1 each through their Bankers,

THE LONDON CITY AND MIDLAND BANK, LIMITED,

Threadneedle Street, E.C.2, and Branches,

and through the Bankers of the Aircraft Manufacturing Company, Limited,

LLOYDS BANK, LIMITED,

72, Lombard Street, E.C.3, and Branches,

at the price of 21s. per Share.

The 250,000 "B" Preference Shares now offered for Sale rank for the fixed dividend at the rate of 7% on 20s. per Share, from the 15th October, and for participation as from the 1st October, 1917.

The following is an extract from a letter by Mr. G. Holt Thomas, the Chairman of the Aircraft Manufacturing Co., Limited, dated 1st October, 1917: "The total amount of capital expenditure on land, buildings, plant and machinery for the purpose of extensions since the outbreak of war to the 31st March, 1917, amounted to £194,093, and since the 31st March, 1917, considerable further expenditure thereon has taken place. . . . Upon the basis of the profits for the year ending 31st March, 1917, referred to in the Auditor's Certificate, the fixed Dividend on the "B" Preference Shares is covered more than five and a half times, and, including the proceeds of the present issue, these Shares will be covered by assets to the extent of 30s. for each £1 subscribed."

The full text of the above-mentioned letter from the Chairman, as well as full particulars of the offer of shares with forms of application, may be obtained from the Bankers, the Brokers to the offer: Messrs. John Rust & Co., 37, Throgmorton Street, London, E.C.2; Messrs. Fyfe and Horton, 75, Colmore Row, Birmingham; Messrs. David G. Henriques & Co., 13, Pall Mall, Manchester; and from the British, Foreign & Colonial Corporation, Limited, 57, Bishopsgate, London, E.C.2.

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and October 20, 1917:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Oct. 20, 1917.	Total Receipts into the Exchequer from April 1, 1916, to Oct. 21, 1916.
Balances in Exchequer on April 1—	£	£	£
Bank of England	—	25,209,947	25,111,065
Bank of Ireland	—	1,225,912	403,941
REVENUE.		26,435,859	25,575,006
Customs	70,750,000	38,946,000	36,183,000
Excise	34,950,000	20,630,000	29,895,000
Estate, &c., Duties	29,000,000	16,290,000	16,756,000
Stamps	8,000,000	3,922,000	4,002,000
Land Tax	—	—	—
House Duty	2,600,000	330,000	320,000
Property and Income Tax and Super Tax	224,000,000	56,268,000	39,055,000
Excess Profits Duty (including Munitions Levy)	200,000,000	102,454,000	41,516,000
Land Value Duties	400,000	237,000	121,000
Post Office	33,700,000	17,600,000	17,500,000
Crown Lands	600,000	220,000	240,000
Receipts from Sundry Loans, &c.	7,500,000	1,409,917	2,386,011
Miscellaneous	27,100,000	35,521,857	3,414,403
Revenue	638,600,000	293,868,774	191,389,414
Total, including Balance		320,304,633	216,964,420

OTHER RECEIPTS.

Repayment of Advances for Bullion	1,070,000	2,330,000
Under Telegraph (Money) Act, 1913	55,000	180,000
Under Post Office (London) Railway Act, 1913	68,000	160,000
Under Housing Act, 1914	229,000	45,200
For Treasury Bills (for supply)	1,339,939,000	1,256,756,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	—	3,087,600
For 4½ per Cent. War Loan, 1915-1945	—	424
For 5 per Cent. Exchequer Bonds, 1919	—	34,222,000
For 5½ Exchequer Bonds 1920	—	84,064,500
For 5 per Cent. Exchequer Bonds, 1921	—	62,464,000
For 5 per Cent. Exchequer Bonds, 1922	82,110,000	—
For 6 per Cent. Exchequer Bonds, 1920	—	40,906,000
For War Expenditure Certificates	—	25,531,400
For War Savings Certificates	20,700,000	31,550,000
For other Debt created under the War Loan Acts, 1914-1917	402,617,915	23,842,319
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947	166,550,000	—
For National War Bonds	* 34,431,000	—
Temporary Advances—		
Ways and Means (including Treasury Bills £345,000,000 in 1916-1917)	592,106,000	412,806,500
Total	2,960,290,548	2,224,000,363

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

* Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Oct. 20, 1917.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Oct. 21, 1916.
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	17,000,000	11,743,958	14,428,874
Interest, &c., on War Debt ..	194,500,000	77,825,255	62,680,230
Payments to Local Taxation Accounts, &c.	9,700,000	4,255,910	4,233,755
Other Consolidated Fund	1,695,000	1,086,385	1,272,820
Services	2,068,826,000	1,378,407,898	942,833,535
Supply Services	—	—	—
Expenditure	2,291,721,000	1,473,519,406	1,025,469,214

OTHER ISSUES.

For Advances for Bullion	1,160,000	2,360,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	91,370
Under Telegraph (Money) Act, 1913	55,000	180,000
Under Post Office (London) Railway Act, 1913	68,000	160,000
Under Housing Act, 1914	229,000	44,500
For Treasury Bills for Supply	839,989,000	821,274,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	—	3,087,600
For Exchequer Bonds, etc., under Section 61 of the Finance Act, 1916, and Section 34 of the Finance Act, 1917	310,995	38,100
For other Debt under the War Loan Acts, 1914 to 1917	14,650,039	—
For Depreciation Fund under the Finance Act, 1917	21,192,160	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908	—	38,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	20,000	43,160
Old Sinking Fund, 1911-12, issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914	—	250,000
Temporary Advances repaid—		
Ways and Means (including Treasury Bills £266,727,000 in 1916-17)	588,658,000	342,623,500
Total	2,939,821,418	2,195,857,444

Balances in Exchequer—	1917. Oct. 20.	1916. Oct. 21.
Bank of England	19,808,325	26,848,896
Bank of Ireland	660,805	1,294,043
Total	20,469,130	28,142,939
Total	2,960,290,548	2,224,000,363

MEMO.—Treasury Bills outstanding on Oct. 21, 1917

* Includes £319,000, the proceeds of which were not carried to the Exchequer within the period of the account.

The Investors' Review

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CONTENTS.

Passing Events:—Revenue — Parliament's Tribute to the Services — Government's Policy of Food Control Debate — P. and O. — Zionism — Representative Leather Companies — Netherlands Bank — Mersey Docks and Harbour — A. Darracq — British Motor Cab — Hurst, Nelson — Bristol United Breweries — Matthew Brown — Demerara Railway — Consolidated Main Reef and Main Reef West Amalgamation — Government Areas' Tenders Result (pp. 443-8).

Leading Articles:—The Vote of Credit — The Wasteful Finance of the War — Buenos Ayres Great Southern Railway — By-the-Way War Notes (pp. 448-53).

Insurance News:—Clerical, Medical and General — Government Annuities — Eagle and British Dominions Issue: the Treasury and the Stock Exchange — Australasian Figures (p. 453).

Money and Credit Notes:—Brisker Demand — Bank Return Changes Trivial — Foreign Exchange Movements — Argentine State Bank — British Commercial Bank — Yokohama Specie Bank Report — Peking-Hankow Railway Bond Redemption — London Foundry Co. — Eastern Exchange Banks and Ceylon Produce — Nicaragua Settlement — Silver (pp. 454-6).

The Week's Stock Markets (p. 457-8).
London Produce Markets (pp. 458).

American Business Notes:—Second Liberty Loan — Shipyards Strike — Mr. Otto H. Kahn on German Aggression (p. 458-9).

Tea, Oil, and Rubber:—Rubber Market — Aboyne-Clyde Rubber Estates of Ceylon — Sempah Rubber Estates (p. 460).

Mining News:—West African Gold Output — Consolidated Main Reef — Main Reef West — Amalgamated Zinc — Anglo-French Matabeleland Co. — Selukwe Gold (p. 461).

What Balance Sheets Tell:—British Canadian Trust — Hammond's Bradford Brewery Co. — Second Edinburgh Investment Trust — Clydesdale Investment Co. (p. 462).

Company Meetings:—Baldwins — A. Darracq and Co. — Clerical, Medical and General Life Assurance — British Dyes — Dick, Kerr, and Co. — A. and F. Pears — Roneo (pp. 463-66).

The Week in Mines (p. 461).
Public Income and Expenditure (p. 462).
Dividends Announced (p. 466).
Oldfields Items (p. 466).
Traffic Returns (p. 467).
Answers to Correspondents (p. 467).
Books Received (p. 467).

CANADA.

THE DOMINION BANK.

Head Office, TORONTO.

Total Assets - - \$97,061,000.

SIR EDMUND B. OSLER, M.P. (Canada), President.
W. D. MATTHEWS, Vice-President.
C. A. BOGERT, General Manager.

London Branch, 73, CORNHILL, E.C. 3.

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.
General Banking business transacted. Information furnished regarding Canadian matters.

SCOTTISH AMICABLE

LIFE ASSURANCE SOCIETY.

(Established 1826.)

A MUTUAL PROFIT-SHARING OFFICE.
COMPOUND BONUSSES.

Bonus Declared at Latest Investigation £1 15s.
per cent. to £4 12s. per cent. according to duration.

Head Office: 35, ST. VINCENT PLACE, GLASGOW.
London Office: 1, THREADNEEDLE STREET, E.C. 2.

NATIONAL PROVINCIAL BANK OF ENGLAND, LIMITED.

ESTABLISHED IN 1833.

SUBSCRIBED CAPITAL - £15,900,000.

CAPITAL—Paid, £3,000,000; Uncalled, £2,300,000;
Reserve Liability, £10,600,000.

RESERVE FUND (Invested in English Government Securities),
£1,800,000.

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HEAD OFFICE: 15, BISHOPSGATE, E.C. 2.

THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial
Japanese Government, 1899.

HEAD OFFICE - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hong-
kong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang,
Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia,
Manchuria, Indo-China, India, Philippine Islands, Java,
Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

HONGKONG AND SHANGHAI BANKING CORPORATION.

Capital (all paid up)	£15,000,000
Sterling Reserve, held in London at exchange of 2s. per \$ =	\$15,000,000
Silver Reserve	\$18,800,000
Reserve Liability of Proprietors	\$15,000,000

HEAD OFFICE—HONGKONG. Chief Manager—N. J. STABB.

BRANCHES AND AGENCIES:—Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Colombo, Foochow, Hankow, Harbin, Hongkew (Shanghai),
Ipoh, Johore, Kobe (Hiogo), Kuala Lumpur, London Lyons, Malacca, Manila, Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San Francisco,
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9, GRACECHURCH STREET, LONDON, E.C. 3.

Managers in London.

BANKS.

STANDARD BANK

OF SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province, to the Imperial Government in South Africa, and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL	£6,194,100
PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

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CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED AND COLLECTED.

MAIL AND TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT AND DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF CREDIT available in all parts of the world.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE AND SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, Etc., received.

EXECUTOR AND TRUSTEE BUSINESS undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

FRANCIS SHIPTON, London Manager.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	Yen 48,000,000
Capital Paid Up	Yen 36,000,000
Reserve Fund	Yen 21,300,000

Head Office: YOKOHAMA.

Branches and Agencies at

Antung-Hsien.	Harbin.	Nagasaki.	Shanghai.
Bombay.	Honolulu.	Newchang.	Singapore.
Calcutta.	Hong Kong.	New York.	Sydney.
Changchun.	Kobe.	Osaka.	Tientsin.
Dairen (Dalny).	Liaoyang.	Peking.	Tokyo.
Fengtien (Mukden).	Los Angeles.	Ryojun (Port Arthur).	Tsinanfu.
Hankow.	Lyons.	San Francisco.	Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital	£4,000,000
Paid-up Capital	1,800,000
Reserve Fund	2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, São Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILI—Valparaíso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837. LIMITED. INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,980,000; together	£3,980,000
Reserve Liability of Proprietors	4,000,000

Total Capital and Reserves £7,980,000

OFFICE - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

THE WESTERN AUSTRALIAN BANK.

Established 1841.

Paid-up Capital .. £250,000 0 0	25,000 Shares of £10 each.
Reserve Fund .. £630,000 0 0	Reserve Profits .. £29,979
Reserve Liability of Shareholders	£250,000.

Drafts issued, Remittances cabled, Bills negotiated or collected, Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents, The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

BANKS.

BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital	£3,894,980
Reserve Fund	2,800,000
Reserve Liability of Proprietors	3,894,980
	£10,589,960

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.

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WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager.

J. S. CAMPBELL, Secretary.

HALKERSTONE MELDEUX,

DAVID GEDDIE,

Assistant Manager.

Accountant.

The Bank has 337 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	£1,500,000
Capital Issued	1,125,000
Capital Paid Up	562,500
Reserve Fund	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS, CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1787.

CAPITAL PAID UP	£2,000,000
REST & UNDIVIDED PROFITS	£800,986

Head Office: ST. ANDREW SQUARE, EDINBURGH.

A. K. WRIGHT, Cashier and General Manager

J. B. ADSHEAD, Secretary.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager.

166 Branch Offices throughout Scotland.

Banking Business of every description transacted. Accounts opened for Foreign and Colonial Correspondents. Bills, Cheques, and other documents collected. Deposit received at interest repayable at call or at notice.

THE COMMERCIAL BANK OF LONDON, LIMITED.

LIMITED.

Chairman—The Right Hon. SIR CHARLES HOBHOUSE, BART., P.C., M.P.

CURRENT ACCOUNTS opened, and every description of Banking business transacted. Bills discounted, and advances made to customers on approved security.

SPECIAL FACILITIES GRANTED TO COMMERCIAL AND INDUSTRIAL UNDERTAKINGS.

THE PURCHASE AND SALE OF SECURITIES undertaken, also the receipt of dividends.

COUPONS AND DRAWN BONDS negotiated.

DEPOSITS received at call, or for fixed periods, at rates which may be ascertained on application.

6, Austin Friars, London, E.C. 2.

ARTHUR H. KING, Manager

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital .. £1,000,000.	Subscribed Capital .. £225,000
Paid-up Capital	£500,000
Reserve Fund	540,000
	£1,040,000
Uncalled Capital	125,000
Reserve Liability of Shareholders	625,000
	£1,790,000

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager

The Investors' Review.

Vol. XL.—No. 1,035.
New Series.

SATURDAY, NOV. 3, 1917.

(Registered as a Newspaper.) Price 6d.

PUBLISHER'S NOTICES.

The *Investors' Review* is a Subscription Journal, and will be delivered to subscribers in London by the first post, or sent to the country and abroad by the first mail, on Saturday Morning, on the following terms:—

One Year, £1 5s. 0d. Six Months, 12s. 6d. Three Months, 6s. 6d.

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The Editor cannot undertake to return rejected communications.

Letters from correspondents must, in every case, be authenticated by the name and address of the writer.

The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of *Company Meetings*, and they cannot accept responsibility for statements made therein.

ANSWERS TO QUERIES.

One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

Telegrams advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

Private Letters in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

Passing Events.

A jump of nearly £9,000,000 took place in last week's expenditure. The total rose to £132,049,000, which compared with £123,627,000 the week before, and all of the increase was due to an expansion of about £10,200,000 in the current outlay for supply services. That totalled £50,729,000. The week before it was £40,400,000. The average outlay for last week was consequently fully £7,247,000 a day, and people will naturally ask, Why this sudden jump? Probably enough, the onset of the Austro-German hosts upon Italy has not a little to do with it; and, whether so or not, we may be certain that this catastrophe will have the effect of increasing our expenditure, because we must assist Italy to the utmost of our power in order that the savages may be beaten back and destroyed—as we doubt not they will be. That is an imperative demand upon us, and our prompt response will help to bring the war more speedily to an end. With expenditure so large, it was inevitable that the recourse to credit should be equally excessive, and, as a matter of fact, Treasury bills to the amount of £84,655,000 were sold. Of that sum, £63,409,000 was required to redeem bills due, so that the nett increase in this form of floating debt was, last week, £21,734,000, raising the aggregate to £985,720,000. In answer to Mr. D. Mason, the member for Coventry, the total of other forms of floating, or short term, debts were given by the Chancellor of the Exchequer, and may be incorporated in this summary of last week's figures. Treasury bills £985,720,000, war expenditure certificates £23,561,000, ways and means advances £210,644,000, or an aggregate of £1,219,945,000—not a comfortable sum to be due on short notice.

The week's revenue was £9,703,000, or £906,000 below the figure of the previous week. As the entire current expenditure on supply, debt interest, and miscellaneous purposes was £52,160,000, it follows that the week's revenue was not so very much more than one-sixth of the actual current outgoings; but, besides the income from Treasury bills, £900,000 was again credited to revenue from sales of War Savings certificates, £14,173,000 from other war debt sources, £17,809,000 from the sale of new National bonds, and £6,000,000 was added to the "temporary borrow-

ings," so that, altogether, the resources of the Treasury were at the week's end £1,412,000 more than the outgoings. The Exchequer balances accordingly rose by that increase to £21,881,000, which is not much more than £6,000,000 below the balance of a year ago. Thus smoothly does our credit machinery continue to operate, and if only the sale of National War bonds would expand to relieve the strain on the credit market somewhat, we should go forward with serene cheerfulness. But last week's sales of War bonds fell below those of the previous week by £2,659,000, the total being only £17,809,000. We are sorry, but in this direction, also, Mr. Law will have to pluck up courage, the courage of Ajax, and when he has made up his mind on what is right and best to be done—do it.

It was time Parliament, as representing the nation, gave formal and emphatic expression to the feelings the great majority of us entertain for the work performed by the Army and Navy, the mercantile marine, the great and growing new Air Service, the Overseas Dominions, the doctors, nurses, and chaplains who have devoted themselves to our salvation as a civilised community and empire in this appalling war, and Mr. Lloyd George, the Prime Minister, rose to the opportunity in a speech attuned to the right pitch of feeling, and, in passages, to a high quality of eloquence. We do not suppose that any of the Services to whom the two Houses of Parliament voted their acknowledgments and thanks were waiting for this tribute, but it will gratify their feelings all the same and help to cheer them amid the labours still to be performed. They know better than any stay-at-home civilian what this war means, and probably measure better than we can how long it will last; therefore it will both cheer them and brace them up in continuing to the end and to the uttermost to know that they are neither forgotten nor unappreciated. The Army is always more or less in the public eye. Its conflicts and triumphs are day by day reported. Not so the Navy, and yet the Navy has done a work of infinite value quietly, unostentatiously, since the war began, and is at this hour the guarantor of the completeness of our final victory.

Some figures were stated by the Prime Minister illustrative of the work it had to do in protecting our communication with the Army. The mercantile marine for the most part does the carrying and took the risks of

the sea, but without the Navy to protect it the risks run by the cargo ships and transports might often have been too formidable to be faced, and how tremendous the task was the figures Mr. Lloyd George gave faintly indicate. Since the beginning of the war, he said, "we have transported 13,000,000 men for ourselves and our Allies to and fro, 2,000,000 horses, 25,000,000 tons of explosives and supplies, and 51,000,000 tons of coal and oil fuel, all for the use of our fleets and armies, or those of our Allies." And out of the 13,000,000 men only 3,500 have been lost, of which small number 2,700 alone have been lost "through the action of the enemy." Add to this the prodigious quantity of food and other materials which have had to be transported, no less than 130,000,000 tons, all conveyed in British ships with singularly little disturbance, mishap, or injury at the hands of the foe. Does anybody realise what the carrying out of such a gigantic and continuous mass of work has meant for the Navy and the men of the mercantile marine? We believe it is impossible for anyone to conceive it, even although brought into actual contact with the work. But we can at least grasp enough of the facts and of their import to be grateful and to condense that gratitude into practical measures of help.

And Mr. Lloyd George did not forget the men of the Dominions. Between 700,000 and 800,000 leal men and brave have been spontaneously sent to help us in the fight by the overseas portions of the British Empire. Five times the number of our first Expeditionary Force of 160,000 men, the finest little army in the world, most of whom died or were maimed for life in the strenuous fighting which first helped the unprepared French and the overwhelmed Belgians to stay the rush of the wild savages from the north. That little Expeditionary Force fought strenuously enough, and lasted long enough, along with its French and Belgian comrades, to give time for the new armies of these Allies to be created and to come into the fighting lines, those new armies that are to-day veterans of war, busy destroying the power of the Prussian tyrant, and working for the world's deliverance. We honour and admire them much; yet there is an awesomeness and reverence in our grateful remembrance of these "first seven divisions" and their comrades in the agony of the first two or three months of the war which no other troops could evoke. In both Lords and Commons their deeds were recalled on Monday, in words that were worthy of the noble dead. Will equal and practical gratitude be displayed when the survivors of our great armies now fighting in Europe and Asia come home and ask patches of land on which they may be able to live and thrive? They mean to do that. What is going to be the answer?

There was a useful and interesting debate in the House of Commons the other day on the Government's policy of food control, but it did not lead to any very satisfactory conclusion, and we are still left wondering whether we might not have been a good deal better off if trade had been allowed to follow its normal course, and the immense effort and expense of a huge Government department had been diverted into some more promising channel. We had the example of the failure of food control in official-ridden Germany to act as a warning of what would most probably happen here, and although it may be admitted that our Food Controllers have done their best according to their lights, it is a very arguable question whether they have not done more harm than good. That is the fundamental point on which the public require enlightenment, and up to the present we are afraid that most people think that the case for all the elaborate machinery that has been set up has not been made out. Until the end of last year we got along with a certain amount of grumbling, but, on the whole, not so badly, without a Controller. It may be granted that the position in several respects has become much more serious since then owing to the "unrestricted" U-boat campaign and the shortage of shipping, but are we sure

that the traders of the country would not have solved the problems that have arisen much better if left to themselves than has been the case under the panicky direction of untrained and entirely inexperienced officials? Almost everything has come under some form of control except coffee, cocoa, and tobacco, and it is not a mere accident that these are the things of which supplies are most abundant. It is true that the cost of these things advanced out of all reason, but after the last increase in the tobacco duty an Order was made regulating retail prices, and it has worked quite smoothly, without any fuss or grumbling on the part either of sellers or consumers. Does not that provide the basis of an idea that might be profitably adapted to other cases, thereby saving the horrible wastage of effort involved in the employment of an army of incompetent officials?

No doubt the problems which have to be tackled are extraordinarily complicated and difficult—more so than any outsider, however able in his own line of business, could be expected to solve, and no one can hope to be an expert in more than one or two branches of trade. The complaint against the Food Ministry is not that it has made mistakes, but that it has made nothing else. It began with the potato muddle last spring, and it has gone through bread, meat, milk, and tea with an equally conspicuous lack of success, at a cost to the nation which will run into scores of millions of pounds. Now it is up against a fresh potato problem that may well drive people to despair. Last spring it succeeded in creating a perfectly unnecessary and unjustifiable famine; to-day it is faced with a glut which it does not know what to do with. The main crop is estimated at 8,000,000 tons—the largest experienced in this generation—and the *minimum* price has been fixed at £6 (it is a criminal offence to sell below that figure). Yet farmers are anxious to sell at £3 10s. or £4 per ton, because a lot of the stuff will rot on their hands if it is not quickly consumed. And in the meantime London and other large cities are threatened with a serious shortage owing to the withholding of transport facilities, while the poor consumer has to pay 30 to 50 per cent. more than he need do for an essential article of food of which there happens to be almost a superfluity! It is true that the Food Ministry is not entirely responsible for this bungle, as the farmers were guaranteed £6 per ton, and the bargain has got to be kept. But what happens if the potatoes rot meantime? Is the State still bound to pay £6, and, if so, are the farmers bound to take all the care and trouble necessary to try to preserve them in good condition? As a blunder has been made, would it not be best for the Government to admit it, buy up all the stock offered, and let the public have all they wish at a reasonable market price? That would surely be better than to allow valuable food to be wasted or turned into industrial alcohol, which is suggested as a back-door of escape for bungling officialdom. Potatoes, of course, are the most glaring instance of ineptitude, but Mr. Runciman, in the course of a trenchant criticism of the Government's policy, gave others. The price of gooseberries was put at £23, and they were selling at £10 or £12, damsons fetched £6 to £10 instead of £17, and plums £7 instead of £15 10s. Fortunately it was not made a criminal offence to deal at the lower figures. On the other hand, the price of beans was fixed at £42 wholesale and £56 retail, at a time when importers had bought in America at £85 to £88 per ton, with the result that contracts had to be cancelled and we did not receive the goods. Or take the case of freights. Under private arrangement tea was brought from the East at 40s. to 50s. per ton, but with "control" rates had been raised to 270s. and 300s. per ton. It is useless to multiply examples, but everywhere it looks as though interference with the ordinary channels of trade had been baneful in the extreme, and there does not seem to be any compensating advantage in any direction. We have scrapped the National Service "Palace of Make-Believe"; would it not be wise to deal similarly with nineteen-twentieths of the Food Ministry?

It is symptomatic of the times that the P. and O. Steam Navigation Co. has adopted, or been forced to adopt, a policy of expansion by purchase, and it is now adding the Hain Steamship Co. to its fleet. Three years ago it acquired control of the British India Steam Navigation Co., and last year it secured a dominant interest in the New Zealand Shipping Co. and its associate the Federal Co. Only a few months ago control of the Union Steam Ship Co. of New Zealand was purchased, and the latest acquisition will add a useful amount of first-class cargo tonnage to its fleet. The Hain Steamship Co. has its headquarters at St. Ives, Cornwall, and it has had a very successful career since it was formed 16 years ago. In the five years to June 30 last dividends have amounted to 125 per cent., and in each of the past two years the distribution has been 35 per cent. on a capital of half a million. The latest market quotation was over 34 for the £10 shares, but it is understood that the P. and O. is paying 80, so that the purchase price will be about £4,000,000. That looks fairly stiff, as the book value of the fleet and investments was just over £2,000,000, according to the last balance-sheet, but this figure is very much below the market value, and in the present position of the shipping industry we are not prepared to question that the P. and O. has made a very good bargain. All the same, shipping profits will not remain on a war basis indefinitely.

Ever since we were first warned—and we have been so repeatedly—that a fresh persecution of the Jews was at hand, we have tried to discover what might be expected to bring it about, and it seems to us that Zionism is more likely to be a leading influence prompting to renewed torture of this ill-treated race, because the most common accusation against the Jew is that he is "of no country." A separate race with a distinctive creed, he is marked off everywhere from the rest of mankind, and, possessing no nationality, his only abiding allegiance is to the race and the faith. Now Zionism will give point to that accusation, which is only partially true, decreasingly true where the Jews are free, but it furnishes the enemies of the Jew with a pretext for maltreating him. Have the Zionists ever considered the position of their race from that point of view? Do not the most enlightened of the Jews regard the future of their race as being most perfectly safeguarded by the adoption of each segment of it, loyally and without reserve, of the nationality of the country in which they are born and brought up? The more the Jew is treated with equality in any country, made one with its other citizens in all rights and responsibilities before the eye of the law, the more he develops, the better a citizen he becomes. We have but to look around us to realise that this is true. But if the dream of regaining Palestine awakes in him beguiling notions of a separate nationality, what can the effect be but to kindle doubt, suspicion, hostility against him in the minds of his fellow-citizens? And have the Zionist Jews ever considered whether a Jew-peopled Palestine could by any possibility become an independent nation? What is its size? How many people would it hold? Were half the Jews in Poland alone, or a quarter of the Jews in Russia, herded into Palestine, could they live and thrive there free and independent? Would they be able to defend themselves, or would it not be necessary for the new community to put itself under the protection of France, or of all the Powers that may have to combine to control the inlets to the Black Sea, Asia Minor, and Syria? Obviously, the Jews could not within the limits of Palestine establish themselves as an independent nation, and it is only unreflecting sentiment, a reaction possibly from the state of mind brought about by past persecutions, which inclines so many Jews to nurture that dream. After all is said, Zionism is both a product of past degradation, of anti-Semitism, and it exists now as an incentive to further exhibitions of the same kind of inhumanity and unreason. The Zionist Jew is inviting a renewal of his degradation.

Among the great industries that have played their part in providing the sinews of war, the leather trade

occupies a prominent place. Leather has many uses, and, apart from the enormous quantities required for the footwear of armies, for various forms of military equipment, and for the needs of the civilian population, much has been used for various industrial purposes, such as machinery belting. The difficulties of the trade have been great, but not only have they been overcome, but the output of many principal lines increased, an accomplishment which reflects great credit upon the management of most of the undertakings. Interest now, of course, centres around the reports due for publication in several months' time. Most of the reports up to last year showed very encouraging results, but in view of the exceptional conditions obtaining during the past nine months, not a little speculation is rife as to what the coming reports are likely to be like. As a matter of interest, we give below some of the more representative firms in the industry, showing recent dividends and approximate prices of the shares, which have now, of course, risen to rather a high level:—

Company.	Ordinary Dividends.					Denomina- tion.	Ap- proximate Price.
	1912.	1913.	1914.	1915.	1916.		
Angus, George, Ltd.....	12½	10	13½	15	15	£10, £7/10 paid	14
Baxter's Leather Co., Ltd.....	8	8	7	10	15	1	26/
Freeman, Hardy, and Willis, Ltd.	12½	15	15	17½	17½	1	58/
Gandy Belt Manufacturing Co., Ltd.....	10	11	11	16	25	1	2½
Lennard's, Ltd.....	8	10	10	10	10	1	24/6
London Shoe Co., Ltd.	—	—	—	—	—	1	8/9
Lovey's, John, and Co., Ltd.	—	5	7	7	10	1	17/
Public Benefit Boot Co., Ltd.....	—	—	4	8	10	1	13/
Randall, H. B., Ltd.....	11	8	7	10	12½	1	22/6

* Preference shares. † Preference dividend paid to March 31, 1916.
‡ Deferred shares. § Market a very nominal one.

Of the above companies five have declared interim dividends at the same rate as in the previous year, but the Gandy Belt Company paid 2 per cent. more, at 10 per cent., and H. E. Randall a dividend of 5½ per cent. against 2½ per cent. We should imagine most of the companies have been making very substantial profits during the current year, but whether any further appreciable expansion will take place remains to be seen. Under the new Order recently issued, the use of practically all classes of sole leather is restricted to Army or Navy or Standard footwear. As the manufacture of standard footwear has but barely commenced, the Order may be suspended temporarily, but it is thought that when the standard product is being turned out freely the Order will be imposed, and manufacturers precluded from catering for the ordinary trade. The firms in the trade have, however, in the past found Government business to be far from unremunerative, and it is quite on the cards that they will be able to continue to give a good account of themselves.

THE

CAPITAL & COUNTIES BANK

LIMITED.

Established - - - - 1834.

SUBSCRIBED CAPITAL £8,750,000 RESERVE FUND £800,000

PAID-UP CAPITAL £1,750,000 DEPOSITS £49,407,458

HEAD OFFICE:

39, THREADNEEDLE STREET, E.C.2.

APPLICATIONS FOR

NATIONAL WAR BONDS

May be lodged at the Head Office or any of
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Unusual interest attaches to the report of the Netherlands Bank covering its year ended March 31 last. In the present conflict this venerable bank, speaking colloquially, stands to be shot at all round. Friends and enemies alike try to make use of it, and to obtain its assistance in making their payments. Its management has had to contend with the falling exchanges of neighbouring countries, and to finance the trade and Government debts due to Holland by the British Empire, as well as to meet the possible danger arising from the adverse movement of the Swedish, Danish and Norwegian currency. On the one hand, it was in a position to demand payment in gold from countries that the war had placed to an excess degree in Holland's debt, and, on the other, to strive to avoid exports of gold to countries whose trade balance was adverse. It has managed a complicated business with its usual skill, and the measures taken in agreement with the British Government to sustain the sterling exchange have been remarkably effective. But the vigilance must continue to be exercised, and after the war ends it will probably be some years before the currents of trade and banking credit flow on in their natural channels. One danger the management has had to exercise vigilance over has had its root in the efforts of foreign countries to raise credits in Holland. The Netherlands Bank has again and again warned Dutch moneylenders and bankers against involving their assets in advances which for various reasons involve them in considerable risks. And in the report before us the bank once more declares that it expressly reserves to itself the right, on every application for discount, loans or advances on accounts current, "to inquire whether such application originates from having previously granted undesirable credits to foreign countries." Should this be the case, "the Bank will then have to disappoint the applicants." In passing it will be interesting to note that while the depreciation of the pound sterling was 7.89 per cent. at the beginning of April, 1916, it was only 2.82 per cent. on March 31 last. The depreciation of the French franc has also fallen from 18.49 per cent. to 11.85 per cent., a proof surely of the confidence these two countries inspire, and also the skill with which the most severe strain ever imposed upon solvent nations by any war has been met. Contrast this with the course of the Austrian and German currencies. At the beginning of the Netherlands Bank's year the depreciation of the German mark was 29.57 per cent., and at the end it had become 34.39 per cent. In like manner the Austrian crown, which was depreciated 42.87 per cent. at the beginning of April last year, had gone down to 51.35 per cent. at March 31 last, and the lowest rate from both countries showed a still greater depreciation, the mark at 34.44 per cent. and the Austrian crown at 51.84 per cent.

Coming now to the results of the year's transactions, these have not been so remunerative as might have been expected, but obviously business was restricted in many directions, and not least by the action of our blockade, and many lines in which credit is usually in great demand were either discontinued or reduced to small proportions. The total profit for the year was 9,210,277 fl., a decrease of 1,510,000 fl. on the previous year, and the whole of that may be said to be ascribable to the reduction in the earnings from loans, which, at 2,629,838 fl., showed a reduction of 1,595,000 fl. The receipts from discounts were also 216,000 fl. down, and the amount received in excess of what was expected on unpaid discounted bills was 110,000 fl. below the previous year. Then expenses went up 176,000 fl., absorbing 2,282,112 fl., and the amount written off furniture and premises was a mere 35,451 fl., or 390,000 fl. less, besides which there was nothing at all set aside this time to cover the loss on the claims of the bank in foreign currency written off the rates of exchange. A year ago 849,851 fl. was absorbed by that demand. Consequently the total nett profits were only 445,000 fl. down at 6,892,714 fl. From this the usual 3½ per cent. was put aside for the shareholders, and 3 per cent. of the balance was paid to

the management and the board of commissaries. This left 6,006,932 fl., of which two-thirds belong to the State, or 4,004,622 fl., leaving for the shareholders, including the 4,270 fl. brought forward, 2,006,581 fl. Out of that, however, the war profit taxes for the two years ended March 31, 1916, had to be provided, or 323,200 fl., less 19,468 fl. of the amount chargeable to the management, and consequently there was in the end only 1,553,869 fl. left to be disposed of at the general meeting. This was 430,000 fl. less than a year ago, and enabled the directors to add 77 fl. to the dividend, making it with the 3½ per cent. already given, 112 fl. for the year per 1,000 fl. share. This is a reduction of 22 fl. on the previous year's dividend.

It is significant of the changed conditions that the Mersey Docks and Harbour Board in the year ended July 1 had to issue £1,959,000 bonds, mainly at 5½ per cent., while £1,376,000, bearing interest at 3½ to 4 per cent., had to be redeemed, the nett increase being £583,000. A year ago there was a decrease of £170,000 in rates and dues, but this was largely recovered in the past twelve months, the item showing an improvement of £150,000 at £1,558,000. Warehouses and rents yielded an increase of £15,000, but the Dock traffic department fell off £70,000, and gross receipts are £93,000 up at £2,245,000. On the other hand, interest required £25,000 more at £979,000, and other charges were generally heavier, with the result that, after placing the usual £100,000 to sinking fund account the balance carried to unappropriated receipts account is £44,000 smaller at £12,540. Expenditure charged against this account amounted to £37,270, with the result that the balance to be carried forward is reduced by £25,000 to £531,240. It is a great undertaking, and on the whole excellently managed. We are pleasantly surprised that the submarine campaign has not had a greater effect on the trade of the port, but we think the board without loss of dignity might give some account of its stewardship beyond the bald figures.

A. Darracq and Co. (1905), Ltd., had a most successful year to September 30, the gross revenue, mainly derived from investments in other companies, being £17,000 higher at £142,200. At the same time, expenses were reduced by £4,500, and as last year the balance of goodwill and patents amounting to £12,000 was written off, the net profit comes out at £125,000, an increase of £34,500. Consequently the directors are able to place £30,000, against £20,000, to reserve fund (raising it to £200,000), and to pay an additional dividend of 3 per cent. on the preferred ordinary shares, making 10 per cent., against 7 per cent., for the year. The ordinary shares then receive a dividend of 15 per cent., against 9½ per cent., and in addition a bonus of 5 per cent., leaving £14,530, or £1,000 less, to be carried forward. The directors lay special emphasis on the fact that the bonus must be regarded as a portion of the exceptional profits of an abnormal period, intimating at the same time that they wish to avoid violent fluctuations in the dividends declared from year to year. We like this candid statement of the position, and hope that if the bonus cannot be repeated when war profits come to an end, at any rate it will be possible to maintain the dividend. Nothing in the balance-sheet calls for comment, but it has a strong and healthy appearance, and with £86,000 cash in hand the liquid position is very satisfactory.

As might have been expected, the British Motor Cab Co., Ltd., did badly in the year to March 31 last. It may be recalled that the company acquired the General Motor Cab and New Motor Cab undertakings in 1912, and for the year to March 31, 1914, the combined business yielded a nett profit of £57,000. Then came the war, and the profit dropped to £16,000 in the following 12 months, but recovered to £28,000 in 1915-16, when a dividend of 2 per cent. was paid on the preferred ordinary shares. Now there is a sharp retrograde movement. Nett earnings amounted to

£57,250, but it is considered necessary to write off £59,650 for depreciation (of which £44,540 is in respect of rolling stock), and after paying rates and taxes there is a loss of £12,500, an adverse difference of £40,800 as compared with last year. Consequently the amount brought in is reduced to £4,960, and the outlook is not very cheerful. The company's troubles are largely due to the scarcity of drivers and the high price of petrol and other materials, from which no relief can be expected for some considerable time to come, and the drivers' strike for free petrol did not help to improve matters.

Another highly successful year's trading is recorded by Hurst, Nelson and Co., of Motherwell, the well-known firm of railway wagon builders and makers of railway plant. Gross profits were £5,345 higher at £78,771, this increase following one of £11,607 for the previous year, bringing the total to some £17,000 above the pre-war level. The distribution of 12½ per cent., tax free, on the ordinary capital is repeated, and the general reserve by the addition of £20,000, as compared with £25,000 a year ago, is raised to £70,000, the balance forward, which is subject to payment of excess profits duty, being £5,090 more at £20,080. The special reserve fund for preference share dividends remains at £36,000, this being the full amount to be provided under the articles of association, and is equivalent to three years' preference dividend. Works in progress, stock-in-trade, &c., stand in the balance-sheet at £204,695, an increase of £30,021, and sundry debtors, including balances due on wagons on deferred purchase, are £37,637 higher at £139,972, while on the other side of the account sundry creditors are only up by £19,757 at £98,342. Works, plant, and machinery have again been reduced by over £11,000, at £99,758, and there is no item for goodwill, so that the financial position of the company is a strong one. When the business was formed into a joint-stock concern in 1908, the profits shown were only £41,173.

Bristol United Breweries, Limited, did much better during the year ended September 30 last, but it is not clear from the accounts whether provision has been made for excess profits duty. Anyway, the revenue from trading operations, rents, and dividends is £12,410 larger at £75,040, and, with fees, income-tax, &c., requiring slightly less, there is, after paying the debenture interest and preference dividend, £45,650 available. The ordinary shareholders receive 14 per cent., against 10 per cent., and as there is no allocation to investment reserve, as in the previous year, when £3,625 was set aside for that purpose, £6,970 more at £13,450 remains to be added to the amount brought in, leaving the carry forward £13,450 up at £50,700. The improved results are naturally reflected in the balance-sheet. Debts and liabilities, including dividend disbursements, total £20,550 more at £80,180, while cash is down £10,310 at £7,830, and debts due to company are £6,330 smaller at £31,670, but Treasury bills have risen £30,000 to £50,000, War Loan investment is £16,340 larger at £37,740, and, altogether, liquid assets, apart from stock valued at £34,300, exceed current liabilities by £47,060, against £37,910 a year ago. The reserve accounts total £160,300, and, having regard to the size of the carry forward, the position seems to be comfortable enough. In consequence of the difficulty of obtaining clerical assistance, it has been impossible, so far, to take the necessary steps for converting the £10 shares into £1 shares.

Matthew Brown and Co., Ltd., the old-established Preston firm of brewers and maltsters, are able to report substantially improved results for the period ended September 30 last. Gross profit went up £22,780 to £70,160, and as expenses, depreciation, excess profits duty, &c., only absorbed £16,090 more, profit comes out £6,690 to the good at £23,400. A further £4,660 at £8,990 is devoted to depreciation on properties, plant, and motors, and, after providing for debenture interest, which required £210 less at £4,130, there

is £2,240 more at £10,270 available for the ordinary shareholders, who receive an increased distribution of 3 per cent. at 11 per cent. There then remains £3,960 to go forward, an increase of £590. During the year £7,690 has been expended on properties and improvements, and the property asset now appears at £325,110, compared with £318,900. The item machinery, plant, and utensils, which figured in the previous year's balance-sheet at £6,900, has been written down to £100. Stocks are £1,620 smaller at £32,240, books debts have been reduced £4,275 to £8,475, and there is £1,010 less at £8,220 outstanding in loans to customers. Sundry creditors and proposed disbursements total £3,825 more at £35,060, and mortgages, doubtless owing to new capital expenditure, are £2,850 more at £4,575, but a reduction of £11,210 has been effected in the bank overdraft, which now amounts to £8,010, and £2,850 has been invested in War Loan. The assets total £378,560, current liabilities and proposed disbursements about £43,370, and mortgage debt £142,120, leaving a nett surplus of £193,060, against an ordinary share capital of £117,400.

Largely owing to favourable weather conditions, the Demerara Railway Co. is able to report a substantial improvement on all lines for the financial half-year ended June last. On the Demerara section, passenger and parcels traffic brought in £1,240 more at £11,200, receipts from the carriage of goods were £5,200 larger, and total revenue comes out £6,540 up at £23,390. Expenses, including slightly more on maintenance, are only £1,750 higher at £10,960, with the result that the nett revenue from this section of the company's system is £4,785 larger at £12,430. The Berbice Railway is not yet paying its way, but the nett loss on working has been reduced from £2,860 to £1,250, an appreciable improvement, even after allowing for the fact that some £700 less was spent on maintenance. In the case of the West Coast Railway receipts were £1,150 larger, and as expenses only exhibit the trifling increase of £180 at £5,100, nett revenue is £970 to the good. After adding the Government subsidy of £6,250, and deducting the loss on the Berbice Railway, the nett profit for the half-year comes out at £18,030, an increase of £7,230. The 4 per cent. extension preference dividend, and the 7 per cent. preference dividend, calls for £6,250 and £4,025 respectively, and, after providing for the preferred ordinary dividend, amounting to £563, a dividend at the rate of 4 per cent. per annum, against nil, is declared upon the ordinary stock, which requires £3,300. After appropriating £4,575, compared with nothing a year ago, to renewal fund, there remains £2,712 to go forward. In the balance-sheet items more or less liquid total about £37,100, and sundry liabilities, including proposed dividend disbursements, about £16,700.

Details have now been issued of the scheme, to which reference was made some time ago, for amalgamating the Main Reef West with the adjoining property of the Consolidated Main Reef and Estates, Ltd. The position of the former is almost desperate. No dividends have been paid for five years, the redemption of debentures is in abeyance, and last year's operations resulted in a profit of only £7,300. Yet a remarkably good case is made out for the amalgamation from the point of view of the Consolidated Co. The advantages to it are the facilities for developing the eastern section of the Main Reef ground from the Consolidated Co.'s workings, the avoidance of a cash outlay on extension of the cyanide plant, and a general saving in costs. Moreover, it is stated that if the fusion takes place the present rate of dividend can be maintained, and possibly slightly increased, but if not the dividend will have to be reduced. As to the terms of the amalgamation, the assets of the Main Reef West have been valued at £229,577, apart from any value which may be attached to the 388 unexplored claims. In addition, it is calculated that the savings in working costs over three years to the consolidated company will amount to £37,100. This brings the total

estimated value of the property up to £266,677. It is proposed to satisfy this sum by the issue of 323,238 £1 shares of the Consolidated Company, which, at the present market quotation, represents about £260,000. These shares will be entitled to one-half of any dividend declared by the Consolidated Company in respect of the current half-year. The Main Reef West debenture holders will receive nine shares for each £10 of stock, which will absorb 225,000 of the Consolidated shares, and the remaining 98,238 shares will be distributed among the shareholders in the proportion of one Consolidated share for five Main Reef West shares. Thus the shareholders will get the equivalent of the market value of their shares. The capital of the Consolidated Company will be increased from £950,000 to £1,247,602.

The result of the tenders for the four new Government areas on the Far Eastern Rand, announced this week, was rather surprising. The Union Government has accepted the Barnato group's tender for the Springs and Southern Geduld area of 2,050 claims, which was on the basis of working it as a separate proposition. The initial capital of the new company will be £1,500,000, and it will pay, in addition to ordinary taxation, a percentage of the profits obtained. This area was regarded as the pick of the bunch, and the fact that the Barnato group has succeeded in obtaining the lease against seven competitors puts a substantial feather in its cap, though it has agreed to pay the Government a higher percentage of its profits on a sliding scale than it did under the Modder Leases agreement, which had seemed to put the percentages high enough. The Springs Mines Company has successfully tendered for the Eastern De Rietfontein area of 2,236 claims, which it will work with its present 1,332 claims. Its capital is to be raised from £1,000,000 to £1,500,000, and it will pay for the next five years 5 per cent. of the profits of the amalgamated property, and thereafter will pay on a sliding scale a percentage of profits. The Government, however, has rejected the tender for the Eastern Geduld area of 2,526 claims, and all six tenders for the Western de Rietfontein area of 2,236 claims.

The Vote of Credit.

Mr. Bonar Law had a most delicate piece of work to perform on Tuesday in the House of Commons. Observers amongst the people have been getting increasingly uneasy at the growth of public expenditure, the amount of which has far exceeded the Budget estimate, and many began to be afraid lest we should be financially exhausted before we had finished beating down the Prussian monster. No doubt that is the hope of said monster, who is ready to ruin himself utterly, and to destroy all the future of the German race, in order to bring about just this consummation of the war. "We know we cannot beat you," he appears to snarl to himself, "but we shall hold out long enough to bring you down to as hopeless a condition of insolvency as ourselves." Now, when vote of credit after vote of credit is put before the House and accepted, it is inevitable that the Prussian success in this particular should be dreaded, and that gloom should spread in people's minds. It is deepening and spreading there now, although not expressed, and Mr. Law had to do something to reassure us all, and to instil new hope into the minds of the nervous and anxious taxpayers.

He is to be congratulated on his effort. The speech he made was a good one from many points of view, and not least in the skill with which the thin ice was glided over, and the best face put upon credit questions of doubt and delicacy. What had he to say in mitigation of the startling fact that up to the end of September the National Debt had risen to £5,000,000,000? He accepted the figure, but pointed out that £1,100,000,000 of this consisted of advances to the Allies, that another £160,000,000 had been advanced to the British Dominions overseas; he further took credit for the un-

paid-up £66,000,000 or so of the £100,000,000 promised as contribution to the war by the British Government of India. Deducting the Home pre-war debt of £645,000,000, he was in this way able to bring down the nett amount of our debt to £3,000,000,000 at the close of September. But he left the "ifs" out. If all this money advanced to Allies and Dominions is made good by the borrowers; if India is able to find the £66,000,000 balance, then, assuming the war expenditure to go on just as at present, by March 31 next the nett total of our own debt, which is £3,000,000,000 now, will only have risen to about £4,000,000,000.

We say *only*, but the consolation embodied in the adverb is small. A debt of £4,000,000,000 will at least for some years after the war cost £200,000,000 per annum for interest, and above and beyond that we must provide for all the usual expenditure of the country, and meet all the outgoings incident to winding up the conflict. Expenditure, moreover, is sure to remain much larger than it has ever been before on the civil side for a good many years after peace returns. Mr. Law himself told the house that between £40,000,000 and £50,000,000 will be added temporarily to the after-war expenditure by the large increase in the pay of the soldier and the loss upon the 9d. loaf. We think his forecast a "penurious" one—he will understand the Scotch meaning of that word—and fear that he has allowed too little on these heads. There are, moreover, other ways in which outgoings will be enlarged if the nation is to be helped to resume economic progress and the development of its dependencies. From all sides the tribes and nations of men will be *en queue* before the door of the British Treasury in quest of assistance.

But it would be unwise at present to dwell upon the gloomy side of the horizon because the further we go towards the darkness ahead the more quagmire and inextricable will the prospect become. It is better cheerfully to count upon the ability of our Allies to repay our advances to them, after a due interval in which to recover from the devastation of the war; that our Dominions abroad will be equally capable of carrying their share of the burden. We must hope, also, that by remodelling, simplifying, and cleansing our administration, and by calling into use for public purposes privileged incomes of all kinds, now too often wasted—such, for example, as the great revenues of the City of London livery companies—we shall be able to survive the flood of barbarism by which our civilised life is now threatened with extinction, and gradually to attain to a new and a finer height of civilisation through human fellowship on less selfish lines. A hope of this kind will be much strengthened if we strive for a peace that will bring disarmament, for then, with the world delivered from the long endured horrors of an armed peace, all our other burdens would feel light, and we should be able, not only to assume the interest obligations of our debts without flinch or fear, but to commence their liquidation, and at the same time go on with the emancipation of mankind from many galling and debasing shackles. It is well to hope thus, and to calculate for a better future as some consolation for the afflictions now endured.

In his quite friendly and appreciative criticism, Mr. McKenna, his predecessor at the Exchequer, objected somewhat to Mr. Law's refusal to present a second Budget during the current year; that is to say, Mr. Law, to Mr. McKenna's regret, refused to face the question of further increases in taxation now. We rather agree with Mr. McKenna on this point, and think that the opportunity should have been taken to extend the demands of the Exchequer in various ways, and particularly so as to levy upon the entrenched wealth of the great land-owning class, above all on wealth *unearned*, like the maladroitly proposed "royalty" of 9d. a—ton, is it?—on petroleum raised in England. By postponing the revision of land taxation, by leaving rent-paying town dwellers to carry the whole load of urban rates, and by neglecting to seize

the opportunity to turn to public uses such sources of income as mining royalties, tolls, wayleaves, and the like, the Government is playing into the hands of the subversionists among us. These subversionists will be sure to receive an incalculable accession of strength when the time comes for the proceeds of the present taxation to shrivel, as they certainly will do. Mr. McKenna pointed out the dilemma with convincing force. "It is absolutely unsafe," he said, "to calculate post-war conditions upon the basis of pre-war prices for expenditure and post-war prices for revenue." Not only that, but the cessation or material curtailment of the thousand and one branches of manufacture created or developed and stimulated by the war must at once cause great areas now prolific of revenue to diminish or to disappear altogether. The revenue from war profits taxation alone is now magnificent. Up to the end of last week it has yielded nearly £108,000,000 to the Treasury in the current fiscal year, and this free-flowing stream will probably continue until the war ends. But what will happen after? Mr. Bonar Law might study that question with some care between now and next Budget day. No doubt he feels himself to be held fast in bondage by the landed oligarchy which controls still the life of the people of this country, even as it is controlled in Prussia itself; but he must pluck up courage if he wishes to figure in the annals of this subversive and consuming strife as a great constructive statesman who risked all to save the people.

In another direction than what we may call the domestic point of view, Mr. Law sought to reassure the country. It was a lighter effort, and met with considerable success. Turning his eye upon Germany, he drew attention to the fact that votes have been passed through the Reichstag there for credits amounting to £4,700,000,000, and instanced the admitted fact that the German war expenditure has been going up at least as fast as our own—so far as can be traced, for much is naturally hidden from the public. The monthly outlay of the Hohenzollern Empire was £100,000,000 in June last year, Mr. Law told the House, and in May of this year it had risen by 50 per cent. to £150,000,000. Probably this does not represent anything like the whole of the expenditure, for the advances to Germany's Allies are not included in the totals mentioned, nor is the increase in the various kinds of paper money put into circulation taken note of. Probably, also, the subventions to the States of the Empire are overlooked. But whatever the real amount, the dominant fact is that German functionaries, the humble minions of the Kaiser autocrat, have had far less courage than even our Chancellors of the Exchequer. No new taxation was put on by them until last year, when £25,000,000 was added, and presumably collected. This year an additional £60,000,000 has been put on, raising the total addition to the taxation of the country to £85,000,000. Moreover, a "capital levy" is said to be in course of collection, which is estimated to bring in £100,000,000—if they can get it, which has not yet been proved possible by experience. But, following Mr. Law, we assume that all the revenue voted is coming in, and that accordingly £185,000,000 has been added to the public income of the Empire. It is not nearly enough. Mr. Law puts it at £55,000,000 short of the interest alone on the debt, and clearly much of it is only temporary revenue, like much of our own. What, then, will the people's position be when the war ends? Nobody will be in a position to lend Germany any money; few would lend, even if they could. There will be countless millions of damages to be made good, while trade with the rest of the world will have disappeared. What will the outlook be? "Thrones and dominions" seem likely to have but short shrift, whatever else happens, and the conquering hero trade in full discredit. From the mere staying power point of view, the outlook for Germany is immeasurably blacker than ours; much blacker than the Germans themselves know. These rough outlines show the plight into which the German peoples have been brought by the mad fury and boundless pride of their tyrants.

The contrast might have gone further, and been still

more telling, had Mr. Law glanced at the position of Austria. That partner in crime now admits a war debt of £2,500,000,000, without counting the enormous increase in the paper money forced into circulation, and without reckoning in the Hungarian portion of the war debt. The official reporter on the Budget, Baron Plener, expressly told the Reichsrath that the 60,000 million kronen was the Austrian share alone. Put the total debt for the two countries at only £5,000,000,000 when the war ends, and what sort of a future does that conjure up for the populations of Middle Europe? What fate does it portend for the Habsburg and Hohenzollern tyrannies? The Chancellor of the Exchequer might do worse than turn on some clever young fellow in the Treasury to dig out all the facts ascertainable about Austrian and Hungarian finance and link them up with what is known of the position in Germany itself. The result would be consoling from many points of view, and would, perhaps, do a good deal to shut the mouths of those who cry out, on every news of a reverse in the war, for peace—peace on any terms. Austria and Germany are utterly ruined and bankrupt. Not all the "conquests" in the world could now save both the impostures of Empire from extinction. But because that is true, we have the more need for effort continuous and for self-denial in all things, so that the victory may be ours without the ruin.

Subjoined are the figures laid before the House of Commons in Mr. Bonar Law's speech, as tabulated in the *Times* :—

AVERAGE DAILY EXPENDITURE.

	£
July 22 to September 29 (70 days)	6,414,000
Previous period of 78 days	6,404,000
First half of 1917-18	6,648,000
Budget estimate	5,411,000
Increase over estimate	1,237,000

RECOVERABLE INCREASES.

	£
Loans to Allies and Dominions	61,500,000
Advances to Dominions (not loans)... ..	24,000,000
War Office payments for commodities for the Allies	3,500,000
Purchases of raw material, foodstuffs, and ships... ..	74,500,000

FINAL ANALYSIS.

	£
Increased expenditure over Budget estimate	222,500,000
Recoverable expenditure	179,000,000
Real increase	43,500,000
Real daily increase	239,000

NATIONAL DEBT.

	£
Present total	5,000,000,000
Advances to Allies	1,100,000,000
Advances to Dominions	160,000,000
Part of Gift of Indian Government	66,000,000
Debt at beginning of War	645,000,000
Increase of Debt due to War	3,000,000,000

THE LONDON CITY & MIDLAND BANK LIMITED.

Head Office : 5, THREADNEEDLE ST., LONDON, E.C.2.

Foreign Branch Office : 8, Finch Lane, London, E.C. 3.

Subscribed Capital -	£22,947,804
Paid-up Capital -	4,780,792
Reserve Fund -	4,000,000

Deposits -	£193,222,087
Reserves -	48,290,936
Bills of Exchange -	22,352,037

The Belfast Banking Company, Ltd., is now affiliated with this Bank, but their figures are not included in the above.

The Wasteful Finance of the War.

Those who wish to give themselves a fit of the blues regarding the way the finances of the nation are settling down into a condition bordering on hopeless dead weight, could not do better than take a reading of the first report made by the Select Committee on National Expenditure. That was published at the end of last week, price 2d. nett, and most of the newspapers gave the substance of it, so that we need not spread out the depressing fare here again. To us there is nothing really new in it except the statistics. This writer does not mingle much with the official classes, nor with the defenders of the country, but he sees enough of them, and hears more, to enable him to guess pretty well how things are managed. The difficulty which lies at the root of the financial management of such a tremendous undertaking as this war is ignorance. Nobody seems to know what "finance" means. Even the Committee seems to use the word occasionally in a purely technical or academic sense which the readers of its report are liable to misunderstand, but to the public and the spenders "finance" is just "money," and it is enough for them that the Government provides this money. How they neither know nor care. And our complaint about all such investigations as this report represents is that they come too late. The House of Commons should have been set to work to help the various departments and to control them or guide them from the very first.

What does an artillery officer know about economy in producing guns and shells? He never thinks of it; it is not his business to think of it. What he wants is as many killing instruments as possible as soon as possible, and the orders are given to that end without any regard whatever to "economy," usually also without control or restraint of any sort. "The Treasury has no control," says this Committee, and we agree, but how can it have? Its staff was never framed with a view to an expansion large enough to embrace the infinite variety of accounts and requirements, departmental and other, called into existence by this war. The House of Commons consists of men now paid for attending to the business of the nation. These men should have been "combed out," to use the current recruiting slang, and set to help the various departments, and above all the Treasury, on the business side. Had that been done, we have no doubt whatever that many hundreds of millions would have been saved which are now laid upon the backs of the taxpayer practically for ever, and the interest, &c., charges upon which will help very materially towards that internal economic revolution which most men begin more and more to feel to be at hand. We are forced, therefore, to say of this sub-committee, as we have so often said of Prussian dashes and moves in the war game of devastation, that it is "too late."

Just look at the story of the Wheat Commission and its purchases of grain. It bought one little lot in Australia of 14,000,000 quarters, and the Australian Commonwealth Government was no doubt delighted to get for it £26,000,000, there or thereabouts. We agreed to pay for that crop. The date of that purchase is not mentioned, but it was more than a year ago, unless we are much mistaken, and Mr. Hughes, the Premier of the Commonwealth, sent abroad notices which appeared in most newspapers intimating that he had bought a fleet of ships to bring this grain home here where it was badly wanted. The ships may have been bought, but they were not put to the service designed for them, and this Sub-Committee tell us that the bulk of the wheat we so royally bought, costing about £26,000,000, is still in Australia. The other day, moreover, we read in the papers that it is deteriorating fast in all ways, what the rats and mice have left of it. It is now being converted into flour, and we hope it will be clean flour, but still no provision seems to be made for its conveyance to the bakers of the United Kingdom. And the worst of it is that the guarantee as to quality which formed part of the bargain extends only to December 31 next. After that, if the grain is eaten away with weevils, fouled and consumed by vermin, or otherwise damaged until what remains of it as grain

becomes little better than offal, unfit for human food, it will either have to be brought home here without recourse, at ruinous loss, or left where it is to become a dead loss in the Home Exchequer. Now, would a business house have gone about the affair in this fashion? Would not some definite measures have been arranged for to ensure the systematic and rapid transshipment of the grain before it was bought? One would have thought so, but the Wheat Commission does not seem to have been composed of business men. We wanted wheat, the Commonwealth of Australia had the wheat and wanted money very badly. What more simple, then, than to buy the wheat offered at a substantial price, and pay for it on the nail, leaving it to chance whether the bargain turned out a grievous loss to the home taxpayer or otherwise? And this is only one example of how things are done. This Committee says, without explaining the matter, that the Wheat Commission "largely increased the reserve of wheat which it took over from the Board of Agriculture" at the outset of its existence, and has "incurred a heavy financial loss" thereupon.

By the way, what do they mean by lugging in the word "financial" here? They mean money loss, and is there any other kind of loss they could have incurred? An elastic sort of meaning is apparently being given to the adjective in documents like this. They go on to tell us that the wheat accumulated here has been stored in temporary and often unsuitable buildings, and that, in view of the world's scarcity, the Wheat Commission imported and stored "low-grade wheats unfit for long keeping." Result, a probable loss on this year's working of £2,000,000 is admitted. That is the lowest the Sub-Committee expects. They think the figure should be much higher, and, at any rate, the decision of the Food Controller to sell bread to the public at 9d. the 4 lb. loaf will cost we who pay the taxes "£40,000,000 a year."

These are very serious facts, and we think such a loss, or much of it, might have been avoided with a little commonsense and knowledge of affairs devoted to the management of this great matter. Unquestionably it is of the utmost urgency that the nation should have bread, but what is the good of buying the wheat which provides that bread so much in advance of requirements when wholly unable to store it properly, or without providing for the utilisation of processes whereby it would be made keepable? And why did the Food Controller fix the price of the 4 lb. loaf at 9d. if he knew all the facts? Had he no information as to what the grain from which this bread is made was costing the country, or of how it was being wasted? Was he misled as to the quantity in stock and the quality thereof? Did he expect the Australian wheat to be here? These and other questions confront the inquirer, and increase the regret that so few patriots of capacity should apparently have been available for the work of saving the nation and the Empire from what promises to be something very like economic paralysis when the war is over. By the methods followed, we may even be brought face to face with want in the midst of what should have been at least "enough for all."

Many other interesting examples are drawn attention to in this report which we cannot now examine. But the "publicity" expenditure demands a word. The Right Hon. Arthur Henderson was placed at the head of a Parliamentary Department to control this expenditure, which left the whole business of placarding in the hands of a "committee of experts." And the "experts" laid out £54,341 on newspaper advertisements and £33,839 on posters, leaflets, &c. Judging by the display made, we taxpayers got the worth of our money—but did the nation get value? We have now, and have all along had, the gravest doubts. "Publicity" was vulgarised, and even the newspaper advertisements were too often over-much in the infallible quick-remedy style to impress or attract the right people. And, says this Sub-Committee, "it would appear doubtful whether any real control . . . was exercised by the Treasury." It is thus all round.

Buenos Ayres Great Southern Railway.

In view of the universal disturbance to business caused by the war, it is very satisfactory to find that the Buenos Ayres Great Southern in the year to June 30 not only maintained its traffics, but substantially increased them, the gross receipts being £5,734,000, a gain of £185,000, or 3.33 per cent. As this follows an improvement of £607,000 in the previous 12 months, the record so far is very encouraging, because it indicates that the territory served by the railway and its subsidiaries is steadily developing, and when more normal conditions are restored the proprietors may hope for a return of the prosperity which they formerly enjoyed. Of course, the effects of the recent strike and serious labour disturbances are not reflected in the present accounts, but the report states that traffic was completely stopped between September 24 and October 18. Considerable losses were caused by the wilful destruction of rolling stock and other material, and proper steps have been taken to claim from the Government the total amount of these losses, but whether they will be recovered in full is at least doubtful. In any case, the dislocation of traffic must represent a considerable amount for which no claim can be made, but we must wait till next year to see the full effects of these deplorable incidents. However, the country shows such wonderful recuperative powers that it would be foolish to take a too pessimistic view of the position, although we are afraid there is every prospect that working costs will continue to increase for some time to come. In the past year the advance in expenses was no less than £508,000, or over 16 per cent., and the ratio to receipts rose from 57.04 per cent. to 64.06 per cent., but with the permission to raise rates by 22 per cent. as from the middle of December, the companies ought to be able to compensate themselves for the increased charges. As already announced, the dividend has been reduced from 4½ per cent. to 4 per cent., and the balance forward also is £10,000 lower at £74,000, but the loss can easily be recovered when conditions improve.

Passengers fell off 490,000, or 2.16 per cent., while the receipts were £54,000, or 3.30 per cent. lower, owing to a decline in the average length of the journeys made. This was due partly to the commercial depression that prevailed, and also the smaller immigration owing to war conditions. On the other hand, receipts from parcels and luggage increased £20,000, or 4.64 per cent., to £466,000, but goods dropped 180,000 tons, or 3.6 per cent., to 4,805,000 tons, but the receipts were £88,000, or 3.4 per cent. higher. Livestock carried showed an increase of 13½ per cent., and the receipts were almost 25½ per cent. larger at £648,000, an increase of £131,000. No doubt this is largely due to the moving of cattle from one district to another in search of feed, but the report does not give any information on that point. With regard to expenses, we are told that fuel alone cost £483,000 more, and, of course, that accounts for the bulk of the increased expenditure; but we find that maintenance of way and works cost £14,000 less and locomotives £7,600 less, but £16,000 more was spent on other rolling stock, so that the management has not been unduly niggardly in this respect. There was a saving both in general charges and miscellaneous expenses which may be taken as the real test of economy, but traffic expenses were £8,500 higher, an unavoidable increase we should imagine.

As usual, the report from the chairman of the local committee contains a lot of interesting general information about the condition of the country, and we are glad to notice that bank deposits at the end of June showed an increase of £26,000,000 as compared with last year and of £41,000,000 against June, 1915, the total at the latest date being £162,000,000. During the two years discounts have risen £17,000,000 to £120,750,000, and the cash in hand £12,600,000 to £69,785,000. That shows very satisfactory progress, and promises well for the future. Exports of cereals were poor owing to

the bad harvest, maize dropping 1,305,000 tons to 2,527,000 tons and linseed 513,000 to 283,000 tons, but wheat advanced 81,300 to 1,682,000 tons and oats 117,500 to 619,000 tons. Beef exports increased 41,000 to 434,000 tons, but mutton dropped 2,300 to 47,470 tons. Wool, however, showed an increase of 38,400 at 143,600 tons. The last item alone gave Argentina about £7,000,000 more money to play with, which ought to be extremely useful at the present juncture, and the visible balance of trade has moved very decidedly in favour of the country.

Nett capital expenditure amounted to only £34,600, a decrease of £130,000 as compared with the previous year, and it is only a fraction of what used to be spent under this heading. It is evident, therefore, that the lesson of economy pervades all departments, and this is a very welcome sign, for it must be understood that fresh capital will not be nearly so easily obtained for a long time to come as it was in the years before the war. With regard to the general position, it is stated that at the time of sowing for the last harvest, cold, dry weather prevailed, which continued till the middle of August, being the longest spell of winter experienced in the country for 20 or 30 years. It hindered ploughing, and especially the breaking up of new ground, but in the second half of August adequate rains fell, and by the end of September the crop situation was very satisfactory so far as the district served by this company was concerned. Indeed, the manager states that they were extremely fortunate in comparison with others, and that ideal harvesting weather prevailed except in the case of oats, where the rains came too late to improve the crop. Moreover, they had not the locust plague to contend with which other districts experienced, crops being entirely eaten up in some cases. As to future prospects, the report states that there are much smaller cereal crop outstandings to deal with, and all branches of traffic, except cattle, are dull. The failure of the last harvest in many places left colonists without resources, and help has had to be extended by the banks acting in conjunction with the railway companies. However, the ploughing and sowing for the 1918 crop has been accomplished under the most favourable weather conditions, and it is fairly certain that the area under wheat and oats will exceed that of the previous year, so that given even ordinarily good conditions a heavy crop should be garnered. Of course, the prosperity of the country depends largely on shipping facilities, and these remain a very uncertain factor at present, but taking everything into consideration we are of opinion that holders of Argentine stocks may look forward to the future with a certain amount of confidence.

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By-the-Way War Notes.

There is a peculiarity about the mental displays of our journalists and politicians, instructors of all kinds, which has been brought into more striking relief than ever by the catastrophe that has overtaken Italy. The instant the news came of this calamity, it was immediately seized upon as a disaster, irretrievable, something that might very well seal the triumph of the Germans. Pictures were held up before our eyes of the Austro-German hosts in triumphal march over the Venetian Plain, in occupation of Venice, and generally holding riotous triumph over beaten Italy. Now this attitude is not only stupidly unfair, but alien from the truth. There is no denying that under Mackensen's foxy-astute leadership—although, by the by, there is apparently jealousy between him and the Austrian commander as to which devised the stroke—a severe blow has been struck at Italy. The left wing of her armies was surprised on the Upper Isonzo, and in its surprise failed to resist with the usual Italian tenacity. Tolmino was lost, and, once broken, the whole line had to retreat to escape the danger of being taken in the rear. During the retreat much material, many prisoners and guns were lost. The German figures are probably exaggerated, but there can be no doubt that whether or not the 120,000 prisoners actually represent fighting men, or whether the 1,000 "guns" are all of high calibre and efficiency, the blow has been a staggering one. The utmost sympathy, therefore, ought to be extended to the Italian nation and its soldiers, and also, at the earliest possible moment, the utmost assistance should be afforded.

Already, with admirable promptitude, the United States Government has lent the Italian Government £46,000,000, and we have no doubt whatever that France and the United Kingdom will be as prompt to help in other ways. It is, however, noticeable—and, as much as anything we have seen, affords indirect evidence of the influence of that "unseen hand" which is always busy weaving together an interpretation of events favourable to the German propaganda and German interests—that no sooner was the news of the calamity circulated than insinuations began to appear here in all sorts of journals, some of them of the "utmost respectability," implying that we had betrayed Italy, and cynically left her alone to face the storm—that the French Government and ours had turned a deaf ear to Italy's appeals for help. The device is always resorted to under cloak of an ardent patriotism, jealous of the country's honour, or a devouring anxiety to win the war is paraded. Hints and insinuations of the kind are probably lies from beginning to end, but in this instance it is noticeable how excellently they harmonised with the German propaganda in Italy, whose purpose is to sow dissension between the British and Italian peoples. Coincidences of so peculiar a type are both disheartening and disgusting. They can hardly be the outcome of deliberate disloyalty—not always, at least—but they play the game of the Prussians most effectively. Notwithstanding, we hope the Italian nation will avoid the snare and continue to believe that there is grit enough in the British people, and humanity and brotherhood enough likewise, to hold our policy firm in unison with our Allies until the all-consuming Teutonic pestilence has been overcome and destroyed. Italy is not beaten—nobody here for a moment thinks her beaten. By retreating behind the Tagliamento, and holding fast to the mountains that protect the left flank of the new line there established, the valiant Italian armies will soon reduce the Germans on that front also to that offensive-defensive method of warfare which is costing them their empire and ensuring their degradation as a race in the West. For when all is said, it is political effects, far more than a military triumph, the Teutons seek now. Their hurrying troops displayed the word "peace" on their banners, and the intriguers behind the troops hoped that the sensational dash of the invasion would rend Italy in pieces by internal strife. For have not German marks in millions been spent there in sowing the seeds of sedition? And what more logical than to look for the

harvest? The harvest will be other than the Prussians dream of. As usual, German psychology is astray. To-day Italy is probably more united than it has ever been since its peoples first came together to found a new nation inspired by lofty ideals.

On the Western front fighting has been strenuous, and our assaults, conducted under extreme difficulty owing to the swampy ground and the untoward changes in the weather, have been strenuous and costly; but progress is made, and soon all that remains of the Passchendaele Ridge should be in our hands. Most of it is so already, and the Germans officially declared that we had entered the village itself only to be driven out again. The lie is probably a paving stone to make the acceptance of the fact easier when the village does fall to our men.

The French lines on the Aisne and the Ailette are also being pushed forward, and some progress has been made on the Meuse. Everywhere, in fact, along the battle front stretching from the sea to the Swiss frontier the Germans are being consumed, forced back, goaded to assault lines prepared for their reception, shut in likewise so that not only are their losses of men and material continuous and exhausting, but the internal condition of the country grows ever more ominous. Disease corrodes the health of the people, strenuous, intensive war labour conduces to their exhaustion, infant mortality threatens the race, blacker everywhere becomes the prospect. The very bragging of their officials about a sufficiency of food, about loyalty and unity, wealth unexhausted, and so forth, tells us that the coming winter in Germany is going to be one of greater privation than ever, if not one of absolute famine. Oh, you may be sure the criminal aggressors in Central Europe are already receiving heavy instalments of the punishment due to them for their infamy.

Politically, and within Germany, chaos seems to be approaching, and the boundless arrogance of 1914 has changed its note. If the people had moral grit they would revolt. That Michaelis functionary has not long filled the post of Jumping Jack to the mad Kaiser, and there seems to be some difficulty in finding a successor. Neither people nor Kaiser know what they would be at. The Empire is full of intrigue, and the ignorant multitude, still seemingly hugging its vain dreams of world dominance and industrial masterhood, hurtles from one idea to another, in quest of peace, of liberty, of it knows not what, and all the time it grows hungry and ever more hungry for bread and peace.

The internal condition of Germany probably accounts for this Italian incursion quite as much as schemes of military conquest; but it would not have been possible to strike that blow but for the collapse of Russia. Nevertheless, Russia is not driven wholly out of the field, as so many among us, as the German "high command," seem to think. We need not be surprised if the withdrawal of German troops from the Russian western frontier gives her guides and armies a new opportunity to show loyalty towards the *Entente*, and a recuperative power capable of much. And whether or not there seems to be no question but that Russian ideas of freedom are making way amongst the ignorant masses of the German slave population, so that Russia is probably helping to undermine the Cæsarian tyranny more almost by her subversive conceptions of government than she could have done by a victorious career in the battlefields. As a warning to the professional mourners among us who are now noisily weeping over Italy, as if Italian courage and heroism were things of the past, it should be remembered that smart Mackensen has not been able to beat back the Rumanians and seize Moldavia this year. Some help the Rumanians have had from the Russians, who can fight right well when not betrayed or misled; but the main stress of withstanding the mixed hordes under Mackensen has this year fallen on the Rumanians themselves, and Mackensen could not penetrate their defences. Is there any reason to suppose that this brilliant general will fare better against Italy? We do not think so, and looking over the entire field of conflict, the sight is

everywhere that of a raging foe baffled, defeated in his object, held back from plucking the fruit towards which his hand has been stretched out. Much territory not his he has seized and harried, but it will never be his to keep. The very Allies he has lured to his side long to be rid of him; the populations within the dominion he calls his own tug at their fetters to be free. That is surely true—but you should hear our mourners!

Last week's shipping losses were not so serious as those for the week ended October 21. Allowing for one vessel sunk the week before, but only reported last week, the sinkings of ships of 1,600 tons and over were just 13 last week, or five fewer than in the previous week, and of smaller vessels only 4 were sunk compared with 8, the total sinkings being 17 as against 26. This total, though serious and lamentable enough, is the lowest but one since the piracy began in February, and only one ship was unsuccessfully attacked. That may indicate either increased cunning on the part of the pirate crews, or a diminishing number of available submarines, or it may be just pure chance. One by no means discouraging indication of German disappointment with the results of their expenditure on submersible boats may be discovered in the descriptions adroitly published in all newspapers of the wonderful 5,000-ton submarines, capable of disappearing in a few seconds, and the number of which is being multiplied at tremendous speed. We need not disbelieve the whole of that tale, but the mixture of lies in the truth it contains is so obvious as to suggest German prompting. And there is no call for alarm, only for vigilance. Last week it may be mentioned 721 ships fewer entered and left our ports than in the week before, viz., 2,285 in and 2,321 out, but the number was 388 more than in the week ended October 14. Relatively, therefore, the damage done by the pirate assassins has been pretty even during the last month. But at its lowest it is far too much, and therefore it must and will be diminished.

Sir Eric Geddes's account of the work of the Navy, given in the Commons on Thursday, was lucid, frank, and most inspiring, particularly regarding our progress in coping with the submarine crimes. But will he silence the lugubrious chorus? Ah, no. They still put more faith in German lies than in plain truth.

Insurance News.

Really the Clerical, Medical and General Life Assurance Society did remarkably well in its year ended June 30 last. Its proprietors and clients do not need to be reminded how difficult the times in which we live are. No doubt the imminence of danger prompts many to try and protect themselves, or those who depend on them, by policies of life insurance, but, on the other hand, there are many more whose means have not expanded in a way that permits them to increase their insurances, and some have become callous or indifferent. That in these mixed circumstances the management should have been able to issue 790 new policies, covering a total sum assured of £1,006,805, is testimony to the excellence of the business management. Only £200,500 of the new liability was re-insured, so that the nett increase in the society's own liabilities was £806,305, or nearly £69,000 more than in the preceding year. Altogether the new premiums, including single premium of £655, came to £32,278, and the total premium income was £12,015 larger at £468,345. Interest income also increased by £11,268, and amounted to £285,340, the gross rate of interest earned having been £4 13s. 2d. After deducting income-tax the nett rate was still 3s. 6d. above the previous year at £3 16s. 10d. per cent. Claims, including £40,776 directly due to war, amounted to £360,484, an amount larger than usual, but still within the amount actuarially calculated on, so that a moderate mortality profit has accrued to the society. Special bonus payments of £260,937 have been made, in addition to the ordinary outgoings, and consequently the life assurance fund is less by £95,332, but is still

£6,095,569, and it is represented in the main by actual values where the securities held are marketable. At any rate, the prices at which the stocks are entered in the books are based upon those current at June 30, 1916, the date of the society's latest quinquennial valuation. In the interval there have been ups and downs, and possibly some little further depreciation may have occurred here and there, but we do not think it can have been much, for the market has kept wonderfully firm amid all the disappointed hopes and perplexities of the intervening year. We hope other insurance offices will do as well as the Clerical, Medical and General, for then an added comfort will be given all round to those who face the ordeal of battle, and to their dependents.

Attention has recently been drawn to the fact that although the Government is now borrowing on a 5½ per cent. basis, there has been no recent revision of the terms for the issue of Government annuities. The rates now quoted are effective when the average price of Consols is under 66½ (more than 10 points above the current price), at which price the yield on Consols works out at 3½ per cent., certainly not sufficiently high to encourage purchases at this time. There are a great number of people who would be attracted by a Government annuity based on rates more consistent with existing values, and from the Government point of view a revision of annuity rates should be made at once, as an increase in sales of annuities would not only be an additional help to the revenue but would encourage thrift.

It appears that the sanction of the Treasury in connection with the issue of 560,000 preferred ordinary shares of the Eagle and British Dominions Insurance Co. to the shareholders of the Eagle Insurance Co. when it was amalgamated with the British Dominions, was given subject to the proviso that there should be no application for a quotation on the Stock Exchange. This means, of course, that no public dealings in the shares will be allowed, a point that is only now being realised, and naturally dissatisfaction is being expressed. It is urged that the company should have made the matter quite clear at the outset. As it is with no free market in the new shares, those wishing to dispose of their holding can only do so privately and through the medium of the company. Anyone wishing to realise in order to transfer the proceeds into War Bonds, for example, would find it anything but an easy matter to get into touch with prospective purchasers.

The figures presented in the accounts of the leading Australasian offices transacting fire, marine, and general insurance business, indicate that a large proportion of the increase in premium income shown came from marine business, the results of which were not uniformly favourable, while it was again necessary to allow rather liberally for unexpired risks. Workmen's compensation in some of the most important parts of Australia is still in the stage where the experience of claims is as yet imperfectly developed. In the fire business the high prices ruling affected the value of goods, and this tended to maintain the volume of fire insurance. According to the *Australasian Insurance and Banking Record*, which gives a valuable compilation of the last published accounts of 27 offices, nett premiums for 1916-17 showed an increase of £951,049, as compared with the previous year, while claims were £545,127 higher, and charges £193,262 more. The increase in the aggregate volume of business was not accompanied by any increase in profit. As in former years, the greater portion of the surplus from underwriting has been applied to building up reserves of various descriptions, while the dividends and bonuses are provided mainly from interest. The average rate of distribution was about 12 per cent., of which a little over 2 per cent. was from underwriting profits.

Chinese Government 4 per cent. Peking-Hankow Railway Redemption Loan.—The coupons, each for £3 9s. 3d., and extra dividend, due November 5 next, on the bond certificates issued by the London City and Midland Executor and Trustee Co., Ltd., will be paid on and after that date at the head office or branches of the London City and Midland Bank, Ltd., at the rate of £5 8s. 3d. per coupon (less income-tax).

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on
Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Money has been in rather brisker demand now and then this week, but the activity has not changed the rates for seven-day money. Discount has also remained unaltered for all except 60-day bills, which are about $\frac{1}{8}$ higher at $4\frac{3}{4}$ per cent. than they were a week ago, but yesterday early January bills were done at $4\frac{5}{8}$ per cent., and any paper falling due round about the end of the year was actively competed for. Exchanges on France, Italy, Switzerland, and Scandinavia have moved against this country, and the Stockholm quotation of 9.90 kn. to 10.10 kn. is said to be the lowest ever registered. Russian, Dutch and Spanish currencies have also depreciated in value, but for the time being the markets take very little notice of them.

Changes in the Bank return were comparatively trivial, the most prominent being an increase of £3,789,000 in the public deposits. This addition has been provided by £1,878,000 drawn off other deposits and by an increase of £2,178,000 in the other securities. The reserve is down £305,000 to £32,074,000, which is £5,515,000 under the figure of a year ago. Coin and bullion has increased £487,000, but that has been more than neutralised by an increase of £792,000 in the note circulation. Accordingly the reserve is less to the amount stated, and as the liabilities on deposits have slightly risen, the proportion of the reserve to liabilities is about $\frac{1}{2}$ per cent. down at $19\frac{1}{2}$ per cent.

There have been several very interesting movements in the foreign exchange market this week. Paris, after its recent decline, has risen again to 27.44 francs, though it is still anticipated that a portion of the new 4 per cent. French loan will be issued in London. The Italian lira, on the news of the reverse, is quoted at 38.20 lire to the pound, so that it is now worth about two-thirds of its par value. The appreciation of Scandinavian, Dutch, and Swiss currencies is now more marked than at any other period of the war. Stockholm is quoted at 10.70 kr. to the pound, against a par of exchange of 18.15 kr., while Copenhagen is quoted at 12.75 kr., Christiania at 12.70 kr., Amsterdam at 10.40 fl., and Berne at 21.41 fr. The reason for these low rates is the action of the Government in placing an embargo on exports to these countries, for, as imports continue, and the outward movement of goods is restricted, the inevitable effect is to produce an adverse movement in the exchanges. But, as we have shown before, adverse exchanges are not altogether disadvantageous to us in war time, since they tend to increase the employment of neutral credits here. There has been a sharp improvement in the Montreal exchange from \$4.72½ to \$4.74½ on the removal of the embargo on United States shipments of gold to Canada. It is intended to make shipments from time to time to maintain the exchange at a higher level. Less trouble has recently been experienced in maintaining the New York than in keeping up the Montreal exchange, and Lord Reading's mission was apparently as much concerned about the latter as the former.

The scheme for establishing a State bank in Argentina, to be called the Banco de la Republica, on most dangerous and even fantastic lines, is said to have been abandoned. The monthly circular of the Bank of British South America says the scheme met with very little support in the Argentine Senate, and it was just as well. The project was designed merely to provide the Government with funds, and these may perhaps be found by a more safe method. The Finance Committee of the Senate, it seems, has suggested to the Minister of Finance that an internal loan should be issued to meet urgent necessities, said necessities being estimated at \$487,000,000 paper, or about \$214,280,000 gold, equivalent, that is, to nearly \$43,000,000. The estimate for the Budget deficit of the current year is \$100,000,000 paper, and it would be just as well if Argentina did not actively enter into the European war. Plenty of ways are open to the Government and people to help us in the struggle without plunging into the vortex of active strife, in which the whole future of the country might be put in peril.

Changes are announced in the control of the British Commercial Bank, formerly known as Reuter's Bank. In fact, it is reported that the controlling share interest has been acquired by "a well-known financial group," and as a consequence the existing directorate, consisting of Messrs. G. W. Williams, G. Grinnell-Milne, Mark F. Napier, and E. W. Parker, have retired from the board. Mr. G. H. Butterfield remains as manager.

Too late to deal with the figures in any detail, we get the report of the Yokohama Specie Bank, Ltd., for the half-year to June 30. It shows that the gross profits, including 1,720,000 yen brought forward, amounted to 39,333,000 yen, while the nett profits were 4,947,000 yen. After again placing 800,000 yen to reserve, the usual dividend at the rate of 12 per cent. per annum is

paid, and a balance of 2,227,000 yen remains to be carried forward.

It is announced that 1,288 bond certificates, each representing 11 bonds of \$100 each (Peking currency), of the Chinese Government 7 per cent. Peking-Hankow Railway Redemption Loan, have been drawn for redemption at par (£99 per bond certificate), and will be paid at the head office of the London City and Midland Bank, Limited, 5, Threadneedle Street, E.C., on November 5, when interest thereon will cease. The bond certificates, which must be accompanied by all unmatured coupons, should be left three clear days for examination at the head office of the bank or any of its branches.

It is rather unusual for shares in an industrial company to be offered to tender, but this is the method adopted by the Commercial Bank of London, Ltd., in connection with a parcel of 64,500 preference shares in the London Foundry Co., Ltd. The total capital of this concern is £131,500 in 89,500 preference and 42,000 ordinary shares, and 64,500 of the preference have been sold to certain purchasers at 18s. nett. It is for these that tenders have been invited. They are entitled to 7 per cent. cumulative and to participate in additional profits, but sufficient information is not supplied in the prospectus to form any useful opinion about the position and prospects of the undertaking, and those tempted to tender for the shares must do so largely in the dark.

In connection with the suggestion made by the Eastern Exchange banks to the Ceylon plantation companies that they should reduce production, as the banks could not continue to finance estate expenditure on the same scale as hitherto, it is now understood that this curtailment of production is likely to be general both in India and Ceylon. It is stated that a scheme has been drawn up by which the British Government will purchase a certain proportion of the teas produced, and make payments to the companies on the basis of costs. No details of the scheme, however, are yet available.

A provisional agreement has at last been drawn up for a settlement of the Nicaraguan Sterling Loan default. It is proposed to pay the four coupons which fell due between July 1, 1915, and January 1, 1917, in cash, together with interest thereon at 6 per cent., and to pay the coupons for the three years ending January 1, 1920, partly in cash and partly in funding bonds, the later coupons receiving a larger proportion of cash than the earlier ones. Including sinking fund arrears, the total payments to the bondholders will be about £170,000. It is more than a year since the treaty between Nicaragua and the United States was signed, and the total amount payable to Nicaragua under this treaty was £600,000. It is out of this money that the payment to the bondholders is to be made under the arrangement made in 1915. If the agreement is ratified by the Congress of Nicaragua this month the payments will be made at the beginning of next month.

SILVER.

Bar silver has fluctuated rather sharply this week. It was 41½d. per oz. a week ago, and held that figure up to the middle of this week. Then the price suddenly jumped to 46d., which was the quotation of October 30, a rise of 3d. in one day, which is declared by Messrs. Mocatta to be in their opinion unprecedented. It was due to the extreme narrowness of the market. One day there is a certain amplitude of supplies, the next a more active demand, and consequently the rise did not represent large transactions. Since the end of the month the price has tended to dwindle again, and closes to-night at 45½d. The stock in Shanghai, Messrs. Samuel Montagu and Co. report, was 25,200,000 ozs. in sycee and \$15,200,000, an increase of 800,000 ozs. and \$100,000 on the previous week.

Applications for the Rs. 90,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,03,55,000. Of these Rs. 83,71,000 were allotted in deferred transfers, and Rs. 7,29,000 in immediate transfers. Tenders for bills and deferred transfers at 1s. 4 29/32d. and for immediate transfers at 1s. 5d. received about 44 per cent. The amount to be offered next Wednesday is again Rs. 90,00,000. Since April last Rs. 32,10,00,000 have been sold, realising £21,875,129.

BANK OF ENGLAND

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, October 31, 1917.

ISSUE DEPARTMENT.

	£		£
Notes Issued	72,436,455	Government Debt	11,015,100
		Other Securities	7,434,900
		Gold Coin and Bullion ..	53,986,455
		Silver Bullion	—
	£72,436,455		£72,436,455

BANKING DEPARTMENT.

	£		£
Proprietors' Capital ..	14,553,000	Government Securities ..	59,043,870
Reserve	3,157,655	Other Securities	92,813,358
Public Deposits (including		Notes	30,035,115
Exchequer, Savings		Gold and Silver Coin ..	2,039,236
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	43,843,946		
Other Deposits	122,366,439		
Seven Day and other Bills	10 539		
	£183,931,579		£183,931,579

Dated November 1, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. Nov. 1.		Oct. 24. 1917.	Oct. 31. 1917.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,187,415	Rest	3,157,655	3,157,655	44,359	—
51,107,427	Pub. Deposits ..	40,055,006	43,843,946	3,788,940	—
116,622,055	Other do. ..	124,244,025	122,366,439	—	1,877,586
21,412	7 Day Bills ..	14,852	10,539	—	4,313
	Assets.			Decrease.	Increase.
42,188,159	Gov. Securities.	58,965,870	59,043,870	—	78,000
105,714,121	Other do. ..	90,635,003	92,813,358	—	2,178,353
37,589,143	Total Reserve ..	32,379,306	32,074,351	304,955	—
				4,138,254	4,138,254
				Increase.	Decrease.
£	Note Circulation	£	£	£	£
37,224,295	Coin and Bullion	41,609,750	42,401,340	791,590	—
28 4 p.c.	Proportion ..	55,539,056	56,025,611	486,635	—
6	Bank Rate ..	19 7 p.c.	19 3 p.c.	—	4 p.c.

LONDON BANKERS' CLEARING

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,382,000	1,090,156,000	313,226,000	—
May	1,778,706,000	1,415,416,000	333,290,000	—
June	1,486,612,000	1,147,630,000	339,182,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August	1,624,567,000	1,161,782,000	263,585,000	—
September	1,348,317,000	1,136,590,000	211,727,000	—
October	392,265,000	337,388,000	54,877,000	—
" 10	381,976,000	326,800,000	55,096,000	—
" 17	371,167,000	318,823,000	32,344,000	—
" 24	354,974,000	301,789,000	44,185,000	—
" 31	377,152,000	315,087,000	62,065,000	—
Total ..	15,815,879,000	12,898,087,000	3,947,854,000	—

PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended Oct. 27.)

REVENUE.	EXPENDITURE.
£	£
Customs	National Debt Service ..
Excise	Interest, etc., on War Debt
Estate, &c., Duties ..	Development & Road Improv.
Stamps	Payments to Local Taxation
Land Tax and House Duty	Other Consolidated Fund
Property and Income Tax	Charges
Excise Profits Tax ..	Supply Services
Land Values	Bullion Advances
Post Office	For Advance for Interest
Crown Lands	on Exchequer Bonds under
Smaller Loans	Capital Expenditure
Miscellaneous	(Money) Act, 1904
Bullion advances repaid ..	For Treasury Bills
For Treasury Bills for Supply	Expenditure .. Certificates
5% Exchequer Bonds, 1922 ..	under War Loan Act, 1916
5% Exchequer Bonds, 1920 ..	Other Debt under War Loan
National War Bonds	Acts, 1914-16
War Expenditure Certificates	For Exchequer Bonds under
War Savings Certificates ..	Section 61 of Finance Act,
4% War Loan, 1929-1942 ..	1916, and Section 34, 1917
5% War Loan, 1929-1947 ..	Under Telegraph (Money)
Other Debts created under	Act, 1913
War Loan Act, 1915, and	Under Post Office (Lon-
Finance Act, 1916	don) Railway Act, 1913 ..
Telegraph Money Act, 1913	Under Military Works Acts
Under Post Office Rly. Act,	Under Housing Act, 1914 ..
1913	Public Buildings Expendi-
Under Military Works Acts,	ture Act, 1903
1897-1903	Old Sinking Fund, 1907-8 ..
Under Public Buildings ..	Old Sinking Fund, 1910-11 ..
Under Housing Act	China Indemnity
Repayment of Advance for	Depreciation Fund
Interest on Exchequer	Suez Canal Drawn Shares ..
Bonds	Temporary Advances repaid
China Indemnity	16,400,000
East African Protectorate	Increase in Exchequer
Loan repayment	1916
Suez Canal Drawn Shares ..	1,414,713
Ways and Means Advances	
Decrease in Exchequer	
balances	
£133,460,332	£133,460,332

*Excluding sales through banks which have not yet been brought to account.

CURRENCY NOTES.

Return of Currency Notes for the week ended October 31, 1917.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes	3,729,920	3,054,322	134,375,912
10s. notes	1,295,854	1,185,994	33,523,720
Note certificates	1,210,000	—	19,310,000
Previous total	731,022,678	546,708,503	—
	738,184,522	550,948,819	187,209,632

Ratio of gold held against notes, this week, 16.96 p.c.; last week, 17.05 p.c.

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Sept. 21, 1917.	Sept. 14, 1917.	Sept. 22, 1916.
	£	£	£
Gold coin and certificates ..	86,195,800	81,641,200	51,742,400
Gold Settlement Fund ..	74,677,400	76,929,200	23,556,200
Gold with foreign agencies ..	10,500,000	16,400,000	—
Total gold held by banks ..	171,373,200	169,070,400	75,300,400
Gold with Federal Res. Agent ..	107,201,800	104,094,000	38,622,000
Gold Redemption Fund ..	1,888,400	1,825,400	388,200
Total gold reserves ..	280,463,400	274,989,800	114,310,600
Legal tender notes, silver, &c. ..	9,086,800	10,217,000	1,528,400
Total reserves ..	290,450,200	285,206,800	115,839,000
Bills discounted—Members' ..	36,751,600	33,466,600	5,541,200
Bills bought in open market ..	32,202,400	33,689,000	16,776,400
Total bills on hand ..	68,954,000	67,155,600	22,318,000
U.S. Gov. long-term sec. ..	10,785,800	9,071,600	9,510,600
U.S. Gov. short term sec. ..	8,214,000	8,473,200	1,607,800
Municipal warrants ..	42,800	—	4,827,400
Loans on gold coin and bullion ..	—	—	—
Total earning assets ..	87,996,600	84,743,200	35,293,800
Due fm other Fed Res bank—n. ..	267,400	1,310,800	5,532,000
Uncollected items ..	47,540,800	44,024,400	—
Total deducts. fm gross dep. ..	47,808,200	46,235,200	5,853,200
5% Red. Fund ag Fed. Res. bknts ..	100,000	100,000	100,000
All other resources ..	80,800	61,600	1,690,200
Total resources ..	426,435,800	416,246,800	161,745,200
Capital paid in ..	11,870,800	11,873,600	11,084,000
Government deposits ..	5,006,000	4,320,400	8,069,400
Due to members—Res. account ..	230,840,800	227,858,200	—
Due to non-mbrs—clearing ac. ..	10,155,800	—	—
Members' bank deposits—nett ..	—	—	103,691,200
Collection items ..	38,889,800	31,253,600	—
Total gross deposits ..	278,392,400	273,556,400	111,760,600
F.R. notes in actual circulat'n ..	134,049,200	128,913,400	58,322,000
F.R. bknts in circn—nett liab. ..	1,600,000	1,512,200	—
All other liab. in for Gov circ. ..	523,400	491,200	91,200
Total liabilities ..	426,455,800	416,346,800	161,746,200
Gold res. ag nett deposit liab. ..	74.3%	74.3%	71.2%
Gold & lawful money reserve ..	78.6%	78.6%	72.6%
against nett deposit liab. ..	—	—	—
Gold res ag F.R. nts in act circ ..	81.4%	82.2%	101.8%

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Oct. 27, 1917.	Oct. 20, 1917.	Oct. 13, 1917.	Oct. 28, 1916.
	£	£	£	£
Loans	171,776,000	169,342,000	167,652,000	146,770,000
Specie	9,192,000	11,400,000	11,500,000	12,194,000
Deposits	177,280,000	174,634,000	171,958,000	156,320,000
Legal Tenders	8,584,000	3,566,000	3,270,000	1,944,000

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Oct. 27, 1917.	Oct. 20, 1917.	Oct. 13, 1917.	Oct. 28, 1916.
	£	£	£	£
Loans	834,806,000	814,286,000	797,924,000	660,912,000
Reserve held in own Vaults ..	10,406,000	12,448,000	13,098,000	89,054,000
Reserve held in Fed. Res. Bk. ..	90,258,000	91,554,000	90,828,000	34,338,000
Cash in own Vaults ..	19,406,000	20,162,000	19,522,000	—
Reserve held in Other Depos. ..	10,586,000	15,254,000	14,356,000	10,666,000
Nett Demand Deposits ..	715,868,000	730,242,000	717,296,000	665,038,000
Nett Time Deposits ..	43,948,000	44,478,000	43,474,000	33,176,000
Circulation	6,542,000	6,530,000	6,478,000	6,320,000
Excess Lawful Reserve ..	13,482,000	18,888,000	19,728,000	21,146,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

BANK OF FRANCE (25 francs to the £).

	Oct. 25, 1917.	Oct. 18, 1917.	Oct. 11, 1917.	Oct. 26, 1916.
	£	£	£	£
Gold in hand ..	131,559,000	131,496,040	131,424,280	196,879,160
Silver in hand ..	10,212,040	10,278,500	10,361,720	13,121,880
Bills discounted ..	24,154,840	24,253,580	23,684,200	19,186,880
Advances ..	44,876,080	44,093,160	44,581,040	47,414,040
Note circulation ..	868,210,760	867,207,240	864,318,120	653,566,000
Public deposits ..	2,062,680	1,466,520	1,012,600	8,039,080
Private deposits ..	113,340,280	114,381,440	112,967,800	109,833,600
Foreign Bills ..	85,920	65,480	57,680	156,160

Proportion between bullion and circulation 25.71 per cent., against 25.60 per cent. last week. Advances to the State £484,000,000, increase £4,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £80,395,960, decrease £54,000, and at the branches £25,636,160, decrease £35,720.

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Oct. 23, 1917.	Oct. 15, 1917.	Oct. 6, 1917.	Oct. 23, 1916.
	£	£	£	£
Total Coin & Bullion ..	125,691,300	125,373,800	125,364,750	125,988,850
Treasury Notes ..	49,620,200	50,106,050	50,969,600	18,048,600
Bills discounted ..	577,154,650	600,246,600	602,877,800	380,794,050
Advances ..	500,950	639,050	464,800	569,550
Note circulation ..	506,934,900	514,726,300	—	351,697,750
Deposits ..	286,771,700	297,149,550	300,996,700	179,327,400

Clearing House return during September £404,766,500, against £386,111,030, in August.

SWISS NATIONAL BANK (25 francs to the £).

	Oct. 23, 1917.	Oct. 15, 1917.	Oct. 6, 1917.	Oct. 23, 1916.
	£	£	£	£
Gold and silver ..	16,189,384	16,081,960	16,046,184	13,661,144
Bills ..	8,072,776	7,884,184	8,875,428	7,268,532
Note circulation ..	23,074,636	23,142,608	23,431,496	18,329,996
Current and deposit accounts ..	3,727,056	3,405,380	4,114,124	4,814,824

BANK OF ITALY (25 lire to the £).

	Sep. 20, 1917	Sep. 10, 1917	Aug. 31, 1917	Sep. 20, 1916
	£	£	£	£
Total cash	40,218,120	41,088,240	41,455,600	42,496,720
Inland Bills	25,365,680	25,353,400	25,444,560	20,448,680
Foreign Bills	833,440	832,720	—	834,400
Advances	13,368,880	13,130,800	13,608,680	7,047,120
Government securities ..	8,787,000	8,786,200	8,783,400	8,831,040
Circulation	198,524,080	190,191,160	187,716,520	139,766,920
Deposits at notice ..	25,175,160	25,062,440	23,467,760	15,479,120
Current accounts ..	12,995,920	13,906,480	13,620,280	15,174,420

BANK OF SPAIN (25 pesetas to the £).

	Oct. 20, 1917	Oct. 13, 1917	Oct. 6, 1917	Oct. 21, 1916
	£	£	£	£
Gold	77,943,390	77,675,320	77,499,153	42,396,013
Silver	28,921,267	28,898,949	28,995,007	29,752,839
Foreign Bills	8,661,717	3,676,825	3,647,029	4,031,801
Discounts and Short Bills ..	24,104,961	29,731,931	29,897,971	24,815,846
Treasury Account, &c. ..	25,174,692	25,178,986	25,136,552	31,860,124
Notes in Circulation ..	108,508,209	108,495,586	108,052,700	92,277,777
Current Accounts, Deposits ..	38,237,219	38,608,239	38,231,869	29,449,816
Dividends, Interest, &c. ..	1,960,497	1,902,757	2,101,219	1,594,856
Government Securities ..	4,184,488	4,506,978	5,934,518	4,448,106

BANK OF NORWAY.

	Oct. 15, 1917.	Oct. 8, 1917.	Sept. 29, 1917.	Oct. 15, 1916.
	£	£	£	£
Gold	6,753,000	6,753,000	6,754,000	6,262,000
Balance abroad and Foreign Bills ..	3,045,000	4,156,000	4,123,000	5,588,000
Gov't Securities ..	707,000	707,000	707,000	767,000
Discounts & Loans ..	18,675,000	17,453,000	16,702,000	6,538,000
Notes in Circulation ..	17,125,000	17,030,000	17,121,000	12,694,000
Deposits at notice ..	9,669,000	8,751,000	7,863,000	3,869,000

STATE BANK OF RUSSIA (10 roubles to the £).

	Oct. 29, 1917.	Oct. 20, 1917.	Oct. 13, 1917.	Oct. 29, 1916.
	£	£	£	£
Notes in reserve ..	15,780,000	10,310,000	11,600,000	10,510,000
Gold	129,520,000	129,560,000	129,650,000	155,880,000
Gold in reserve abroad ..	230,860,000	230,860,000	230,860,000	203,500,000
Loans and Discounts, including Treasury Bonds ..	1,718,120,000	1,761,770,000	1,607,840,000	600,350,000
Circulation note issue ..	1,836,210,000	1,785,890,000	1,729,010,000	784,490,000
Deposits, including Treasury deposits ..	345,550,000	344,910,000	344,270,000	22,373,000

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Oct. 30, 1917.		Nov. 1, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	10.20	10.30	10.55	10.65
" ..	Three months' bills ..	Nom.	Nom.	10.79	10.80
Paris ..	Cable transfers ..	27.33	27.38	26.75	27.40
" ..	Three months' bills ..	27.73	27.78	27.75	27.80
Switzerland ..	Cable transfers ..	21.45	21.55	21.30	21.40
" ..	Three months' bills ..	21.80	21.90	21.65	21.75
Petrograd ..	Cable transfers ..	340	343	350	353
Genoa, &c. ..	Cable transfers ..	38.15	38.30	37.95	38.10
Spain ..	Cable transfers ..	20.08	20.18	20.23	20.33
" ..	Three months' bills ..	55 1/2	56 1/2	55 1/2	56 1/2
Lisbon and Oporto ..	Cable transfers ..	304	314	304	312
Copenhagen ..	Cable transfers ..	13.25	13.45	14.95	12.05
Christiania ..	Cable transfers ..	13.25	13.45	11.05	12.05
Stockholm ..	Cable transfers ..	11.20	11.30	9.85	10.00

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22 1/2	27.43	27.37
Amsterdam, cheques ..	Florins to £1 ..	12.107	10.65	11.67 1/2
Italy, sight ..	Lire to £1 ..	25.22 1/2	36.55	38.25
Madrid, sight ..	Pesetas to £1 ..	25.22 1/2	20.45	20.25
Lisbon, sight ..	Pence to milreis ..	53 1/2	30 1/2	30 1/2
Switzerland, sight ..	Francs to £1 ..	25.22 1/2	21.15	21.35
Christiania, sight ..	Kroner to £1 ..	18.159	14.35	13.05
Stockholm, sight ..	Kroner to £1 ..	18.159	12.00	10.75
Copenhagen, sight ..	Kroner to £1 ..	18.159	14.40	13.15
Petrograd, sight ..	Roubles to £10 ..	94.57	347 1/2	355
Alexandria, sight ..	Piastres to £1 ..	97 1/2	97 1/2	97 1/2
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Hong Kong, T.T. ..	Sterling to dollar ..	—	2/1 1/2	2/10 1/2
Shanghai, T.T. ..	Sterling to tael ..	—	3/11 1/2	4/2
Singapore, T.T. ..	Sterling to dollar ..	—	2/4 1/2	2/4 1/2
Yokohama, T.T. ..	Sterling to yen ..	24.58 1/2	2/1 1/2	2/1 1/2
New York, cable ..	Dollars to £1 ..	4.86 1/2	4.76 1/2	4.70 1/2
Buenos Aires, T.T. ..	Pence to dollar ..	47.58 1/2	56 1/2	51 1/2
Valparaiso, 90 days ..	Pence to peso ..	—	14 1/2	14 1/2
Montevideo, T.T. ..	Pence to dollar ..	51 1/2	51 1/2	51 1/2
Rio de Janeiro, 90 days ..	Pence to milreis ..	16 1/2	13 1/2	13 1/2

OPEN MARKET DISCOUNT.

	Last week	This week
Thirty and sixty day remitted ..	48 1/2	48 1/2
Three months ..	48 1/2	48 1/2
Four months ..	48 1/2	48 1/2
Six months ..	48 1/2	48 1/2
Three months fine inland bills ..	5 1/2	5 1/2
Four months ..	5 1/2	5 1/2
Six months ..	5 1/2	5 1/2

BANK AND DEPOSIT RATES.

	Last week	This week
Bank of England minimum discount rate	5	5
short loan rates	—	—
Bankers' rate on deposits	4	4
Bill brokers' deposit rate (call)	4	4
7 and 14 days' notice	4½	4½
Current rates for 7 day loans	4½	4½
for call loans	4½	3½

The Week's Stock Markets.

It has been a terribly dull week on the Stock Exchange, and matters were not improved by the incidence of the November 1 holiday, which left the final working day of the week suspended in mid-air. Consequently such business as came along was largely confined to the first three days of the week, when the sentiment was very bearish owing to Italy's most unfortunate reverses, and the effect of this was not offset by the cheering news from the Western front and later the important success against the Turks in Palestine. Dealers were not in the humour to make the best of the position, and in nearly all directions a dropping tendency was displayed. A notable exception was provided by the Argentine Railway market, where the resumption of traffics after the conclusion of the strike produced some very favourable "takes." The increases, of course, are largely in consequence of the amount of goods held up during the period of dislocation, but the promptitude with which the situation has been dealt with as soon as it was possible to resume operations gave considerable satisfaction, as it indicated that the organisation had not been so deeply affected as one was led to suppose. Anyhow, the progress of the country is not to be seriously retarded by temporary troubles, which have to be faced everywhere—both in the Old World and the New—from time to time, and holders of good stocks ought to be very chary of parting with them. In the American market, International Mercantile Marine had a rather sensational rise on a Wall Street report of a scheme to deal with the arrears of preference dividend, which now amount to 88 per cent., but there seemed to be some doubt on the subject, and the price closed considerably below the best.

Stock markets this week have been mainly affected by the unsatisfactory news about the Italian retirement, and both the public and professional dealers seem to have made up their minds to take a very pessimistic view with regard to this rather disquieting development. Of course, gilt-edged securities led the decline, and Consols, all the War Loan issues, Irish and Indian securities gave way considerable fractions. Colonial issues, however, were scarcely affected, but that was more because there were extremely few dealings in them than for any inherent strength in the market itself. In the Foreign division, Russians, after a fairly firm opening, gave way rather sharply, but Japanese and Spanish showed considerable strength. Portuguese gave way a point, and Peruvians also slipped back by easy stages, while Cuban Ports also lost ground. On the other hand, the Chinese-Pekin-Hankow loan gained a point on the publication of a series of drawn bonds.

Home Railways have been a depressing market with scarcely a redeeming feature at any time throughout the week. Great Northern deferred was conspicuously weak, and most of the others in which there were dealings dropped $\frac{1}{2}$ to $\frac{1}{4}$ at a time, but a little steadiness was shown towards the end. Canadian Pacific started well, but then gave way very sharply on the disappointing revenue statements, and Grand Trunks lost day by day as much as $\frac{1}{2}$ to $\frac{3}{4}$ points. Evidently the expenses of working are far outrunning the gain in traffics which the companies are obtaining at present, and there seems to be no end in sight of this tendency. Mexicans were scarcely mentioned, and in the American market the only conspicuous movement was in International Mercantile Marine preference, which had a sensational jump of $12\frac{1}{2}$ points on the expectation that some arrangement would shortly be come to with regard to the arrears of preference dividends amounting to 88 per cent. The story did not find absolute credence in Wall Street, and there was a reaction before the close. United of Havana and Antofagasta were both weak, but Argentine Railways, after an uncertain opening, hardened up on the favourable traffics published towards the end of the week.

Banks received very little attention, and where movements occurred they were usually adverse. London Joint Stock, Hongkong and Shanghai, and Union of Australia lost $\frac{1}{2}$ to 1. Breweries were not so well supported as has been the case recently. Allsopps, Barclay Perkins, and Watney Combe deferred all gave way to the extent of one or two points, but there was a certain amount of inquiry for City of London, which moved forward. Iron and Steel shares were irregular, with a rather dull tendency, but Dominion Steel and Otis had spectacular advances. Land shares were scarcely mentioned, and slight declines in Hudson's Bays and Pekin Syndicate were the only movements that occurred. Nitrates were decidedly flat, and in the Shipping Division Royal Mails were weak, but Court Line and Prince Line showed some strength. Among Telegraphs, Marconis were decidedly flat. Textiles for the most part were neglected, and while Coats gained a small fraction Courtaulds gave way. Among Tramways, Brazilian Tractions fell a point. Miscellaneous Industrials were good in places, but with very little doing. Gramophones improved, and

	Last Week	This Week		Last Week	This Week
Consols.....	56 $\frac{1}{2}$	55 $\frac{1}{2}$	N.S.W. 4 $\frac{1}{2}$ 5 yr. bds.....	97	97
War Loan 3 $\frac{1}{2}$	85 $\frac{1}{2}$	85 $\frac{1}{2}$	" 4 $\frac{1}{2}$ 1922-7.....	91 $\frac{1}{2}$	91 $\frac{1}{2}$
" 4 $\frac{1}{2}$	100 $\frac{1}{2}$	99 $\frac{1}{2}$	" 5 $\frac{1}{2}$ 1921-3.....	96 $\frac{1}{2}$	96 $\frac{1}{2}$
" 5 $\frac{1}{2}$ 1920-47.....	95 $\frac{1}{2}$	93 $\frac{1}{2}$	" 5 $\frac{1}{2}$ 1920-2.....	98	98
India 3 $\frac{1}{2}$	56	55 $\frac{1}{2}$	New Zealand 4 $\frac{1}{2}$ 1929.....	84 $\frac{1}{2}$	84 $\frac{1}{2}$
" 3 $\frac{1}{2}$	65 $\frac{1}{2}$	65	Queensland 4 $\frac{1}{2}$	80 $\frac{1}{2}$	80 $\frac{1}{2}$
Australian 5 $\frac{1}{2}$ 1920-22.....	99 $\frac{1}{2}$	99 $\frac{1}{2}$	" 4 $\frac{1}{2}$ 1920-5.....	92	92
Canada 4 $\frac{1}{2}$ 1940-60.....	81	81	Union of S. Africa 4 $\frac{1}{2}$	92	92
" 4 $\frac{1}{2}$ 1920-5.....	93 $\frac{1}{2}$	93 $\frac{1}{2}$	Victoria 4 $\frac{1}{2}$ 1920-5.....	92	92
N.S.W. 4 $\frac{1}{2}$ 1933.....	82 $\frac{1}{2}$	82 $\frac{1}{2}$	Westn. Aus. 4 $\frac{1}{2}$	81	81
Argentine 4 $\frac{1}{2}$ 1900.....	65	65	French War Loan, 5%.....	79 $\frac{1}{2}$	79 $\frac{1}{2}$
Brazil, 1913.....	70	70	Japan 4 $\frac{1}{2}$ (181), 1905.....	97	97
" 5 $\frac{1}{2}$ 1914.....	80	80	" 5 $\frac{1}{2}$ 1907.....	93	93
Chinese 1896.....	92	92	Mexican 5 $\frac{1}{2}$ 1899.....	65	65
" 1912.....	82 $\frac{1}{2}$	82	Russia 4 $\frac{1}{2}$	50 $\frac{1}{2}$	50
Egypt Unified 4 $\frac{1}{2}$	84	84	" 4 $\frac{1}{2}$ 1909.....	56	56
Caledonian defd.....	9	8 $\frac{1}{2}$	" 5 $\frac{1}{2}$ 1906.....	66	66
Gt. Central prd.....	13 $\frac{1}{2}$	13 $\frac{1}{2}$	London and N.-W.	92 $\frac{1}{2}$	92
" dfd.....	6 $\frac{1}{2}$	6 $\frac{1}{2}$	London and S.-W. dfd.....	24	23 $\frac{1}{2}$
Gt. Eastern.....	30 $\frac{1}{2}$	36	Do red. pf. 1914.....	92	92
Gt. Northern dfd.....	37	36 $\frac{1}{2}$	Metropolitan.....	24	23 $\frac{1}{2}$
Gt. Western.....	85 $\frac{1}{2}$	85	Do. 5% pf.....	77	77
Lancs. and Yorks.....	66	66	Met. District.....	16	16
London Brighton dfd.....	60	59 $\frac{1}{2}$	Midland dfd.....	57 $\frac{1}{2}$	56 $\frac{1}{2}$
London Chatham ord.....	92	9	Nth. British dfd.....	14	13 $\frac{1}{2}$
			Nth.-Eastern.....	97 $\frac{1}{2}$	97 $\frac{1}{2}$
			Sth.-Eastern dfd.....	30	29 $\frac{1}{2}$
Canadian Pacific.....	166	162	Chesapeake.....	56	53 $\frac{1}{2}$
E. Indian Guar. 4 $\frac{1}{2}$ % debts.....	86	86	Eric.....	24	23 $\frac{1}{2}$
Grand Trunk ord.....	9 $\frac{1}{2}$	9 $\frac{1}{2}$	Southern.....	29 $\frac{1}{2}$	29
Do. 1st pf.....	57 $\frac{1}{2}$	50			
Do. 3rd pf.....	21 $\frac{1}{2}$	20 $\frac{1}{2}$	Cent. Argentine ord.....	61	59
Antofagasta dfd.....	135	131 $\frac{1}{2}$	Leopoldina.....	39 $\frac{1}{2}$	38
Brazil Common.....	5	5	Mexican ord.....	19 $\frac{1}{2}$	19 $\frac{1}{2}$
B. A. & Pacific.....	40 $\frac{1}{2}$	40 $\frac{1}{2}$	San Paulo (Brazilian).....	181	183
B. A. Gt. Southern.....	77	77	United of Havana.....	84	83 $\frac{1}{2}$
B. A. Western.....	74	74	London & S.W.....	12 $\frac{1}{2}$	12 $\frac{1}{2}$
Anglo-South American.....	7 $\frac{1}{2}$	7 $\frac{1}{2}$ x	London City & Midland.....	7 $\frac{1}{2}$	7 $\frac{1}{2}$
Bank of Australasia.....	115	115	London County & West.....	15	15
Bank of N. S. Wales.....	35	35	London Joint Stock.....	23 $\frac{1}{2}$	23 $\frac{1}{2}$
Barclay & Co. "A".....	7 $\frac{1}{2}$	7 $\frac{1}{2}$	Nat. Prov. of Eng. (£10 $\frac{1}{2}$ pd.)	27 $\frac{1}{2}$	27 $\frac{1}{2}$
Do. "B".....	11 $\frac{1}{2}$	11 $\frac{1}{2}$	Do. (£12 pd.).....	31	31
Capital & Counties.....	22 $\frac{1}{2}$	22 $\frac{1}{2}$	Parr's.....	29	29
Chartered of India.....	68	68	Standard of S.A.....	1 $\frac{1}{2}$	10 $\frac{1}{2}$
Hongkong & Shanghai.....	85	84	Union Discount.....	10 $\frac{1}{2}$	10 $\frac{1}{2}$
Lloyds.....	24	24	Union & Smiths.....	23 $\frac{1}{2}$	23 $\frac{1}{2}$
London & Provincial.....	16 $\frac{1}{2}$	16 $\frac{1}{2}$			
London & Brazilian.....	23 $\frac{1}{2}$	23 $\frac{1}{2}$	Kynochs.....	37/6	37/6
Armstrong, Whitworth.....	39/	39/9	Mond Nickel ord.....	3 $\frac{1}{2}$	3 $\frac{1}{2}$
Birmingham Small Arms.....	56/	54/6x	South Durham Steel.....	39/9	40/
Cammell-Laird.....	6 $\frac{1}{2}$	6 $\frac{1}{2}$	Thornycroft.....	2	2
Cargo Fleet.....	23/	22/6	Vickers.....	39/3	39/6
Dorman, Long.....	42/9	43/	Fine Cotton Spinners.....	32/	32/
Associated Cement.....	4	3 $\frac{1}{2}$	Forestal Land.....	47/	48/
Borax dfd.....	41/	41/	Furness, Witly.....	51/9	51/6x
Bovril.....	19/6	19/6	Harrods Stores.....	2 $\frac{1}{2}$	2 $\frac{1}{2}$
Brazil Traction.....	45	43 $\frac{1}{2}$	Hudson's Bay.....	78	7 $\frac{1}{2}$
British Amer. Tobacco pf.....	18/	18/	Imperial Tobacco "C" pf.....	34/6	34/6
British Aluminium.....	31/9	31/9	Lever Bros. "C" pf.....	20/6	20/6
British Oil & Cake.....	30/	30/3	Lyons, J.....	4 $\frac{1}{2}$	4 $\frac{1}{2}$
Brunner, Mond.....	4 $\frac{1}{2}$	4 $\frac{1}{2}$	Marconi.....	3 $\frac{1}{2}$	3 $\frac{1}{2}$
Castner-Kellner.....	3 $\frac{1}{2}$	3 $\frac{1}{2}$	Maypole Dairy dfd.....	26/	26/
Coats.....	6 $\frac{1}{2}$	6 $\frac{1}{2}$	National Steam Car.....	19/9	20/0
Courtalds.....	6 $\frac{1}{2}$	6 $\frac{1}{2}$	Pears, A. & F.....	1 $\frac{1}{2}$	1 $\frac{1}{2}$
Cunard.....	3 $\frac{1}{2}$	3 $\frac{1}{2}$	P. & O. dfd.....	32 $\frac{1}{2}$	32 $\frac{1}{2}$
Dennis Bros.....	37/6	37/9	Royal Mail.....	113 $\frac{1}{2}$	112 $\frac{1}{2}$
Eastern Telegraph.....	149 $\frac{1}{2}$ x	149 $\frac{1}{2}$	Underground Inc. Bds.....	84	83 $\frac{1}{2}$
Eastmans.....	11/3	11/			
English Sewing Cotton.....	52/6	52/6	North Caucasian.....	1 $\frac{1}{2}$	1 $\frac{1}{2}$
Anglo-Egyptian "B".....	27/9	28/	Roumanian Cons.....	12/	11/6
Baku (10s).....	2/3	2/3	Royal Dutch (100 gulden).....	50	49 $\frac{1}{2}$
Burmah.....	61 $\frac{1}{2}$	61 $\frac{1}{2}$ x	Shell.....	5 $\frac{1}{2}$	5 $\frac{1}{2}$
Lobitos.....	42/6	42/6	Spies (10/-).....	10/	10/
Maikop Pipeline.....	3/	3/	Ural Caspian.....	1 $\frac{1}{2}$	1 $\frac{1}{2}$
Mexican Eagle pf.....	3 $\frac{1}{2}$	3 $\frac{1}{2}$			
Allagar 2/-.....	—	3/6	Perak 2/-.....	—	8/
Anglo-Java Rub. 2/-.....	7/9	7/9	Port Dickson 2/-.....	47 $\frac{1}{2}$	410 $\frac{1}{2}$
Anglo-Malay 2/-.....	15 4 $\frac{1}{2}$	15/0	Rub. Estates Johore £1.....	—	14/6
Ayer Kuning £1.....	52/9	53	Rub. Estates Krian 2/-.....	—	45 $\frac{1}{2}$
Batang Malaka 2/-.....	—	5/5	Rubber Trust £1.....	34/	33/6
Bekoh 2/-.....	—	5/3	Sampang (Java) 2/-.....	—	3/
Brit. N. Borneo Trust £1.....	—	19/	Sapuntakande £1.....	28/x	28/
Bukit Cioh 2/-.....	—	5/9	Seaport £1.....	—	31/6
Bukit Kajang 2/-.....	—	8/1	Selangor.....	37/	37/6
Bukit Mertajam £1.....	—	5/1 $\frac{1}{2}$	Sengat 2/-.....	—	35/0 $\frac{1}{2}$
Bukit Sembawang 2/-.....	3/7 $\frac{1}{2}$	3/9	Seremban £1.....	—	48/x
Carey United £1.....	49/	49/	Sheiford £1.....	—	45/
Ceylon Para 2/-.....	—	11/	Siatang £1.....	78/	78/
Chersonese.....	3/9	3/9x	Singapore Para 2/-.....	5/	4/10 $\frac{1}{2}$
Chevi t 2/-.....	—	7/2 $\frac{1}{2}$	Singapore United 2/-.....	3/9	3/9
Dalkeith 2/-.....	—	3/2	Soumer Aioe 2/-.....	—	3/1 $\frac{1}{2}$
Eastern Invest. Trust £1.....	—	49/	Stagbrook £1.....	—	33/6
Grand Central £1.....	—	29/	Straits Bertain 2/-.....	—	7/6
Gula Kalumpung £1.....	37/	37/	Sumatra Para 2/-.....	—	10/1 $\frac{1}{2}$
Highlands £1.....	65/	64	Sungei Bahr £1.....	—	46/
Java Investment £1.....	—	32/x	Sungei Kajar 2/-.....	—	12/
Java Para £1.....	—	39/6	Sungei Krut £1.....	—	59/
Johore Rubber Lands £1.....	35/3	35/	Ta-ping 2/-.....	4/8	4/8
Kamunin: 2/-.....	—	4/10	Tali Ayer £1.....	—	43/6
Kinta Kellas 2/-.....	—	4/10	Tandjong £1.....	95/	99/3
Kuala Kubu 2/-.....	—	3/3	Tandjong Malim £1.....	78/	37/
Labu 2/-.....	—	11/	Tebrau £1.....	78/	75/
Langen Java £1.....	48/9	48/9	Teloregido £1.....	—	53/
Lingki 2/-.....	31/	30/10 $\frac{1}{2}$	Tu-nipch 2/-.....	—	3/
London Asiatic 2/-.....	9/3	9 4 $\frac{1}{2}$	United Serdang £1.....	12/6	12/6
Malacca £1.....	5 $\frac{1}{2}$	5 $\frac{1}{2}$	United Sumatra 2/-.....	—	9/9
Malayalam £1.....	39/	41/3	Val d'Or 2/-.....	—	4/6
Merlimau 2/-.....	61/	61 $\frac{1}{2}$	Vallambrosa 2/-.....	25/3	25/3
Pahang Jawa 2/-.....	—	3/8	Way Halim 1/8 pd.....	—	2/10 $\frac{1}{2}$ x
Pataling 2/-.....	45/	44/6			
Abbotnakoone (10/-).....	4/9	4/9	Gt. Boulder (2/-).....	13/3	13/3
Beechuanaland Exp.....	7/10 $\frac{1}{2}$	7/6	Kyshtm.....	1 $\frac{1}{2}$	1 $\frac{1}{2}$
Brakpan.....	5 $\frac{1}{2}$	5 $\frac{1}{2}$	Mashonaland Agency.....	6/10 $\frac{1}{2}$	6/9
Broken Hill Prop. (8/-).....	53/9	52/6	Meyer & Charlton.....	5 $\frac{1}{2}$	5 $\frac{1}{2}$
Cam & Motor.....	12 $\frac{1}{2}$	11/9	Modder "B".....	8 $\frac{1}{2}$	8 $\frac{1}{2}$
Central Mining (£12).....	6 $\frac{1}{2}$	6 $\frac{1}{2}$	Do. Deep.....	7 $\frac{1}{2}$	7 $\frac{1}{2}$
Chartered.....	15/0	15/	Mysore.....	31 $\frac{1}{2}$	3 $\frac{1}{2}$
City Deep.....	3 $\frac{1}{2}$	3 $\frac{1}{2}$	R-and Mines (5/-).....	3 $\frac{1}{2}$	3 $\frac{1}{2}$
Cons. Gold Fields.....	36/6	35/3	Rio Tinto (£5).....	68	67 $\frac{1}{2}$
Cons. Langlaagte.....	22/	22/	Russo-Asiatic.....	3 $\frac{1}{2}$	3 $\frac{1}{2}$
Crown Mines (10/-).....	2 $\frac{1}{2}$	2 $\frac{1}{2}$	Spring Mines.....	3 $\frac{1}{2}$	3 $\frac{1}{2}$
De Beers dfd. (£2 10s).....	13 $\frac{1}{2}$	13	Tanganyika.....	3 $\frac{1}{2}$	3 $\frac{1}{2}$
East Rand.....	7/3	7/3	Tanayik.....	1 $\frac{1}{2}$	1 $\frac{1}{2}$
Gnduld.....	2 $\frac{1}{2}$	2 $\frac{1}{2}$	Van Ryn Deep.....	3 $\frac{1}{2}$	3 $\frac{1}{2}$
Gov. Areas Mod.....	3 $\frac{1}{2}$	3 $\frac{1}{2}$			

Koneos were also better on the report, but Associated Cements eased off a trifle.

Oil shares as a rule were weak, but they closed with a firmer tendency than they opened. Anglo-Egyptian, Burmah, Cheleken, Rumanian Consolidated, Trinidad Leaseholds, and Venezuelan Concessions all gave way, but there was some support forthcoming later, and part of the original losses was recovered. Burmahs finished well, and "Shells," North Caucasians, and one or two others finished firm. Rubber shares have been in moderate demand, and prices continue very firm in spite of the fact that the quotation for the raw material has been inclined to drop. On the other hand the expectation that shares would come on the market rather freely has been disappointed, and there is still a scarcity of floating stock which naturally helps to maintain a strong appearance in the market. The dividends that are being declared are generally most satisfactory, and the announcement of the Rubber Plantations Investment Trust of 6 per cent., against 3 per cent. for the corresponding period was very favourably received.

LONDON PRODUCE MARKETS.

SUGAR.—The market remained without change in official quotations during the week.

COFFEE.—Demand for most descriptions continued very steady,

CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING NOVEMBER 2, 1917

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt., duty 14/1, 98% polarisation	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granu-			Greasy Crossbred	nom.	nom.
lated, first marks			New Zealand	nom.	nom.
f.o.b., spot	nom.	nom.	(scoured) Merino	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Greasy Crossbred	nom.	nom.
French Cube			Cape snow white	nom.	nom.
prompt	nom.	nom.	Indiarubber p. lb.		
Crystallised, West			Plantation, Spot		
India ..	2 6 9	2 6 9	Crepe ..	0 2 9	0 2 9
Beet, 88% f.o.b.	nom.	nom.	Coal —per ton		
Tea —per lb., duty	s. d. s. d.	s. d. s. d.	Durham, best ..	nom.	nom.
1/- lb.			Seconds ..	nom.	nom.
Indian Pekoe ..	1 0-1 6	1 0-2 4	East Hartlepool ..	nom.	nom.
Broken ..	1 0-2 8	1 0-3 7	Seconds ..	nom.	nom.
Orange ..	1 3-2 6	1 3-2 7	Steamers, best ..	30 0	32 6
Broken ..	1 6-2 9	1 6-2 8	Seconds ..	27 0	29 6
Pekoe Souchong	1 0-1 6	1 0-1 6	Lead —per ton	£ s. d.	£ s. d.
Ceylon Pekoe ..	1 1-1 6	1 0-1 6	English Pig ..	nom.	nom.
Broken ..	1 0-2 7	1 0-2 1	Foreign soft ..	£ 30 1/2-29 1/2	£ 30 1/2-29 1/2
Orange ..	1 0-1 3	1 0-1 3	Quicksilver —per		
Broken ..	1 0-2 9	1 0-2 8	bottle firsthand	nom.	nom.
Pekoe Souchong	1 0	1 0-1 3	Tin —per ton		
Cocoa —per cwt.,	s. s.	s. s.	English Ingots	£ 247-249	£ 258-259
duty 6d. per lb.			100 bars ..	£ 248-250	£ 259-260
Trinidad—per cwt.	88 0-97 0	90 0-97 0	Standard cash ..	£ 247 15 0	£ 258
Grenada ..	80 0-90 0	81 0-91 0	1 in Plates, per box	nom.	nom.
West Africa ..	61 0-71 0	61 0-71 0	Copper —per ton		
Ceylon Plantation	73 0-88 0	75 0-88 0	English, Tough,		
Guayaquil Arriba	98 0-100 0	98 0-100 0	per ton ..	nom.	nom.
Coffee —per cwt.,			Best Selected ..	£ 119-£ 123	£ 119-£ 123
duty 42/- per cwt.			Sheets ..	£ 150	£ 150
East India ..	82 0-104 6	82 0-104 6	Standard ..	£ 110-110 1/2	£ 110-110 1/2
Jamaica ..	69 0-120 0	69 0-120 0	Jute —per ton		
Costa Rica ..	78 0-100 0	80 0-103 0	Native firsts for		
Provisions —			shipment	£ 18 10	£ 19
Butter, per cwt.			f.o.b.		f.o.b.
Australian finest	220/-223/	220/-223/	Oils —		
Argentine ..	220/-223/	220/-223/	Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Irish Creameries	224/-229/	224/-229/	Rape, refined ..	£ 71	£ 71
Dutch ditto ..	nom.	nom.	" crude ..	£ 66	£ 66
Russian finest	nom.	nom.	Cott'n Seed, crude	£ 60	£ 60
Paris baskets ..	230/-238/	256/8	Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
Danish finest	nom.	nom.	Petroleum Oil, per		
Brittany rolls ..			8 lbs.	1 7 1/2	1 7 1/2
doz. lb. ..	28/	27/6-28/	Water White ..	1 8 1/2	1 8 1/2
Bacon —per cwt.			Oil Seeds, Linseed	—	—
Irish ..	161/-162/	161/-162/	Calcutta—per ton		
Continental ..	162/	162/	Spot	29 15 0	29 10 0
Canadian ..	162/	162/	Rape ..	30 0 0	30 0 0
American ..	157/	157/	Iron —per ton		
Hams —per cwt.			Cleveland Cash ..	nom.	nom.
Irish ..	184/	184/	Tobacco —duty,		
Canadian ..	160/ 170/	160/	unmanufactured		
American ..	110/-137/	110/-137/	7/4 to 8/0 per lb.		
Cheese —per cwt.			Maryland & Ohio		
Dutch ..	nom.	nom.	per lb. bond	nom.	nom.
Canadian ..	nom.	nom.	Virginia leaf ..	0 8-2 1	0 8-2 1
English Cheddar	137/	142/	Kentucky leaf ..	0 7-0 11	0 7-0 11
Wilt's loaf ..	nom.	nom.	Latakia ..	2 0-5 0	2 0-5 0
New Zealand ..	nom.	nom.	Havana ..	1 6 6 6	1 6 6 6
Rice —per cwt.	s. d.	s. d.	Manila ..	nom.	nom.
Japan ..	29 6	29 6	Cigars, duty 10/6		
Rangoon 2 stars ..	26 3	26 3	per lb. ..	2/ upds.	2/ upds.
Eggs —per 120.			Timber —Wood.		
English ..	38 0-40 0	39 0-41 0	Pitch Pine ..	300/-400	300/-400
Irish ..	33 0-36 0	32 0-36 0	Indian Teak ..	380/-700	380/-700
Danish ..	33 6-36 0	33 0-35 0	Turpentine —		
Spelter —			American Spot ..	4 9 6	4 10 6
G.O.B. as to position			Copra —per ton	46 0 0	46 0 0
.. ..	£ 54-£ 50	£ 54-£ 50			
Flour —per sack.					
Country Straight					
Runs ex Mill ..	44/3	44/3			

and full recent prices governed all transactions. Some good bold faded hard greenish Vera Paz sold in auction at 10s. 6d. The terminal market remained quietly steady, and without new feature.

COCOA.—The chief demand this week was for the finer qualities, and which commanded firm rates; low sorts being more or less neglected. Slightly over 18,000 bags were catalogued, of which 15,320 bags consisted of Colonial imports. Fine Grenada, sold, 9s.; superior Bahia, 9s.

TEA.—Generally full prices were in force at the auctions this week, and the amount offered comprised 7,000 packages Indian and 4,000 packages Ceylon. Broken orange pekoe of D class sold, 1s. 10d. to 2s. 8 1/2d.

SPICE.—Pepper firm, with a fair inquiry. Fair black Singapore, on spot, 1s. 3d.; Muntok, 1s. 6d. Fair Zanzibar cloves, sold, 1s. 11d. Tapioca firm, quiet. Fair flake, spot, buyers, 6 1/2d.; fine Java, sold, 7 1/2d. Fair Penang seed pearl, 6s.; medium, 6s. Fair small sago, 6s. Ginger firmly held.

RICE.—There was a fair business proceeding at unaltered rates. Beans and peas ruled unchanged.

HEMP.—East India kinds move off freely at very full values. Fair to fine Itarsi, spot, sold, £75 to £76 10s.; and Sewnee, £73.

JUTE quiet. Native first marks, quoted, £19, f.o.b. terms.

SHELLAC, after advancing sharply, became quiet and easier. T.N., December, sold, 25s., 28s., and 27s.

RUBBER steady during the week, but trade rather slow. Crepe, spot, sold, 2s. 8 1/2d., 2s. 8 1/2d.; December, 2s. 9 1/2d.; January-June, value, 2s. 10d. Ribbed smoked sheet, spot, sold, 2s. 6 1/2d., 2s. 6 1/2d. Fine hard Para, spot, done, 3s. 5d., 3s. 4d.

COPRA nominally unaltered, with few offers.

CORN (Mark Lane).—There has been less business passing since last Monday, the tone of markets, however, remaining steady all round. Wheat: Native grain continues in small supply at 73s. 6d. per quarter, 504 lbs. Of imported descriptions, No. 1 Northern Manitoba quoted at 79s. 6d.; No. 3, 76s.; and Manitoba, No. 5, 71s., landed. Australian, 81s. 6d., ex quay. Flour.—English, 44s. 3d. per sack, ex mill. Maize is still practically unobtainable at present, and remains nominal. Barley, English, 62s. 9d. per quarter. Oats: English, 44s. 3d. per quarter. American, white clipped, No. 2, 61s., landed.

COTTON (from our Manchester correspondent).—Prices in the market have again advanced, and all along the line sellers have been dearer. Although in some quarters operations have been checked, the turnover for the week may be described as encouraging, and numerous spinners and manufacturers have strengthened their position to a further extent. The raw cotton situation in Liverpool remains strong. The demand from the trade is active, and merchants are experiencing difficulty in meeting the requirements of spinners, tonnage from the United States being scarce. The general demand in cloth for India has been extensive, and a very fair turnover has transpired in finishing materials. Better offers are now being received in shirtings for Calcutta, and it is believed that business of weight will be done before very long. Poor reports have again been received from China, and merchants here are rather afraid to trust dealers in Shanghai beyond a certain point, the financial position abroad not being all that could be desired. A healthy demand has again come through for Egypt, and a large business has been done in a variety of goods. Steady buying has been mentioned for South America. Home trade cloths have moved off fairly well, and every few days contracts of one kind and another are arranged in heavy and strong materials for the Government. American yarns have been very strongly held at the higher rates. Active buying took place on Tuesday last, but since then business has tapered off somewhat. For quick delivery, however, rather extraordinary prices have been paid from time to time. Export yarns have moved off fairly well for France, and business has been about in fine numbers for India. Steady buying has occurred from day to day in Bolton spinnings made from Egyptian cotton, and most producers are in a healthy position.

American Business Notes.

As was anticipated in this column last week, the second Liberty Loan called for in the United States has been as conspicuous a success as the first. We do not yet know what the exact amount subscribed was, but at the close of business on Saturday last £1,000,000,000 had been tendered by more than 10,000,000 people, men, women, and children. That was up to midnight on Saturday last, and doubtless the ultimate total will be higher still. But, apparently, the Government will not take all the money offered. It is not of the mood of Abdul Aziz, the predecessor of Abdul the Damned, who, when told that a Turkish loan had been bumperously filled more than twice over telegraphed back that he would accept the lot. The Washington Government will only take about £800,000,000 just now, so at least the Washington correspondent of the Times has it, and probably there may be reasons for this moderation. One motive is obvious enough. To pile up credit in this fashion would only be a temptation to increase the spending. Already the speed at which money is being dispersed by the Government of President Wilson is marvellous. It can beat even our Government, and seems to think nothing of outgoings totalling £8,000,000 a day. But then the Re-

public has great leeway to make up. It lagged in coming into the war, and the population feels that it has been in a manner left behind, so that now it is eager to be up and doing. Hence the response to this loan campaign, which seems to have been carried out in the most systematic and thorough fashion. The Secretary to the Treasury distributed 120,000,000 separate pieces of advertising matter, 3,000,000 volunteer workers were enlisted in the business of selling the bonds, every professional man in the country, every preacher, doctor, schoolmaster, postmaster, every member of a patriotic society, every officer of the Labour Union, every individual landowner or farmer who could be reached was appealed to by letter, says the *Times*. In 15,000 cities and towns throughout the country every street car, tramway, underground and elevated railway displayed Liberty Loan advertisements. Every car, every electric light company, displayed luminous advertisements, every newspaper in the country carried page upon page of advertising, and not one cent. was spent by the Government for this purpose. The entire cost of advertising the Liberty Loan was paid for by patriotic citizens. Here is an example we have never yet thought of imitating, but it is one that patriots here will do well to bear in mind in future, say, when our next loan comes along.

In spite, however, of the freedom with which dollars are being paid away by the Federal Treasurer, there seems to be a good deal of labour trouble in the Republic, especially in the shipyards of the Pacific Coast. The San Francisco Iron Trades Council, for instance, numbering about 30,000 men, intimated recently that the whole of the men would strike on September 17, because a series of conferences between leaders of the workers and representatives of the employers had failed to arrive at a settlement. No wonder; the men's demands were too stiff. They wanted a 50 per cent. rise in their wages; that is to say, wanted \$6 a day instead of \$4, or roughly £1 a day instead of 16s.—They have, by the by, according to Lord Northcliffe's testimony, to thank Mr. Ford, of automobile and traction engine fame, for setting up this £1 a day standard. He, Lord Northcliffe says, pays no man less, which is wonderful.—The employers offered a 10 per cent. increase, and then sprang to 12½ per cent., but naturally the men treated that with scorn, a sign of weakness, and in the end the President himself had to intervene. The arrangement entered into with the workmen by the commissioners sent to San Francisco on the President's behalf was sufficiently satisfactory to close the strike, which ended on September 27; 17 trades were represented at a meeting of the Iron Trades Council in San Francisco, 13 of which voted to return to work, and later the others adhered to that decision. The agreement entered into by representatives of the Union provided that wages up to and including \$4.25 cents a day should be raised by 20 per cent., and wages from \$4.26 cents, up to and including \$5, were to be increased by 12½ per cent., but those receiving \$5.01 cents are not to get more than \$6 a day. How long that compact will remain effective, it would be rash to hazard a guess, for labour is everywhere on the move and asking its share, or what it thinks to be its share, in the good things now made available by the profusion with which the national credit is turned into "money."

One of the most prominent German-Americans in the United States is Mr. Otto H. Kahn, of the firm of Kuhn, Loeb and Co. From the first this distinguished German Israelite has proved himself to be an enlightened patriot and loyal citizen of the Republic. Now and again he delivers a speech full of telling phrases, of keen and shrewd observation, and excellent practical sense. One of these speeches was delivered lately before the Chamber of Commerce in Harrisburg, Pennsylvania, and he told his hearers that he had "hated and loathed" the spirit of the Prussian governing class ever since it came within his knowledge many years ago, hated it all the more as he saw it "ruthlessly pulling down a thing which was

dear to me, to old Germany, to which I was linked by ties of blood, by fond memories, and cherished sentiment." From the beginning of the war Mr. Kahn held that the cause of the Allies was America's cause, and that the only course left for all those claiming the privilege of American citizenship was to adhere to this cause when the "fight was made ours." And although it becomes more and more difficult for the average citizen to hold the view expressed in the following sentences, it is one, nevertheless, which must never be forgotten. "The difference," said Mr. Kahn, "in the degree of guilt as between the German people and their Prussian, or Prussianised, rulers and leaders for the monstrous crime of this war and the atrocious barbarism of its conduct, is the difference between the man who, acting under the influence of a poisonous drug, runs amok in mad frenzy and the unspeakable malefactor who administered that drug while knowing and fully intending the ghastly consequences which are bound to follow." Again he remarked: "From each of my visits to Germany for 25 years, I came away more appalled by the sinister transmutation Prussianism had wrought among the people and by the portentous menace I recognised in it for the entire world." "Germany," he added, "was given unparalleled prosperity by this Prussianism, beneficent and advanced social legislation, and not a few other things of value, but it had taken in payment the soul of the race. It had made a 'devil's bargain.'" There is much more to the same effect, pungent and forcible, but conspicuous above everything is Mr. Kahn's insistence upon the duty of all those who have become citizens of the great Republic to stand loyally and faithfully by the country of their adoption. "The duty of loyal allegiance and faithful service, even unto death, rests upon every American, but most of all upon we Americans of foreign antecedents who are your fellow citizens because you accepted our oath of allegiance given in good faith, and because you have opened to us in generous trust the portals of American opportunity and freedom, and have admitted us to membership in the family of Americans, giving us equal rights to the great inheritance which has been created by the blood and the toil of your ancestors, asking nothing from us in return but decent citizenship and adherence to those ideals and principles which are symbolised by the glorious flag of America. Woe to the foreign-born American who betrays the splendid trust which you have reposed in him."

WESTERN AUSTRALIA

the largest State in the Commonwealth, has made remarkable progress in Agricultural and Industrial Development.

It has most LIBERAL LAND LAWS, providing for assistance to New Settlers. FREE HOMESTEAD FARMS of 160 acres are open for selection in the most fertile districts, and special financial aid granted to ex-service men.

Millions of acres available for settlement suitable for WHEAT and FRUIT growing and Mixed Dairy Farming. Delightful Climate and an assured Rainfall.

Western Australia produces 55% of the total Gold yield of Australia, and the yield to date exceeds £137,000,000.

The Forests of Western Australia are famous for Jarrah and Karri Hardwoods suitable for Sleepers, Paving Timber, Bridge Beams, Piles, etc., etc.

Finest Fruit grown in the world, record prices for Apples and Grapes being obtained at the London markets each season.

For particulars apply to—

AGENT-GENERAL FOR WESTERN AUSTRALIA,
SAVOY HOUSE, 115-116, STRAND, LONDON, W.C.2.

Tea, Oil and Rubber.

Last week the arrivals of rubber amounted to 515 tons, while the deliveries were 390 tons and the stocks in warehouse (apart from those privately held by manufacturers) amount to 12,080 tons, against 9,480 tons at the corresponding date last year. On the basis of average consumption, that represents seven or eight months' supply, so that there does not seem to be any danger of shortage for some considerable time to come. Of course, 515 tons equal over 1,150,000 lbs., and, as regards tea, that would only represent a little over one day's consumption. Still, if it were properly distributed, even that would help to relieve the present tea shortage, and it is much more important to relieve the tea famine than to go on piling up stocks of rubber that cannot be required for several months ahead. Supplies of both come from the same quarter of the globe, and the ships that carry the one commodity could carry the other. But rubber dealers have been left to make their own arrangements, whereas tea is "controlled" for the benefit (!) of the harassed consumer, and there you have the difference in a nutshell. Anyhow, rubber is not selling at famine prices; indeed, the tendency recently has been downwards, and at less than 2s. 9d. per lb., we are not prepared to say that the figure is by any means exorbitant when all the circumstances are taken into consideration. The bulls pin their faith to the enormous expansion in the United States consumption, and they contend that the latter's war requirements will still further increase the demand, which is already much larger than could have been reasonably forecasted. The play of supply and demand is always an extremely dangerous thing to attempt to prophesy about, but there will almost certainly be influences at work which will prevent the United States from creating a rubber famine, however insistent the demand may be for the time being, and, as we must keep on pointing out, a commodity that can be produced in practically unlimited quantities at 9d. to 1s. per lb., cannot fetch 2s. 6d. to 2s. 9d. indefinitely. British companies have not increased their planted areas much in the past four or five years, but we get no reliable statistics about the planting of fresh ground by American and other syndicates. We believe this is an important factor, but it is studiously ignored by the people here, who are always preaching that the proper price of rubber is round about 5s. per lb.

Aboyne-Clyde Rubber Estates of Ceylon, Ltd., obtained £63,220 for its rubber in the year to June 30, or £5,000 more than for the previous 12 months, but expenses at £18,400 were £4,000 heavier, and £1,000 less was brought in, so that the nett balance is £4,000 down at £32,240. As, however, £5,000 was used last year to wipe out the balance of preliminary expenses, the directors are able to again place £9,000 to reserve (raising it to £30,000), and to increase the dividend from 15 per cent. to 17½ per cent., leaving £1,000 more at £3,860 to be carried forward. Output amounted to 446,000 lbs., an increase of 53,400 lbs. over last year, but it realised 1½d. less at 2s. 10d., while costs were 1½d. higher at 1s. 1.78d. This increase is mainly due to higher freight and insurance charges. During the year £7,500 debentures were paid off, reducing the amount outstanding to £87,300, and the position begins to look healthier, but the directors might very well follow the example of other leading companies in giving fuller details of their operations.

In the year to March 31 the Sempah Rubber Estates, Ltd., had a gross revenue of £33,130, an increase of £5,000, and the profits were £4,600 higher at £22,030. As against £6,000 set aside last year for contingencies, £10,500 is placed to reserve to meet the liability of excess profits duty, equal to about 13½ per cent. of the issued capital. The dividend is again 12½ per cent., and the carry forward is £100 up at £2,700. Production amounted to 278,230 lbs., or 3,000 lbs. more than the estimate, and 56,600 lbs. over last year's

output. Average price, however, was 1½d. less at 2s. 6.1d., but we are not told the all-in cost. For the current year the crop is estimated at 325,000 lbs., and as the average yield per tree is already 3 lbs. this ought to be realised, although the output for the first six months was only 129,000 lbs. The statement does not give the age of the trees, but during the year 2,740 trees of tappable size were thinned out, and we should judge, therefore, that the planting was too close at the start. However, it is always well to admit a mistake promptly.

THE YOKOHAMA SPECIE BANK, LIMITED.

Head Office: Yokohama.

London Office: 7, Bishopsgate, E.C. 2.

Capital Subscribed	-	-	Yen 48,000,000
Capital Paid Up	-	-	Yen 36,000,000
Reserve Fund	-	-	Yen 22,100,000

The Seventy-Fifth Half-Yearly General Meeting of Shareholders was held at the Head Office, Yokohama, on the 10th September, 1917, when the Directors submitted the following Statement of the Liabilities and Assets of the Bank, and the Profit and Loss Account for the Half-Year ended 30th June, 1917, which was duly approved.

BALANCE SHEET.

LIABILITIES.		Y.
Capital (paid up)	...	36,000,000.00
Reserve Fund	...	21,300,000.00
Reserve for Doubtful Debts	...	2,796,951.02
Notes in Circulation	...	23,187,972.64
Deposits (Current, Fixed, &c.)	...	336,536,836.98
Bills Payable, Bills Re-discounted, Acceptances, and other sums due by the Bank	...	218,109,016.02
Dividends Unclaimed	...	13,606.27
Balance of Profit and Loss brought forward from last Account	...	1,719,856.32
Net Profit for the past Half-year	...	3,226,901.49
		Yen 642,891,140.74

ASSETS.		Y.	Y.
Cash Account—			
In Hand	...	32,955,768.78	
At Bankers	...	66,912,820.76	99,868,589.54
Investments in Public Securities	...		33,735,465.00
Bills discounted, Loans, Advances, &c.	...		146,459,494.60
Bills receivable and other sums due to the Bank	...		337,979,854.18
Bullion and Foreign Money	...		21,689,322.61
Bank's Premises, Properties, Furniture, &c.	...		3,158,414.81
			Yen 642,891,140.74

PROFIT AND LOSS ACCOUNT.

To Interest, Taxes, Current Expenses, Rebate on Bills Current, Bad and Doubtful Debts, Bonus for Officers and Clerks, &c.	...	34,385,858.27
To Reserve Fund	...	800,000.00
To Dividend—		
{ yen 6.00 per Old Share for 240,000 Shares }		1,920,000.00
{ yen 1.50 per New Share „ „ „ }		
To Balance carried forward to next Account	...	2,226,757.81
		Yen 39,332,616.08

By Balance brought forward, 31st December, 1916	...	1,719,856.32
By Amount of Gross Profits for the Half-year ending 30th June, 1917	...	37,612,759.76
		Yen 39,332,616.08

The Week in Mines.

The news of the Italian reverse provoked a reaction in the Mining markets early in the week, but when it was learned that adequate support was to be given to our Allies the tone improved, though business was not active. Eastern Rand shares were supported, but the market was disappointed at the withdrawal of the Eastern Geduld and Western de Rietfontein areas. The sharp advance in the price of tin has stimulated buying of tin shares, but Broken Hill shares have moved irregularly, in spite of the rise in silver.

SOUTH AND WEST AFRICANS.

The South African market developed an irregular tendency, partly as a result of disappointment with the result of the Eastern Rand tenders. The chief disappointment was the failure of the East Rand Mining Estates to get the additional ground which the American interests require before definitely undertaking the exploitation of the Grootvlei. East Rand Minings have consequently declined 3s. 3d. to 16s., while Gedulds have fallen $\frac{1}{2}$ to 27 $\frac{1}{2}$. Springs reacted to 34 $\frac{1}{2}$ on profit-taking. New Modders, however, have risen $\frac{3}{8}$ to 23 $\frac{1}{2}$, and Van Ryn Deeps 5-32 to 3 25-32. Welgedachts have relapsed $\frac{1}{2}$ to 15 $\frac{1}{2}$. Cape selling of City Deeps has caused the price to fall 5-32 further to 34 $\frac{1}{2}$, and Rand Mines at 37 $\frac{1}{2}$. Gold Fields at 35 $\frac{1}{2}$ 3d., and Main Reef Wests at 3s. are all easier. East Rands have been supported at 7s. 3d. on rumours of an impending capital reorganisation scheme. The new board of the Rezende is to be reconstituted as follows:—Sir Abe Bailey, Sir Bouchier Wrey, and Messrs. W. J. Gare, Archibald Little, and Julius Weil, and the administration is to be removed from London to Salisbury. Diamond shares have been on offer, and De Beers deferreds have fallen $\frac{3}{8}$ to 13. Mr. Stanley Christopherson, of the Consolidated Gold Fields, has, according to Johannesburg advices, predicted the forced closing down of the low-grade mines unless relief is forthcoming in the direction of lower working costs. The Government is being urged to remit a portion of the taxation in the case of low-grade propositions for the duration of the war. Of the Rhodesian shares Lonely Reefs have risen 1s. 3d. to 29s. 6d., but Charteredds have reacted to 15s., while Rezendes have declined $\frac{3}{4}$ to 34 $\frac{1}{2}$. Selukwes, on the report, have improved to 2s. 9d. West Africans have shown a tendency to decline.

COPPER AND MISCELLANEOUS.

Copper shares have been weaker. Rio Tintos have relapsed $\frac{3}{4}$ to 67 $\frac{1}{2}$, and Mount Lyells at 25s. 6d. are easier, but Mount Morgans have been in demand at 34s. 9d. Tin shares have responded to the rise in the price of the metal to over £258 a ton, the highest level touched this year. Naraguta Extendeds have risen 1s. 3d. to 11s. 3d., Mongus 9d. to 14s. 0d., and South Bukerns 1s. 2d. to 12s. 3d. Broken Hills have been irregular. Proprietaries have reacted to 52s. 6d., and British to 38s. 9d., but Zinc Prefrs., on the resumption of operations, have improved to 51s. 6d. Among Mexican shares Santa Gertrudis rose 9d. to 15s. 3d. in anticipation of the report, while Tomboys have spurred 1s. 0d. to 20s. 6d. Russians have weakened further with the exception of Sisserts, which are $\frac{1}{4}$ higher at 17 $\frac{1}{2}$. Burma Corporations have improved to 4 $\frac{1}{2}$, but Mysore are easier at 3 $\frac{1}{2}$.

MINING NEWS.

WEST AFRICAN GOLD OUTPUT.—Production in September amounted to £127,168, an increase of £30, which brings the total decrease down to £52,054. The gold output of all the principal fields is likely to be smaller this year than last. The following table shows the monthly production since January, 1913.

MONTH.	1917.	1916.	1915.	1914.	1913.
Jan. ..	£ 131,665	140,579	143,649	128,862	144,262
Feb. ..	101,892	137,739	144,034	123,169	127,038
Mar. ..	158,727	150,987	133,770	131,592	150,060
April ..	123,825	135,976	149,978	131,697	146,220
May ..	121,104	132,976	142,123	145,227	142,677
June ..	114,489	127,107	135,289	147,289	125,764
July ..	142,017	128,574	140,290	151,923	132,936
Aug. ..	130,278	125,143	139,364	150,386	126,090
Sept. ..	127,168	127,138	135,744	154,316	134,394
Oct. ..	—	132,577	141,771	159,410	137,153
Nov. ..	—	130,101	122,138	154,674	132,694
Dec. ..	—	146,469	158,323	147,699	127,472
Totals	1,154,165	1,615,306	1,706,473	1,727,044	1,634,700

CONSOLIDATED MAIN REEF.—During the year to June 30 the tonnage crushed declined 1,870 to 341,025 tons, but the yield rose £2,505 to £503,786, the grade of ore being 4d. higher at 29s. 6d. Costs declined 2d. to 19s. 6d., but this reduction was due to a smaller expenditure on development. The profit rose £8,007 to £170,938, the rate per ton being 6d. higher at 10s. Including sundry items, the total profit was £176,125. The dividend is reduced from 12 $\frac{1}{2}$ to 10 per cent., while the balance carried forward is raised from £77,854 to £99,736. In past years no provision was made in the accounts for the current year's Government tax on profits and income-tax, the amounts under these headings appearing in the following year's account. In this year's accounts this method has been changed, and an allowance of £9,315 has been made for the year ended June 30. In view of this change in system, two years' taxation necessarily appears in the accounts. Ore reserves amount to 1,002,740 tons, valued at 7.66 dwts., an increase of 146,000 tons in quantity and of .15 dwts. in value. The year's work has placed the

mine in a better development position than was the case at June, 1916. Reference is made elsewhere to the fusion with the Main Reef West.

MAIN REEF WEST.—In the year ended June 30 the tonnage milled was 308,344, against 307,680, while the revenue declined from £339,672 to £335,705, owing to a fall of 3d. to 21s. 9d. per ton in the yield. Working costs rose 9d. per ton to 20s., so the profit rate fell from 2s. 9d. to 1s. 8d. per ton. The working profit was £16,283 less at £26,379. Reserves of ore have been increased by 100,000 tons to 487,030 tons, valued at 5.92 dwts., an increase of .19 dwt. Sundry charges amounting to £17,925 have to be deducted from the profit, leaving £8,454 to be added to the balance brought in, making £54,319. This has been utilised as follows:—Nett expenditure on capital account, £14,840; taxes, £1,185; carried forward, £38,294.

AMALGAMATED ZINC.—During the six months to June 30, 148,117 tons of tailings were treated, against 171,856 tons in the second half of 1916, producing 42,505 tons, against 47,321 tons of zinc concentrates and 1,217 tons, against 1,095 tons, of lead concentrates. Valuing the concentrates on hand at June 30 on the basis of £21 a ton for spelter, the profit on working account was £142,565, as compared with £101,511 in the preceding half-year. The nett profit was £126,673, against £93,283, less £10,440 reserve for depreciation, and £63,750 placed to equalisation reserve. Liquid assets exceed liabilities by £305,645, exclusive of tailings paid for, but not treated, and 119,250 shares in the Minerals Separation and De Bayay's Processes Australia Proprietary, Ltd., and 80,004 shares in the Electrolytic Zinc Co.

ANGLO-FRENCH MATABELELAND CO.—The accounts for the year ended May 31 show a profit of £1,282, as against a loss of £1,481, so that the company, which was formed 22 years ago, and has never paid a dividend, seems to have turned the corner. This increases the credit balance carried forward to £5,659. Available cash assets amount to £17,769. No sales of land have been effected, and no work has been done on the gold mining claims during the year. The company is in the Micawber-like position of waiting for something to turn up.

SELUKWE GOLD.—During the year to June 30 the production of gold amounted to £9,429, and the nett profit was £3,483, out of which a dividend of 6 2-3 per cent. was paid in April. Since the close of the year the company received a cash offer of £30,306 for its mining share interests, which it accepted, and the cash assets now amount to about £40,000. The company has acquired an option on 120,226 £1 shares in the Kafue Copper Development Co., and, in conjunction with the Bechuanaland Exploration Co., has entered into a provisional agreement with the Kafue Co. to put up £10,000 in equal shares, which, in certain circumstances, may be increased to £50,000, at 7 per cent. per annum.

New Zealand.

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What Balance Sheets Tell.

BRITISH CANADIAN TRUST, LTD.

Chiefly owing to profit on exchange, gross income for the year ended August 31 last was £687 larger, but this increase was more than swallowed up by income-tax at home and in America, which called for £1,790 more, and as interest on borrowed moneys absorbed an additional £320 at £10,600, there is £1,520 less at £13,840 available for dividends and reserve. The dividend is, however, made up to 11 per cent. as before, and £5,000 is again transferred to contingency fund, in view of the fall in the value of railroad and other investments in the United States, leaving £540 less at £3,160 to go forward. During the year a portion of the American investments have been realised. Part of the money brought home has been used in paying off liabilities and part invested in Government securities. Thus mortgage loans in Canada and the United States are down £43,320 to £341,670; bonds, stocks, and shares in railroad, industrial, and other companies show a reduction of £17,140 at £118,760, while on the other side of the balance-sheet debentures and deposits have fallen £57,000 to £227,500. The interest on mortgages, both in Canada and the United States, has been well met on the whole, but a number of loans have fallen into real estate, and this item is £7,700 up at £16,630. It is not expected, however, to result in any loss of capital. British Government securities amount to £11,760, and total investments to £488,820. As regards the debentures falling due at Martinmas, most of these, the report states, have been renewed at 5 per cent., but the company is open to receive some new money at that rate for the short periods of two to four years.

HAMMOND'S BRADFORD BREWERY CO., LTD.

In common with most other brewing undertakings, this company did remarkably well during the financial year ended September 30 last, profits and rentals, after providing for excess profits duty, exhibiting an increase of £4,130 at £29,250. Debenture interest absorbed £10,000, as before, and, after providing for the preference dividend, requiring £4,500, there is £14,750 available. The distribution on the ordinary shares, which is 3 per cent. more at 11 per cent., calls for £8,250, and after allocating £5,000, as against £3,000, to reserve and again setting aside £1,000 to special reserve, the carry-forward is left £500 up at £12,330. An analysis of the balance-sheet discloses an appreciably improved position. Creditors are £1,050 larger at £21,840, and book debts are down £2,180 at £4,140, but cash is £5,780 larger at £8,360, £710 more is outstanding in the form of loans and rents, and £4,750 has been invested in War Loan. Thus, whereas a year ago current liabilities exceeded liquid assets, apart from stock, by some £14,100, this time the excess is only £8,340, while there is stock-in-trade "nett" valued at £28,220. With the latest allocation the reserve fund amounts to £62,000.

SECOND EDINBURGH INVESTMENT TRUST, LTD.

In the financial year ended September last the revenue of this company, presumably chiefly owing to increased income-tax, underwent an appreciable shrinkage, but the available profit is equivalent to over 30 per cent. on the deferred stock, a margin which is substantial enough. The income from dividends, interest, &c., is £4,880 lower at £55,280, but debenture interest absorbs £715 less at £11,700, so that after providing for interest and expenses of management the decrease in the amount available for the preferred and deferred dividends is reduced to £4,165 at £39,600. A final dividend of 6 per cent., together with a bonus of 3 per cent., making 15 per cent. for the year, as before, is proposed on the deferred stock, leaving the surplus on the year £2,500 down at £14,745. As the amount brought in is, however, £18,700 larger the carry forward is left £16,200 up at £74,050. During the year a nett profit of £1,187 was realised from the sale of securities. This was applied to writing down investments, which now appear in the balance-sheet at £900,900, a decrease of £3,700. The investments, the report states, were, according to the usual valuation made at September 30, then worth over £125,000 in excess of the amount at which they appear. Balance on account with bankers exhibits an increase of £18,225 at £20,730, and sundry creditors are £1,100 less at £3,445. There is a reserve fund of £50,000.

CLYDESDALE INVESTMENT CO., LTD.

A slight improvement took place in the gross income of this Scottish Trust company during the financial year ended September last, but income-tax required a considerably larger sum, with the result that nett income before providing for interest on borrowed money exhibits a diminution of £1,750 at £34,090. As this latter item absorbed £320 more at £10,620 there is £1,430 less at £23,470 available for the preference and ordinary shareholders. This sum, however, exceeds by £5,845 the amount required to pay the preference dividend and to maintain the distribution on the ordinary shares at 5 per cent., and as £6,100 more was brought in there is £5,840 more at £20,820 to go forward. In the balance-sheet investments at cost or under are down £48,150 at £779,130, and cash is £56,620 larger at £60,865, movements presumably chiefly accounted for by the disposal of a large amount of American investments in accordance with the wishes of the Government. Terminable debentures have been reduced £9,820 to £263,960, but temporary loans are £11,320 larger at £40,420. Of the company's investments 38.79 per cent. now consists of United States investments, a reduction of 8.36 per cent., 16.0 per cent. of the funds is invested in Argentine securities, and 12.85 per cent., an increase of 5.41 per cent., in home investments. Besides from being of service to the country by selling a portion of its United States investments, the company has deposited securities of the nominal value of £218,100 on loan with the Treasury.

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and October 27, 1917:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Oct. 27, 1917.	Total Receipts into the Exchequer from April 1, 1916, to Oct. 28, 1916.
Balances in Exchequer on April 1—	£	£	£
Bank of England	—	25,209,947	25,111,065
Bank of Ireland	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs	70,750,000	40,473,000	37,613,000
Excise	34,950,000	21,325,000	30,770,000
Estate, &c., Duties	29,000,000	16,074,000	17,225,000
Stamps	8,000,000	4,032,000	4,092,000
Land Tax	2,600,000	340,000	320,000
House Duty	—	—	—
Property and Income Tax and Super Tax	224,000,000	57,058,000	40,224,000
Excess Profits Duty (including Munitions Levy)	200,000,000	106,790,000	44,561,000
Land Value Duties	400,000	247,000	121,000
Post Office	33,700,000	18,350,000	18,200,000
Crown Lands	600,000	320,000	320,000
Receipts from Sundry Loans, &c.	7,500,000	1,409,917	4,815,767
Miscellaneous	27,100,000	36,553,233	10,821,639
Revenue	638,600,000	303,572,150	209,103,406
Total, including Balance		330,088,009	234,678,412
OTHER RECEIPTS.			
Repayment of Advances for Bullion		1,120,000	2,400,000
Repayment of Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		169,818	—
Under Telegraph (Money) Act, 1913		55,000	180,000
Under Post Office (London) Railway Act, 1913		68,000	160,000
Under Housing Act, 1914		229,000	45,200
For Treasury Bills (for supply)		1,424,614,000	1,290,635,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		—	3,087,600
For 4½ per Cent. War Loan, 1925-1943		—	424
For 5 per Cent. Exchequer Bonds, 1919		—	34,222,000
For 5½ per Cent. Exchequer Bonds, 1920		—	84,114,500
For 5 per Cent. Exchequer Bonds, 1921		—	62,464,000
For 5 per Cent. Exchequer Bonds, 1922		82,110,000	—
For 6 per Cent. Exchequer Bonds, 1920		—	64,137,000
For War Expenditure Certificates		—	26,658,500
For War Savings Certificates		21,600,000	32,550,000
For other Debt created under the War Loan Acts, 1914-1917		416,791,053	76,106,208
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947		166,550,000	—
For National War Bonds		52,240,000	—
Temporary Advances—			
Ways and Means (including Treasury Bills £345,000,000 in 1916-1917)		598,196,000	452,896,500
Total		3,093,750,880	2,364,335,344

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

* Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Oct. 27, 1917.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Oct. 28, 1916.
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	17,000,000	11,711,333	14,428,874
Interest, &c., on War Debt ..	194,500,000	78,908,205	63,262,132
Payments to Local Taxation Accounts, &c.	9,700,000	4,555,910	4,553,755
Other Consolidated Fund Services	1,695,000	1,086,385	1,281,986
Supply Services	2,068,826,000	1,429,137,192	1,047,538,762
Expenditure	2,291,721,000	1,525,479,025	1,131,065,509
OTHER ISSUES.			
For Advances for Bullion		1,240,000	2,610,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		169,818	91,370
Under Telegraph (Money) Act, 1913		55,000	180,000
Under Post Office (London) Railway Act, 1913		68,000	160,000
Under Public Buildings Expenses Act, 1903 ..		—	8,000
Under Housing Act, 1914		229,000	44,500
For Treasury Bills for Supply		903,398,000	841,194,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		—	3,087,600
For Exchequer Bonds, etc., under Section 61 of the Finance Act, 1916, and Section 94 of the Finance Act, 1917		310,995	61,000
For other Debt under the War Loan Acts, 1914 to 1917		14,650,039	—
For Depreciation Fund under the Finance Act, 1917		21,192,160	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908		—	69,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..		80,000	43,160
Old Sinking Fund, 1911-12, issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914		—	250,000
Temporary Advances repaid—			
Ways and Means (including Treasury Bills £277,855,000 in 1916-17)		605,058,000	353,751,500
Total		3,071,870,087	2,332,615,639
Balances in Exchequer—	1917. Oct. 27.	1916. Oct. 28.	
Bank of England	21,343,038	30,640,604	
Bank of Ireland	537,805	1,079,101	
Total		21,880,843	31,719,705

MEMO.—Treasury Bills outstanding on Oct. 27, 1917

* Includes £807,000, the proceeds of which were not carried to the Exchequer within the period of the account.

COMPANY MEETINGS.

BALDWIN.

PERIOD OF GREAT ACTIVITY.

The ordinary general meeting of Baldwins, Ltd., was held on Tuesday at the Grand Hotel, Birmingham, Col. John Roper Wright (chairman) presiding.

The Chairman, in moving the adoption of the report, said: I must apologise for the absence of Col. W. Charles Wright, who has important business which prevents his being present, also for Col. D. E. Williams, who is engaged on military duties abroad, and Sir Richard Vassar-Smith, who has important engagements connected with Government work. Your directors regret the retirement from the board of Mr. Stanley Baldwin, your vice-chairman, which had necessarily to take place on his appointment as a Junior Lord of the Treasury, but we hope when released from such duties he will resume his connection with the board. I am sure you will join in offering congratulations both to Mr. Stanley Baldwin upon his appointment and also to Sir Richard Vassar-Smith on his receiving the honour of a baronetcy, and to Col. W. Charles Wright upon the decoration the French Government have bestowed upon him in recognition of services. The circular convening the meeting explains why we are unable to come before you with the usual statement of accounts and balance-sheet, which naturally we much regret. We have further to report that a settlement of excess profits duty and munitions levy for the year ended June 30, 1916, has not yet been agreed, but we understand these matters are now being dealt with by the Inland Revenue. Your directors believe that the profits of the company for the past year are amply sufficient to enable them to recommend the payment of what has on account of the non-submission of the balance-sheet legally to be called a second interim dividend for the year ended June 30, 1917, equal to the previous year's final dividend—namely, at the rate of $7\frac{1}{2}$ per cent. and a bonus of $2\frac{1}{2}$ per cent., both free of income-tax, on the amounts paid up on the old ordinary shares, the calls on the new issue of ordinary shares participating to the extent mentioned in the circular letter to the shareholders of February 2 last. As soon as the valuations have been received the accounts will be completed and a further meeting of shareholders called, at which they will be presented, but your directors desire to specially intimate that no further dividend will be recommended by them. Naturally you wish to know what we are doing at our works. In conclusion, let me say that no works will be better equipped for the manufacture of a share of the world's steel requirements at the end of this most disastrous war than ours. Your directors are pleased to report that Colonel W. Charles Wright and Mr. J. C. Davies have been appointed managing directors for a term of ten years. I cannot conclude without saying how much the company is indebted to its managing directors, especially Mr. Davies, on whom the strain has been very heavy for the last twelve months. The strain on your secretary has been great, and borne in an admirable spirit of loyalty. All your managers, foremen and staff generally have done most excellent work, prompted, I am convinced, by their patriotism. (Applause.)

The motion was seconded by Mr. Roger Beck and carried unanimously.

Sir Richard Vassar-Smith was re-elected a director, and Messrs. Turquand, Youngs and Co. were reappointed auditors at a fee of £630 for the year.

On the motion of Mr. C. E. Martineau, seconded by Alderman H. J. Sayer, a hearty vote of thanks was accorded the directors and the staff for their successful labours during a year of great stress.

The Chairman, in reply, said the year had been a hard one, and there was another strenuous year coming on, but the work had to be done, and he was thankful to the shareholders for confirming the course the directors had taken. He hoped next year the results would be equally good, but the directors had to look to the future, and were trying to lay the foundations of what they hoped would be one of the most successful businesses in the country. (Applause.)

The meeting was formally adjourned to a date to be subsequently fixed by the chairman, when a further report and accounts will be presented in the usual way.

A. DARRACQ AND CO.

The twelfth annual ordinary general meeting of A. Darracq and Co. (1905), Limited, was held on Monday at Salisbury House, London Wall, E.C., Mr. Norman Craig, K.C., M.P. (Chairman of the company), presiding.

The Secretary (Mr. A. A. Yeatman, F.C.A.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in dealing with the balance-sheet, said: For the first time in the history of the company all trace has disappeared of the fact that there has ever been a liability upon debentures, or ever an intangible asset called goodwill. Last year saw the extinguishing figures of these items, which once loomed so large in the company's balance-sheet, and for the first time we now present accounts in which neither of these disfiguring items finds a place. The reserve account, at the same time, reaches its high-water mark in the company's history. It had ebbed in 1914 to £100,000, but with £50,000 restored in 1915, £20,000 in 1916, and £30,000 during the past year, the reserve account now stands at £200,000. Turning to the profit and loss account, the point, as agreeable as it is noticeable, is that the sum available for distribution is no less than £34,476 greater than in the preceding financial year. This fact is due to an increase in the sums received by way of dividends to an amount of £10,800, to an increase in the moneys received by way of interest to an amount of £5,047, and to a reduction in the sums formerly debited to profit and loss account by an amount of £17,702. The principal source of revenue is, of course, the dividends received from the holdings of the company in the Société Anonyme Darracq and in the Darracq Motor Engineering Company, Limited. In December, 1916, the French company paid a final dividend of 5 per cent., making 25 per cent. for the year. In April, 1917, the French company paid an interim dividend of 15 per cent., making 20 per cent. received upon its holding by this company since the close of the financial year ended September 30, 1916. The Société Anonyme Darracq has not yet completed its accounts for the past financial year, and I may repeat the hope which I expressed last year—and I did not mislead you in the expression of that hope—that some further distribution may be possible when the final results of the past year's trading are known. It is satisfactory to be able to observe that in less than two years' trading the French company has declared dividends representing 40 per cent. of its nominal capital, and these dividends, I may add, have been paid free of income-tax. The Darracq Motor Engineering Co., Ltd., the successor to our English assets, is making marked progress, and in estimating its success it is right that you should remember that it is almost a new company, and is a controlled establishment. Its profits are, therefore, subject to heavy deductions before the profits available for distribution are ascertained. During its first twelve months, of which only seven months were available for the purpose of divisible profits, the Darracq Motor Engineering Co., Ltd., paid a 6 per cent. dividend. During the financial year to the end of September, 1917, an interim dividend of 15 per cent. was paid, but as in the case of the French company the accounts for the year are not yet completed, and the final result of the year's trading is not yet ascertained. These dividends are, as in the case of the French company, paid not merely upon the shares representing the value of the assets transferred by this company, but also upon shares representing a sum of £25,000, which had stood in the books of this company as part of the "goodwill" item, to which I have made reference. The dividends of the Darracq Motor Engineering Co., Ltd., like those of the French company, have been paid free of income-tax. The net profit for the year amounts to £125,014 13s. 3d., and, adding the sum of £12,015 1s. 8d. brought forward from last year's accounts, there is a total sum of £137,029 14s. 11d. to be dealt with. In approaching the treatment of this sum your directors have felt that contingencies during the war and contingencies after the war must be kept steadily in view. This is the fourth annual general meeting of this company at which I have presided since the outbreak of war. It is not possible, and certainly it is not wise, to indulge in prophecy as to the date when peace will come. It is, however, wise to be ready for the resumption of peace conditions. A time will come, be it soon or late, when we must be prepared to readjust ourselves and enter into the friendly, but acute, rivalry of industrial competition with the same intelligence and vigour as we have thrown ourselves into the war. This company will still be a company holding large interests in trading concerns, now devoting themselves wholly to war production and then reverting to the commercial production of the work-a-day world. One of the first points which will impress itself upon us is that we are holders of large interests in a motor company, with works situate in France, and that during the war there has arisen a high tariff wall between French production and our British market. In the discussions between the Allied Governments after the war the height of that wall may be lowered, but, as prudent men of business, we must not rely upon what is uncertain. We must, therefore, be ready to build, if necessary, our cars within the tariff wall, either by creating a new factory of our own or by forming a company to do so. A large reserve may not be necessary for the security of our share capital, but it may

be essential for such a purpose as this, and it is in view of contingencies of this character that your directors have decided to place £30,000 to the reserve account, which is thus brought up to £200,000. An interim dividend of 5 per cent. has been paid on the ordinary shares. Your directors recommend that a further 10 per cent. by way of dividend and 5 per cent. by way of bonus be declared upon the ordinary shares. It may be said, and it is undoubtedly true, that in effect this is equal to a further 15 per cent. dividend, making 20 per cent. for the year. Your directors prefer, however, the form which they recommend, adopting it designedly to emphasise their views that the return must, to some extent at least, be regarded as abnormal, and to put shareholders on their guard against the times of readjustment lying ahead.

Mr. James Todd seconded the resolution, which was carried unanimously.

CLERICAL, MEDICAL AND GENERAL LIFE ASSURANCE.

The ninety-third annual general meeting of the Clerical, Medical and General Life Assurance Society was held at the Chief Office, 15, St. James's Square, S.W., on Friday, Mr. John Coles (chairman) presiding.

Mr. A. D. Besant (general manager) having read the notice convening the meeting,

The Chairman said: This is the fourth occasion on which our annual report has been presented to you under war conditions, and I am delighted once again to be able to place before you a satisfactory record of the year's transactions. For the sixth time in succession the rate of interest assumed in the valuation made at June 30, 1916, was $2\frac{1}{2}$ per cent. throughout. Having made our valuation on these lines, and having written off all depreciation, the rate of bonus declared last year was maintained at the same high level as in 1911, which, as I may remind you, I then described as "our record bonus." The total reversionary additions amounted last year to £981,000, an increase of nearly £100,000 over the highest amount previously apportioned. The increase, of course, represents the growth in the volume of the society's business during the five years. This fine bonus gave the greatest satisfaction to our policyholders, and attracted much public attention. You will see that our gross new business has exceeded a million sterling, and our nett business is over £800,000. These are excellent figures, as you will realise when I remind you that until 1913 we had never completed so large a new business as either a million gross or eight hundred thousand nett. In that year, of course, we obtained our business under peace conditions, and we had all our inspectors and staff to help us; to-day things are very different, as you know. To some extent the new business of the offices has been helped by the exemption to a very large extent of life assurance premiums from income-tax, and by the enormous Government expenditure which brings such widespread prosperity in certain circles. But I believe myself that the chief cause is the growing conviction amongst the public of the value of life assurance, both as a protection and as an investment. You will see that both the premium and the interest income show satisfactory expansion. The improvement of 3s. 6d. per cent. in the nett rate earned is very considerable when applied to a fund of six million sterling. It represents £10,000 a year additional interest towards the next bonus. I may add that during the past twenty years we have only on two or three occasions earned so high a nett rate as £3 16s. 10d. per cent. On account of the uncertainty of the duration of the war, I dare not venture on the question of the rate of interest and the state of things generally when peace comes, but life assurance can certainly be adapted to any new order of things, and in my view its attraction will be greater than ever. The claims by death have been unusually heavy, although you will be glad to know that those due to the war were £15,000 lighter than last year, and £25,000 lighter than the year previous. This reduction in war claims is, I think, somewhat remarkable, in view of the increased proportion of our younger policyholders who must now be serving in the forces. I need not dwell upon the annuity figures beyond mentioning that the society now grants annuities to impaired or invalid lives at special rates. I must call your attention to the method adopted on this occasion for valuing our Stock Exchange securities. After very careful consideration, the directors decided not to revalue the securities, but to let the 1916 figures stand in the balance-sheet until the war ends, or perhaps until 1921, when we hope that real values may be more justly estimated. Of course, we have not escaped depreciation during the past year. The depreciation found to exist on June 30 was about £110,000, and there has been no material change in the position since that date. This depreciation represents only about 2 per cent. of our assets. This causes us no undue anxiety, as we face the future on the solid foundation of a $2\frac{1}{2}$ per cent. valuation. Turning now to the items of the balance-sheet, you will see that the only considerable change which has taken place during the past year has been that in our British Government securities, which now stand at £1,035,000, as compared with £633,000 a year ago—an increase of £400,000. This has been brought about by the introduction of the 5 per cent. War Loan in February last. In addition to converting our $4\frac{1}{2}$ per cent. War Loan and our Exchequer bonds, we applied for over £600,000 of the new Loan, and had to borrow largely from the bankers in order to pay for it. On June 30 we still owed them, as you see, £200,000, but we have since reduced the debt to under £90,000, and it will all be paid off in the next few weeks. Another point of interest connected with the accounts, which I may just mention

in passing, is that under the schemes adopted for regulating exchanges, we have deposited with the Government Stock Exchange securities to the face value of £856,000, representing in our books the value of £640,000. So long as the Government retains the custody of these stocks, we receive additional interest upon them, amounting to about £3,300 per annum.

After dealing with the increased tendency towards insurance amalgamation, the Chairman concluded: In my opinion, purely life offices will be able to carry on a sturdy and independent existence in the days to come, and to hold their own in competition against all comers. Their strength lies wholly in the benefits they can offer to their policyholders; so long as they continue to quote such attractive rates of premium and to divide such handsome bonuses, I for one have no fear for their future.

The resolution was carried unanimously.

BRITISH DYES.

The second annual meeting of the shareholders of British Dyes, Limited, was held at the Temple Hall, Huddersfield, on Wednesday, Mr. James Falconer, M.P. (chairman of directors), presiding.

The Chairman, after referring to the capital of the company, said: I have heard from time to time the criticism that other companies were confining themselves to manufacture of dyes, and that we ought to have done the same. That has not been our view either of our duty or of the truest interests of the company. With regard to the immediate supply—by that I mean the supply of the immediate needs of our shareholders during the period of the war—our output during the year has been substantially increased. Now the output of colours is more than three times that of the pre-war amount, and when you consider that now we have in addition made all our intermediate and many of our raw materials—and Mr. Turner will correct me—to enable us to increase the output, I think you will agree that this is a very substantial effort to have accomplished. In addition to our own production we have continued, as far as the means of transport would allow, the supply to Swiss manufacturers to manufacture dyes and send them back to this country. We have during the year improved the plant in operation. Others are being pressed forward, and we must always keep in view, in estimating the amount of work involved in the manufacture of these intermediates, that they require for this operation general services on a very large scale—steam power, gas, electricity, water, compressed air, and also supplies of acids and other raw materials. To provide these requires plant on a scale which can only be properly realised by inspection, and I am asked to express the hope, on behalf of the board, that as many shareholders as possible will take advantage of the invitation to see the works. When you look at the amount of building we have put up, then I think you will appreciate the effort which has been made in order to fill these buildings with plant and to supply them with all the services necessary to enable them to be successfully operated. Now, at the same time, while I am bound to recognise the work which has been done, I am bound also to say in perfect frankness that it is only the beginning of the work that is to be done before you can have a really adequate supply of dyes manufactured in this country. In the report there is mentioned the magnitude of the German concern, with a capital of £35,000,000, and I dare say you all must know something of the dimensions of the German works; and while, of course, their output has been far in excess of what was required for Germany alone, still one can form some opinion of what will be required in the way of chemists, in the way of scientific work, in the way of staff, if we are going to reach our goal. I am not in the least disposed to take a despondent view, but on the other hand I am not at all disposed to underestimate the task we must perform, and I think it is well that the shareholders should realise its magnitude. We have established in different universities colonies of research students who are in our employment, and who are acting under the guidance of Professor Perkin at Oxford, of Professor A. G. Perkin at Leeds and of Professor Robinson at Liverpool, and we are greatly indebted to these gentlemen for placing themselves at our disposal for supervising the works of these research laboratories. We have research work constantly going on in our new works laboratory which we have built at Turnbridge and elsewhere among our chemists employed on our work. The question of co-operation is mentioned in the report; the position is this: that in July of last year arrangements were made between all the dye manufacturers in this country for the purpose of endeavouring to bring about some arrangements which would prevent overlapping and which would enable them to deal in the best way for the supply of the country, but at that time the question was taken out of our hands by the Board of Trade, who set on foot certain negotiations by committees and otherwise. We have said we are in favour of any arrangements which will enable us to work together for providing a better supply. We have been really anxious to bring about an arrangement, but so far nothing definite has been arrived at, and the difficulties have not been in the least of our making. I want to say quite definitely that if you are going to have combination it is essential in the interests of the industries of this country that there should be adequate control to protect the textile industries, and that a monopoly of dye making in the hands of one company without control would be a danger to which the industries of this country should not for a moment be exposed. I want to make an appeal to all dye manufacturers and everybody en-

gaged in the business to carry on his business and make it a success, but do not let us get into the old bad position of past days when it was the business of every man to be trying to do as much harm to his neighbour as he possibly could. The task is one which is worthy of our best efforts. I can assure you we are only too anxious to get the co-operation and assistance of anybody and everybody able to help for the purpose of producing the dyes which it is our object to supply to the country.

Mr. G. P. Norton seconded and Mr. J. Turner supported the adoption of the report.

DICK, KERR, AND CO.

The ordinary general meeting of Dick, Kerr, and Co., Ltd., was held on Wednesday, at the Cannon-street Hotel, Mr. Claud T. Cayley, the chairman of the company, presiding.

The Secretary (Mr. E. D. Johnson, A.C.A.) read the notice convening the meeting and the auditors' report.

The Chairman, in the course of his address, said:—Comparing the balance-sheet now in your hands with last year's figures, the nett profit shows an appreciable increase. The figures, taken in conjunction with the totals of assets and liabilities shown, indicate the magnitude of the company's operations, although you will quite understand that under present circumstances we are unable to publish details. The total of the assets shown in the balance-sheet is £2,193,688, as compared with £1,753,410 last year, the increase being chiefly made up by the difference in the item sundry investments, also increases in the items of stock on hand and work in progress, contract balances, and sundry debtors. The latter items are always liable to fluctuation from year to year. The increase in the figure of investments is the result of the acquisition of the shares in the United Electric Car Co., Ltd. The capital expenditure at the works shows a decrease on last year's figure, due to our policy of writing off what we consider ample depreciation against this item—a policy which we are sure has your full approval. The liabilities side of the sheet shows one particularly important variation from last year's figures—namely, the increase under the heading of creditors and estimated liabilities. This figure is £953,596, which is a large advance upon last year, although the increase is, of course, set off by the increases on the assets side of the balance-sheet already mentioned. The reason for this increase in the figure of creditors is that it includes the reserve we have set aside for the excess profits duty; it is very obviously necessary for us to reserve what we consider a sufficient sum to meet this charge. The Government continues to be our principal customer, with continuously increasing demands both in quantity and variety. All the departments for which we are working show their appreciation and confidence by entrusting us with important work to the limit of our capabilities. The factory erected under our auspices has been handed over, and we have now in hand the erection of two more factories for another purpose, and these, together with the construction of important works in different parts of the country, on which it has been occupied for some time, keep the contracting department very busy, and your staff of trained engineers fully occupied. I now come to the controlling interest which has been acquired in the United Electric Car Co., Ltd. The board already feel this transaction to be fully justified, and are satisfied that after the war there will be no difficulty in keeping the works fully occupied. Last year we reported the acquisition of control in Willans and Robinson, Ltd. The position has now been consolidated by acquiring 86 per cent. of the preferred "B" stock of that company, which has certain participating rights. This transaction was carried through partly by payment in cash and partly by exchange of shares. Steps are now being taken to consolidate the organisations of the two companies, and considerable economy is to be expected both in selling and production. Considerable interest has been shown in the contracting world and among the legal profession in the now somewhat celebrated case of the Metropolitan Water Board v. Dick, Kerr, and Co. This is still *sub judice*. I have given you the position as we see it at present, and I think it may be taken for granted that your organisation and works will be fully occupied during the continuance of the war period. Last year, and I think the year before, I indicated the likelihood of our having to face a period of uncertainty during the transition from war conditions to normal conditions of peace, whatever the world has in store for us in that direction. Your directors and management committee fully realise this, and therefore, in spite of the abnormal amount of work thrown upon their shoulders, particularly upon those of the latter gentlemen, they are doing what they can towards organising for the future so as to make this transition period as short as possible. I think we may safely assume that the immediate demand for the product of your different manufacturing works, and also of your engineering contracting organisation, will be very great, and it behoves your management to see that they are in a position to step into the breach without delay. Like all large employers, we are naturally following the attitude of Labour itself, and fully realise that to meet the necessities of after-the-war conditions a complete understanding and co-operation between Capital and Labour is both desirable and necessary. Your directors and your management committee have confidence that all will be well in this direction, provided Labour is met in a spirit recognising that an entirely new basis of relationship must be established.

The Deputy-Chairman (Mr. R. H. Prestwich) seconded the motion, which was carried unanimously.

A. AND F. PEARS.

The twenty-fifth ordinary general meeting of A. and F. Pears, Ltd., was held on Monday, at 71-75, New Oxford Street, Sir Thomas R. Dewar (the chairman) presiding.

The Secretary (Mr. Herbert C. Barratt) read the notice and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, said that, in addition to paying 12 per cent. on the preferred ordinary shares and 20 per cent. on the ordinary shares for the past year, the directors were placing £5,000 to reserve, which fund would now stand at £110,000. The investments stood in the balance-sheet at £390,033, and the quoted value as per the London Stock Exchange list at the end of September, 1917, exceeded that amount. Proceeding, he said: The development of this old business has exceeded our expectations, and we may well claim from results that we can show that it has beaten all records. Our home trade has doubled in three years. The number of orders dealt with daily is six times larger than it was three years ago, and our trading accounts are 20 times what they were when the war started. Comparing an average quarter's trading in 1914 with the last quarter—to September 29, 1917—there is an increase of 153 per cent. in favour of the latter period. The Golden Series of new toilet preparations has proved a golden era for A. and F. Pears. Not only have the articles been appreciated by the public and a large trade in them built up, but the sale of our old speciality, the transparent soap, has increased. Another thing we are proud of is the popularity of our goods among the brave men of the Army and Navy; it is surprising what a lot of orders we get daily from their canteens. Our raw material has this year cost us over £60,000 more than it would have cost us before the war for the same quantity. You may ask why we do not increase our price, as the proprietors of many other commodities have done, but our policy is to give the public the benefit and to win our reward by increased trade throughout the world. You are building up your goodwill and increasing your trade for the future, for, after our gallant men at the front have accomplished victory, the day will come for the victory of British commerce. We have lost temporarily much of our Continental trade; but we have more than doubled the home trade, and the security of your shares has increased accordingly. The company is in a better position than ever before, and the real reason is that you sanctioned the satisfactory working arrangement with Messrs Lever Brothers. Under no other conditions could we have accomplished in these trying times the results we show you. Our American factory, which has been working for some time, has proved a great success, and has assisted us immensely in these strenuous times in the supply of raw material, in the saving of high freight, duty, &c., and in relieving the congestion at our Isleworth factory, where we are working day and night.

Mr. Ketallick seconded the motion, which was carried unanimously.

RONEO, LIMITED.

The tenth ordinary meeting of the shareholders was held at the First Avenue Hotel, Holborn, on Friday, the 2nd instant. The Chairman (Mr. W. T. Smedley) presided, and in moving the adoption of the report said that the balance-sheet now submitted was far away the most satisfactory one which had been placed before the shareholders. Year by year progress had been made, and the financial position of the company strengthened until they had arrived at a point which justified the directors in paying a liberal dividend on the ordinary shares. Every indication pointed to the belief that in the future the dividend now distributed would not merely be maintained, but increased.

An examination of the figures of the balance-sheet revealed the fact that on June 30 last profits had been actually converted into cash awaiting distribution. The cash in hand and on deposit had actually increased during the year by £21,697, after paying out £11,040 by way of interim dividends and investing £16,235 11s. 6d. in Government securities. Since the accounts were made up a further £4,000 had been invested in War Loan, so that the reserve fund was now invested outside the business, and was no longer merely a reserve of undivided profits. Ample depreciation had been written off, the rate having been increased for the past year. On plant alone, which now stood in the balance-sheet at £30,400, no less than £23,245 had been written off during the nine years of the company's existence. Every item on the assets side of the balance-sheet was thoroughly sound. Instead of further increasing the reserve fund the directors had decided, after providing a dividend of 7½ per cent. for the second half-year, making 11½ per cent. for the year, to write £5,000 off the patterns, patents, and leasehold premises account, to write £10,000 off goodwill, and to increase the carry forward amount by £4,901 3s. 6d.

The report informed the shareholders "that the indications for the future appear favourable." That was a very mild way of describing the prospects of the company. When, happily, peace might be restored they might look forward to the employment of the whole of their works on the normal trade. During the year under review they had been under Government control. This meant that the natural development of their ordinary business had been restricted, and that trade was far more profitable than Government work, a comparison showed that the ratio of profit of the former to the latter was as 13.53 is to 6.89.

During the year the company, which previously held 45 per cent. of the capital of the Art Metal Construction Co., Ltd., had

acquired from its American associates the whole of their investment in it, so that the entire business now belonged to this company. Orders for this department were far in excess of the Art Metal Construction Co.'s capacity for output, and new and extensive premises had been purchased and further plant laid down.

Many of the shareholders did not recognise the soundness of the foundation of the business. When a man bought furniture or a piano or even clothes his requirements were for the moment satisfied. When a man bought a Roneo duplicator or copier instead of his wants being satisfied they were created, and henceforth he became a constant purchaser and consumer of the supplies, the manufacture and sale of which formed the main source of the company's profit. From the raw material to the actual consumer the company controlled the profits, and, at any rate, in this country retained them all. The proportion of the retail profits out of the total for the past year was nearly 30 per cent.

He had been associated with the business since its inception in 1899. It had been subject to the vicissitudes of businesses which had to create a demand for the goods it proposed to manufacture. The tens of thousands of duplicators and copiers now in use throughout the world assured a constant and increasing demand in the future which the directors were glad to supply. The results were mainly attributable to the excellent and enthusiastic staff which conducted its affairs.

The shareholders might look forward with perfect confidence, in the assurance that an increasingly successful career was before them.

The resolution was seconded by Sir C. Inigo Thomas, G.C.B., and unanimously adopted.

DIVIDENDS ANNOUNCED.

Alliance Tea Co. of Ceylon.—Interim 7 per cent., less tax, for year ending Dec. 31, payable Nov. 14, the same as a year ago.

Alianza Co.—Interim for half-year of 7s. 6d. per share, free of tax, against 5s. a year ago.

Anglo-Egyptian Bank.—10s. per share for half-year ended Aug. 31, making 15 per cent. for the year, and a bonus of 2s. 6d. per share, both free of tax. Last year dividend was less tax, bonus free.

Bankers' Investment Trust.—Interim at rate of 4 per cent. per annum on deferred stock for half-year, the same as a year ago.

Broken Hill Proprietary Co.—(No. 179) 1s. per share, same as a year ago.

Briseis Tin and General Mining Co.—No. 26 of 6d. per share, less tax, payable Nov. 28, the same as a year ago.

Borax Consolidated.—Interim of 1s. per share, less tax, on deferred ordinary shares for year to Sept. 30, the same as last year.

Brampton Brewery Co.—Interim on ordinary shares for half-year ended Sept. 30 of 4 per cent. actual, the same as a year ago. Warrants will be posted Nov. 15.

Burma Railways Co.—Final £1 5s. per cent., together with a bonus of £2 per cent, both subject to income-tax, on account of surplus profits, to be distributed with guaranteed interest payable on Jan. 1 next, making 7 per cent. for year 1916-17, against 6 per cent. a year ago.

City of Buenos Aires Tramways Co. (1904).—1s. 3d. per share (being at rate of 5 per cent. per annum), less tax, for three months to Sept. 30, payable Nov. 16.

Ceylon Proprietary Tea Estates Co.—Interim of 5 per cent., less tax, on ordinary share capital on account of year 1917, payable on Nov. 15, the same as a year ago.

Canada Steamship Lines.—On the preference shares of 1½ per cent., payable Nov. 1, and 3½ per cent., payable Jan. 2, 1918.

Consolidated Gold Fields of South Africa.—7½ per cent., free of tax, leaving £58,405 to be carried forward.

Fine Art and General Insurance Co.—Interim of 2s. per share, less tax, the same as a year ago.

Horden Collieries.—Final 8½ per cent., less tax, on fully paid shares numbered 1 to 92,340, and £4 on shares 92,341 to 100,000, making 12½ per cent. for the year.

Johore Rubber Lands (1913).—Interim 5 per cent., less tax.

Kurau Rubber Estate.—Interim of 18½ per cent., actual, less tax, for year ending Dec. 31. A year ago the dividend was 20 per cent., actual.

Klabang Rubber Co.—Interim for year 1917 of 4 per cent., less tax, payable on Nov. 14, the same as a year ago.

Langkat Sumatra Rubber Co.—Interim 10 per cent. (actual), equal to 2s. per share, in respect of year ending Dec. 31, payable on Nov. 15, the same as a year ago.

Middle West Utilities Co.—Regular quarterly \$1.50 per share on the preferred stock, payable Dec. 1.

Meters, Limited.—Interim to Sept. 30 on the ordinary shares at rate of 4 per cent. per annum, the same as a year ago. Warrants will be posted on Nov. 9.

Mergui Crown Rubber Estates.—Interim at rate of 7½ per cent. (actual), payable, less tax, on Nov. 14, the same as a year ago.

Montevideo Gas Co.—Interim, payable Dec. 1, of 6s. per share, less tax, for half-year ended June 30, the same as a year ago.

Mysore Gold Mining Co.—Second interim of 3s. per share, less tax, for year ending Dec. 31, 1917, payable on Nov. 23, the same as a year ago.

Nant-y-Glo and Blaina Ironworks.—£4 per share, less tax, on account of arrears. In April £3 per share was paid on account of arrears.

Oreogum Gold Mining Co. of India.—Interim for year ending Dec. 31 of 9d. per share, less tax, on both preference and ordinary shares, payable Dec. 7, the same as a year ago.

Pennsylvania Railroad Co.—Usual quarterly 75 cents per share, payable Nov. 30.

Parent Tyre Co.—Half-yearly on the 5 per cent. preference and 8 per cent. ordinary shares to Aug. 31, and 11 per cent. on the deferred shares for the year ended Aug. 31. For 1915-16 the dividend on the deferred was 7 per cent.

Royal Bank of Australia.—8 per cent., the same as last year; £10,000 to reserve, against £7,500 (making this £280,008), £8,461 forward, against £7,991.

Royal Bank of Scotland.—At the rate of 10 per cent. per annum for the half-year, less tax, the same as a year ago.

Ribu Rubber Co.—First interim on account of current year, 10 per cent. payable on Oct. 23.

Rubber Plantations Investment Trust.—For the year ended March 31 at the rate of 6 per cent., less tax, against 3 per cent.

Rangalla Tea Co. of Ceylon.—Interim of 3 per cent., less tax, payable on Nov. 5, as compared with 4 per cent.

Sungei Salak Rubber.—Interim 10 per cent., less tax, same as a year ago.

South American Copper Syndicate.—A third interim (final) of 1s. 6d. per share, less tax, in respect of the year ended June 30, has been declared, and will be paid on Nov. 5.

"Sanitas" Co.—Interim at rate of 7½ per cent. per annum for six months ended Sept. 30, against 5 per cent.

Segamat (Johore) Rubber Estates.—Interim, 10 per cent., less tax, against 5 per cent. a year ago.

Triumph Cycle.—On ordinary shares 10 per cent. and a bonus of 5 per cent., less tax, on the increased capital of the company; for 1915-16 the dividend was 20 per cent. and bonus 10 per cent.

Tekka, Limited.—1s. 6d. per share, less tax, payable on Nov. 7, the same as a year ago.

Texas Land and Mortgage.—Interim at the rate of 10 per cent. per annum, less tax, same as a year ago.

Western Telegraph Co.—3s. per share and a bonus of 4s. per share, both free of tax, making a total for year ended June 30 of 8 per cent., the same as for the previous year.

OILFIELDS ITEMS.

Anglo-Egyptian.—Production for the past week:—Gemsah, 21 tons, against 159 tons previous week; Hurghada, 3,993 tons, against 3,041 tons previous week.

Anglo-Egyptian.—Production for the past week:—Gemsah 159 tons, against 233 tons previous week; Hurghada, 3,041 tons, against 2,923 tons previous week.

Bibi Eibat.—Production week ended Oct. 14, 712 tons.

Black Sea Amalgamated.—Production week ended Oct. 13, 366 tons.

British Maikop.—Production week ended Oct. 20, 13 tons.

Black Sea Amalgamated.—Production week ended Oct. 20, 346 tons.

European.—Production week ended Oct. 21, 64,200 poods.

Maikop Combine.—Production week ended Oct. 13, 368 tons.

Maikop Combine.—Production week ended Oct. 20, 354 tons.

Maikop Orient.—Plot 435A, Well 3.—Production week ended Oct. 20, 11,100 poods.

Maikop Pipeline and Transport.—Received for pumping week ended Oct. 6, 412 tons; week ended Oct. 13, 2,514 tons.

New Schibaieff Petroleum.—Production for Sept.: gross, 4,289 tons; net, 2,449 tons.

North Caucasian.—Production week ended Oct. 16, 7,883 tons.

Spies Petroleum.—Production week ended Oct. 21, 3,220 tons. Total production for the year from Jan. 14, 115,457 tons, against 108,908 tons for the corresponding period last year.

United British of Trinidad.—Production week ended Oct. 24, 626 tons.

The annual report of the Chartered Institute of Secretaries states that the membership on August 31 last was 4,180, being an increase of 90 on the previous year. Four hundred and seventy-six members and 82 students are on service, and 34 members and four students have died on service. Viscount Reading and Sir Richard Vassar Vassar-Smith, Bart., have been elected honorary members of the Institute. The Secretaries Company of the National Guard and the Secretaries Company of the City of London Police Reserve continue their allotted war-time duties, and the help of members of the Institute to the Department of the Director-General of Voluntary Organisations has assumed further importance during the year owing to the increase in the number of men serving.

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INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.				GROSS TRAFFIC TO DATE.			
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.		
Assam Bengal ..	Sept. 8	Rs. 1,18,000	— 20,678	†	Rs. 30,50,073	+ 1,22,172		
Barsi ..	" 15	29,300	+ 54,000	†	4,45,000	+ 68,600		
Bengal & N.W. ..	" 8	3,15,250	+ 31,357	†	94,45,78	+ 89,517		
Bengal Nagpur ..	" 15	9,03,000	+ 58,000	†	2,45,14,816	+ 18,79,727		
Bombay, Baroda ..	Oct. 20	12,89,000	+ 1,000	†	34,24,000	+ 1,13,000		
Burma ..	Sept. 8	3,67,627	+ 19,063	†	89,31,824	+ 20,232		
Delhi Umballa ..	Oct. 20	1,23,000	+ 58,492	†	2,86,986	+ 89,409		
East Indian ..	" 27	19,43,000	+ 2,05,000	†	87,83,000	+ 6,24,000		
Gt. Indian Penin. ..	" 20	18,64,000	+ 1,35,500	†	51,64,100	+ 4,29,800		
Lucknow-Bareilly ..	Sept. 8	36,393	+ 4,003	†	10,96,256	+ 82,814		
Madras and S. ..	" 15	9,60,000	+ 1,970	†	2,59,37,388	+ 20,05,207		
Nizam's Gd. (Broad) ..	" 1	1,08,039	+ 6,415	†	28,91,693	+ 27,412		
" (Metre) ..	" 8	48,258	+ 6,110	†	15,17,259	+ 20,221		
Robilkund and ..	" 8	33,292	+ 2,573	†	10,52,193	+ 51,557		
Kumaon ..	" 15	6,72,129	+ 86,180	†	1,63,90,933	+ 14,54,674		
South Indian ..	" 15	6,72,129	+ 86,180	†	1,63,90,933	+ 14,54,674		

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

NAME.	Oct. 26	£	—	£	†	£	+	£
Bristol ..	Oct. 26	9,437	— 374	†	470,592	+ 35,314		
Dublin United ..	" 26	6,846	+ 681	†	288,749	+ 27,363		
Hastings and Dist. ..	" 28	1,123	+ 281	†	54,485	+ 8,363		
Ile of Thanet ..	" 13	195	+ 141	†	350	+ 324		
Lancashire United ..	" 24	2,411	+ 538	†	100,858	+ 21,990		
Provincial ..	" 27	2,335	+ 201	†	9,138	+ 507		
Yorks. (Wst. Rdng.) ..	" 28	2,240	+ 568	†	91,143	+ 15,367		

* From Oct. 1. † From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Aug. §	£	+	£	Ms.	£	+	£
Alabama Power ..	Aug. §	104,868	+ 20,192	12	1,213,554	+ 383,096		
Anglo-Argentine ..	Oct. 28	53,732	+ 1,598	†	2,218,241	+ 27,698		
Auckland Electric ..	Sept. 21	22,154	+ 1,270	a	64,876	+ 2,018		
Brazilian Elec. Inv. ..	Aug. §	M8,064,000	+ M659,000	8	M605,050	+ M449,200		
Brisbane Elec. Inv. ..	Aug. §	31,600	+ 930	9	294,840	+ 2,820		
British Columbia ..	Aug. §	58,257	+ 15,877	†	1,16,581	+ 20,735		
B. A. Lacroze ..	Sept. 6	39,111	+ 2,681	†	77,174	+ 2,304		
Burma Electric ..	Sept. 6	Rs. 26,168	+ Rs. 2,419	—	26,168	+ Rs. 33,802		
Calcutta ..	Oct. 27	Rs. 63,364	+ Rs. 18	—	Rs. 279,328	+ Rs. 26,810		
Carthage and ..	Sept. 6	4,306	+ 2,527	—	38,405	+ 15,805		
Cordoba Light ..	Sept. 6	14,278	+ 427	5	70,432	+ 738		
P. & T. ..	Sept. 6	15,358	+ 1,690	†	471,298	+ 37,555		
Hongkong ..	Sept. 6	3,450	+ 543	9	36,545	+ 1,076		
La Plata ..	Sept. 6	13,700	+ 522	9	142,418	+ 1,355		
Madras Electric ..	Oct. 15c	Rs. 36,385	+ Rs. 4,080	8	Rs. 660,797	+ Rs. 123,161		
Manila Electric ..	Aug. 8	65,407	+ 4,667	†	547,492	+ 70,625		
Mexico ..	Nov. §	215,256	+ 108,669	†	3,193,106	+ 197,427		
Rangoon ..	Sept. §	5,163	+ 1,026	†	38,288	+ 2,000		
Singapore Electric ..	Aug. §	12,501	+ 895	†	451,416	+ 31,323		
Toronto ..	Aug. §	448,806	+ 21,744	8	3,694,880	+ 237,325		
United of Monte V. ..	Sept. §	29,426	+ 2,715	11	329,679	+ 10,636		
Vera Cruz ..	Aug. §	52,200	+ 1,000	7	408,000	+ 10,636		
Winnipeg ..	Sept. §	39,457	+ 40,478	8	506,701	+ 284,329		

b 28 days. * From Jan. 1. § Nett. a From July 1. c Two weeks.

UNITED STATES OF AMERICA.

NAME.	Oct. 21	£	+	£	†	£	+	£
Chesapeake & Ohio ..	Oct. 21	1,110,000	+ 110,000	†	43,012,000	+ 3,086,000		
Chicago G.W. ..	" 14	359,000	+ 3,000	†	12,752,000	+ 375,000		
Colorado & South'n ..	" 14	416,000	+ 64,000	†	14,043,000	+ 1,820,000		
Denver & Rio Gran. ..	" 14	635,000	+ 60,000	†	21,825,000	+ 2,461,000		
Louisville & Nashv. ..	" 14	1,563,000	+ 218,000	†	58,517,000	+ 8,814,000		
Minn. S.P. (Soo) ..	" 14	680,000	+ 14,000	†	26,533,000	+ 314,000		
Missouri Kansas ..	" 21	962,000	+ 51,000	†	34,041,000	+ 5,134,000		
Southern ..	" 14	2,439,000	+ 285,000	†	87,225,000	+ 11,967,000		

§ Includes Wisconsin Central. † From Jan. 1.

FOREIGN RAILWAYS.

NAME.	Oct. 27	Ps. £	+ Ps. £	†	Ps. £	+ Ps. £	†	Ps. £
Alooy and Gandia ..	Oct. 27	Ps. 10,000	+ Ps. 1,000	†	Ps. 475,020	+ Ps. 64,280		
Antofagasta (Chili) ..	" 28	95,950	+ 11,730	†	1,795,645	+ 315,825		
Arauco ..	Sept. 30	12,000	+ 1,500	†	88,000	+ 15,200		
Argentine N.E. ..	Oct. 27	8,500	+ 1,900	†	113,000	+ 2,402		
Bilbao R. and Cants ..	Sept. 6	4,284	+ 667	9	31,950	+ 8,853		
Bolivar ..	" 6	10,000	+ 1,807	3	3,000	+ 9,490		
Brazil ..	Aug. §	M4,432,000	+ M532,287	†	M 319,830	+ M379,874		
Brazil Gt. Southern ..	June §	Mis. 37,600	+ M6,800	†	M250,950	+ M35,500		
B. Ayres & Pacific ..	Oct. 27	75,000	+ 8,000	†	941,000	+ 495,000		
Do. Central ..	Sept. 6	18,317	+ 7,787	3	70,915	+ 4,287		
Do. Gt. South'n ..	Oct. 23	129,000	+ 17,000	†	1,439,705	+ 447,549		
Do. Western ..	" 23	46,000	+ 11,000	†	520,000	+ 371,000		
Central Argentine ..	" 27	110,000	+ 1,000	†	1,124,300	+ 799,600		
C. Ur'g'ay of Mts V. ..	" 27	21,099	+ 7,350	†	273,507	+ 79,618		
Do. East'n Ex. ..	" 27	5,243	+ 633	†	68,841	+ 3,910		
Do. North'n Ex. ..	" 27	2,857	+ 609	†	49,727	+ 18,628		
Do. West'n Ex. ..	" 27	2,641	+ 701	†	29,950	+ 687		
Cordoba Central ..	" 27	36,000	+ 10,500	†	444,350	+ 102,855		
Costa Rica ..	Sept. 1	2,579	+ 3,325	†	29,688	+ 20,101		
Cuban Central ..	Oct. 28	10,441	+ 923	†	203,075	+ 44,074		
Dorada Extension ..	Sept. 6	8,000	+ 1,100	†	34,400	+ 9,300		
Egyptian Delta ..	" 30	7,637	+ 1,118	†	109,616	+ 18,585		
Entre Rios ..	Oct. 27	13,200	+ 1,800	†	181,300	+ 22,000		
French Sante Fé ..	Aug. §	132,000	+ 29,099	†	900,336	+ 173,429		
Gt. South. of Spain ..	Oct. 20	Ps. 78,696	+ 37,719	†	Ps307,134	+ Ps463,582		
Gt. West. of Brazil ..	" 27	19,400	+ 1,800	†	549,750	+ 132,150		
Havana Central ..	" 13	7,534	+ 1,226	†	107,007	+ 18,805		
Inter. of C. Amer. ..	Sept. 6	6,986	+ 2,027	†	215,486	+ 31,749		
La Guaira and Car. ..	" 6	5,750	+ 1,000	†	68,750	+ 3,000		
Leopoldina ..	Oct. 27	33,037	+ 552	†	1,269,350	+ 210,072		
Midland Uruguay ..	Sept. 6	12,337	+ 651	3	37,311	+ 6,002		
Mogiana ..	July §	M258,000	+ M21,261	†	M113,000	+ M48,957		
N.W. of Uruguay ..	Sept. 6	26,000	+ 1,542	9	869,500	+ 24,250		
Nitrato ..	Oct. 15	32,989	+ 1,480	†	601,865	+ 74,453		
Paraguay Central ..	" 27	2,800	+ 720	†	49,130	+ 7,390		
Paulista ..	July §	M3,330,000	+ M68,609	7	M190,000	+ M94,280		
Peruvian Corp'n ..	Sept. §	S 950,740	+ S 38,830	3	S 2,905,170	+ S 261,930		
Salvador ..	Oct. 20	12,500	+ 1,300	†	245,151	+ 85,034		
S. Paulo (Brazilian) ..	" 21	44,616	+ 6,886	†	1,203,255	+ 48,362		
Sorocabana ..	Aug. §	M2,670,000	+ M22,853	7	M 129,500	+ M145,477		
Taitai ..	Sept. §	19,958	+ 3,001	3	60,773	+ 4,508		
United of Havana ..	Oct. 28	39,581	+ 9,458	†	619,175	+ 100,957		
West'n of Havana ..	" 27	7,099	+ 1,852	†	116,507	+ 16,272		
Zafra and Huelva ..	Sept. §	11,221	+ 1,482	10	101,486	+ 2,722		

* Months. † From Jan. 1. † From July 1. c Nett. b 15 days. a 10 days.

COLONIAL RAILWAYS.

NAME.	Aug. *c	£	—	£	†	£	+	£
Beira ..	Aug. *c	54,914	— 12,287	†	706,175	+ 4,297		
Canadian Northern ..	Oct. 21	\$872,300	+ \$32,600	†	\$13,183,200	+ \$68,600		
Canadian Pacific ..	" 21	\$3,429,000	+ \$497,000	†	\$18,705,000	+ \$9,100,000		
Gr. Trk. Main Line ..	" 21	203,218	+ 4,743	†	8,589,110	+ 870,700		
Gr. Trk. Western ..	" 14	40,090	+ 4,438	†	1,587,236	+ 34,529		
Detroit G. H. & M. ..	" 14	14,427	+ 1,969	†	553,138	+ 3,324		
Gr Trk Pac Prairie Sc ..	" 21	37,167	+ 9,533	†	416,277	+ 125,927		
Mashonaland ..	July *c	54,645	— 7,933	†	651,261	+ 7,990		
Mid. of West'n Aus. ..	Aug. *c	5,756	— 47	2	11,045	+ 311		
New Cape Central ..	Sept. 8	1,683	+ 312	†	64,699	+ 8,608		
Rhodesia ..	Aug. *c	92,209	— 5,417	†	933,147	+ 38,185		

* Months. † July 1. † Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.
		Dols.	Dols.		Dols.	Dols.
Atchafalpa T. & S. Fé ..	Aug.	4,825,000	— 314,000	8	33,592,000	+ 3,280,000
Atlantic Coast Line ..	"	604,000	+ 88,000	8	7,503,000	+ 205,000
Baltimore & Ohio ..	"	3,067,000	+ 594,000	8	20,597,000	+ 293,000
Canadian Northern ..	Sept.	425,900	+ 306,700	9	1,924,100	+ 1,078,000
Chesapeake & Ohio ..	"	3,747,000	+ 1,383,000	9	32,322,000	+ 1,894,000
Chicago & N.W. ..	Aug.	1,308,000	+ 105,000	8	9,165,000	+ 954,000
Chicago & N.W. & Q. ..	"	3,150,000	+ 398,000	8	16,874,000	+ 2,471,000
Chicago G.W. ..	Aug.	2,699,000	+ 104,000	7	20,983,000	+ 2,184,000
Chicago Mil. & S.P. ..	"	301,000	+ 127,000	8	2,085,000	+ 574,000
Chicago, Rock I. & P. ..	"	2,222,000	+ 1,084,000	8	15,699,000	+ 3,026,000
Chicago, Rock I. & P. ..	"	1,643,000	+ 604,000	8	13,493,000	+ 1,618,000
Colorado & Southern ..	"	602,000	+ 96,000	8	3,863,000	+ 76,000
Cuba ..	"	276,895	+ 12,546	2	505,913	+ 16,739
Delaware & Hud. ..	"	1,005,000	+ 289,000	8	4,329,000	+ 895,000
Denver & Rio Gran. ..	"	613,000	+ 262,000	8	4,999,000	+ 696,000
Erie ..	"	1,176,000	+ 850,000	8	7,262,000	+ 5,154,000
Gr. Tr. Main Line ..	Sept.	1,179,600	— 133,300	9	1,606,100	+ 4,379,300
Grand Trunk Westn ..	"	6,68,850	— 133,330	9	1,63,600	— 133,350
Detroit G. H. & Mil., ..	"	6,610,250	— 15,950	9	6,03,700	— 699,050
Gr. Northern ..	Aug.	2,731,000	+ 774,000	8	14,670,000	+ 1,422,000
Illinois Central ..	"	1,515,000	+ 44,000	8	14,518,000	+ 2,776,000
Kansas City Southn. ..	"	409,000	+ 81,000	8	2,953,000	+ 538,000
Lehigh Valley ..	"	1,064,000	+ 145,000	8	6,681,000	+ 133,000
Louisville & Nashvl. ..	"	1,620,000	+ 196,000	8	12,598,000	+ 130,000
Minn. S.P. (Soo) ..	"	836,000	+ 499,000	8	6,143,000	+ 2,447,000
Minn. S.P. (Soo) ..	"	1,085,000	+ 384,000	8	4,743,000	+ 2,344,000
Missouri Pacific ..	"	1,085,000	+ 384,000	8	13,881,000	+ 6,090,000
Missouri Pacific ..	"	2,020,000	+ 367,000	8	13,881,000	+ 6,090,000
New York Cent. & H. ..	"	5,155,000	+ 1,336	8	31,492,000	+ 1,037,500
N. Y. N. Haven & H. ..	July	1,586,000	+ 791,000	7	11,995,000	+ 665,000
New York Ont. & W. ..	Aug.	457,000	+ 85,000	8	1,676,000	+ 119,000
Norfolk & Western ..	"	2,127,000	+ 320,000	8	4,144,000	+ 1,695,000
Norfolk & Western ..	"	2,441,000	+ 331,000	8	19,046,000	+ 926,000
Pennsylvania East ..	"	12,391,000	+ 142,000	8	6,141,000	+ 10,611,000
and West Lines ..	"	1,636,000	+ 690,000	12	16,661,000	+ 3,229,000
St. Louis & San F. ..	July	32,000	+ 126,000	7	4,319,000	+ 210,000
Seaboard Air Line ..	"	2,057,000	+ 112,000	2	3,939,000	+ 772,000
Southern ..	Aug.	6,217,000	+ 537,000	8	49,907,000	+ 9,735,000
Southern Pacific ..	"	3,483,000	+ 891,000	8	26,049,000	+ 454,000
Union Pacific ..	"	1,075,000	+ 49,000	8	7,890,000	+ 49,000
Wabash ..	"					

CHINESE GOVERNMENT 7 % PEKING-HANKOW RAILWAY REDEMPTION LOAN.

SECOND DRAWING.

The following BOND CERTIFICATES issued by the London City and Midland Executor and Trustee Co., Ltd., each representing 11 Bonds of \$100 each (Peking currency) of the above LOAN, have been DRAWN for redemption at par (£99 per bond certificate), and will be paid at the Head Office of the London City and Midland Bank, Ltd., 5, Threadneedle Street, E.C., on November 5, when interest thereon will cease.

The Bond Certificates, which must be accompanied by all unmatured coupons, should be left three clear days before payment, for examination at the Head Office of the London City and Midland Bank, Ltd., 5, Threadneedle Street, E.C., or any of its Branches.

NUMBERS DRAWN.

9	12	13	21	33	35	45	62	84	90	104	115	125	138	139	143	144
176	177	180	207	208	209	213	214	254	257	269	280	287	288	301		
305	310	326	328	329	338	354	363	368	379	380	383	393	394	396		
398	405	412	413	433	440	441	442	443	447	455	458	460	467	503		
509	511	512	514	519	520	523	524	530	531	538	539	549	550	551		
560	573	578	581	593	600	601	602	604	607	611	623	632	633	636		
637	675	694	695	696	701	702	704	705	706	707	708	709	710	711		
712	713	714	715	716	717	718	719	751	755	756	757	766	769	772		
776	778	780	798	800	801	808	817	819	863	870	875	877	895	897		
902	903	904	905	907	910	911	922	937	939	943	944	945	954	960		
962	963	965	967	968	971	996	1000	1005	1008	1009	1015	1018	1020			
1022	1044	1048	1055	1070	1071	1073	1075	1076	1078	1080	1087					
1088	1091	1100	1105	1109	1121	1127	1135	1138	1142	1145	1147					
1152	1172	1177	1185	1186	1187	1188	1189	1190	1191	1192	1201					
1213	1216	1217	1218	1219	1220	1221	1222	1233	1234	1235	1236					
1237	1238	1253	1254	1262	1263	1264	1265	1280	1283	1289	1290					
1324	1330	1343	1344	1345	1346	1375	1377	1382	1384	1396	1400					
1402	1403	1406	1435	1436	1441	1442	1445	1450	1452	1454	1471					
1480	1491	1492	1496	1504	1507	1510	1515	1519	1522	1538	1547					
1582	1583	1601	1613	1614	1615	1616	1617	1618	1619	1620	1621					
1623	1624	1625	1628	1629	1641	1642	1643	1644	1645	1646	1647					
1648	1652	1653	1654	1655	1667	1668	1681	1699	1700	1703	1704					
1733	1735	1737	1738	1741	1743	1756	1785	1786	1812	1814	1815					
1823	1836	1847	1850	1856	1858	1860	1870	1889	1895	1896	1901					
1911	1912	1913	1914	1919	1920	1921	1922	1927	1930	1944	1945					
1949	1950	1951	1952	1957	1958	1959	1960	1962	1963							
1964	1965	1966	1967	1968	1969	1970	1971	1972	1987							
1988	1995	1997	1998	2004	2008	2009	2011	2021	2024							
2028	2033	2036	2038	2044	2064	2080	2082	2083	2084	2090	2107					
2110	2138	2139	2140	2141	2161	2170	2188	2213	2221	2229	2233					
2235	2249	2255	2256	2260	2262	2266	2271	2274	2276	2278	2280					
2283	2288	2297	2299	2302	2319	2321	2324	2326	2327	2330	2332					
2337	2374	2375	2376	2381	2385	2415	2429	2430	2434	2435	2436					
2442	2443	2444	2445	2446	2447	2448	2449	2450	2471	2472	2473					
2474	2484	2485	2486	2487	2488	2489	2490	2491	2492	2495	2496					
2497	2498	2499	2503	2508	2513	2517	2527	2533	2538	2558	2559					
2583	2590	2602	2603	2604	2605	2608	2609	2617	2621	2624	2630					
2633	2637	2651	2654	2655	2656	2657	2658	2659	2660	2662	2663					
2674	2675	2676	2677	2679	2688	2689	2690	2698	2699	2715	2716					
2718	2726	2727	2737	2747	2748	2749	2767	2768	2774	2784	2787					
2790	2804	2806	2814	2823	2835	2858	2859	2861	2882	2883	2884					
2893	2894	2903	2905	2906	2911	2913	2915	2916	2917	2918	2919					
2920	2924	2925	2926	2927	2946	2947	2950	2951	2952	2953	2954					
2955	2956	2957	2958	2959	2962	2963	2972	3005	3012	3022	3038					
3045	3047	3069	3070	3071	3083	3122	3125	3129	3131	3138	3140					
3146	3148	3151	3152	3154	3155	3156	3161	3166	3167	3169	3170					
3171	3172	3173	3174	3175	3176	3177	3178	3179	3180	3181	3205					
3206	3207	3208	3209	3211	3212	3213	3214	3215	3230	3231	3233					
3234	3235	3236	3237	3241	3242	3243	3244	3245	3246	3247	3248					
3251	3253	3256	3257	3258	3259	3265	3268	3272	3288	3291	3292					
3295	3304	3325	3337	3349	3350	3351	3353	3354	3355	3356	3357					
3361	3387	3388	3390	3391	3392	3393	3399	3400	3401	3400	3430					
3437	3438	3439	3440	3446	3460	3464	3465	3466	3467	3468	3487					
3504	3514	3515	3521	3527	3528	3531	3537	3545	3550	3558	3560					
3570	3571	3582	3588	3607	3619	3625	3633	3646	3647	3653	3658					
3682	3686	3690	3691	3697	3698	3699	3701	3712	3713	3714	3715					
3716	3732	3737	3738	3744	3745	3749	3760	3761	3764	3766	3777					
3780	3783	3792	3794	3808	3809	3811	3812	3829	3832	3834	3835					
3837	3847	3853	3866	3892	3899	3911	3912	3940	3942	3954	3955					
3956	3969	3970	3973	3974	3986	3987	3988	3989	3990	3991	3997					
3998	3999	4000	4006	4012	4013	4014	4015	4018	4020	4025	4034					
4037	4038	4056	4059	4061	4074	4076	4118	4124	4125	4159	4160					
4162	4167	4168	4170	4186	4187	4188	4189	4190	4191	4192	4195					
4210	4212	4213	4214	4217	4220	4221	4250	4266	4267	4274	4275					
4283	4288	4305	4316	4322	4324	4340	4341	4348	4353	4354	4356					
4359	4361	4362	4363	4386	4387	4388	4389	4390	4391	4405	4411					
4412	4413	4414	4415	4416	4417	4418	4420	4422	4423	4424	4439					
4448	4449	4450	4451	4452	4453	4454	4457	4467	4468	4469	4490					
4470	4471	4472	4473	4476	4478	4479	4484	4488	4489							
4490	4491	4492	4493	4494	4495	4496	4497	4505	4513							
4518	4522	4529	4532	4536	4565	4566	4567	4571	4572	4573	4574					
4576	4587	4598	4606	4607	4618	4661	4663	4672	4680	4691	4702					
4710	4717	4712	4713	4725	4736	4738	4739	4740	4741	4760	4765					
4768	4776	4780	4781	4783	4787	4788	4803	4806	4808	4809	4815					
4817	4818	4823	4826	4836	4843	4845	4863	4889	4890	4891	4892					
4893	4894	4895	4896	4897	4898	4899	4900	4903	4904	4905	4906					
4907	4908	4909	4910	4911	4912	4913	4914	4915	4924	4926	4932					
4933	4934	4935	4936	4937	4938	4939	4940	4941	4956	4957	4958					

4985	4986	4988	5009	5011	5012	5016	5020	5025	5030	5033	5038
5047	5050	5061	5065	5066	5067	5082	5083	5088	5093	5098	5103
5104	5111	5115	5117	5143	5160	5174	5175	5176	5179	5180	5181
5182	5183	5184	5185	5186	5194	5195	5196	5197	5199	5200	5214
5219	5220	5221	5230	5231	5232	5233	5234	5235	5249	5250	5258
5260	5263	5272	5274	5284	5289	5291	5297	5299	5302	5355	5356
5364	5382	5386	5390	5393	5394	5395	5396	5397	5402	5410	5411
5412	5413	5419	5422	5423	5424	5425	5426	5427	5428	5429	5434
5436	5443	5466	5467	5468	5469	5470	5487	5495	5496	5497	5498
5499	5500	5504	5520	5527	5532	5536	5553	5554	5564	5572	5573
5593	5594	5613	5614	5626	5636	5648	5657	5658	5671	5680	5681
5683	5684	5701	5703	5708	5716	5720	5746	5747	5755	5756	5757
5760	5763	5764	5765	5775	5776	5786	5807	5817	5819	5825	5826
5827	5830	5831	5834	5836	5846	5857	5858	5859	5864	5877	5880
5882	5885	5886	5891	5895	5896	5899	5900	5909	5912	5913	5915
5920	5921	5922	5923	5932	5933	5941	5942	5943	5945	5948	5950
5951	5952	5953	5954	5955	5956	5957	5958	5959	5960	5961	5962
5963	5964	5965	5966	5967	5969	5973	5974	5975	5977	5978	5979
5970	5980	5981	5982	5987	5988	5997	5998	5999	6004	6005	6007
6008	6012	6032	6052	6084	6102	6108	6114	6126	6145	6153	6175
6186	6202	6204	6208	6213	6216	6222	6226	6232	6235	6237	6239
6241	6247	6249	6253	6261	6266	6269	6270	6285	6287	6300	6302
6303	6304	6308	6313	6314	6319	6322	6324	6331	6337	6338	6341
6342	6349	6350	6352	6353	6356	6383	6392	6397	6398	6401	6402
6407	6412	6431	6432	6434	6435	6451	6453	6454	6457	6458	6461
6462	6463	6464	6465	6466	6480	6481	6484	6485	6486	6487	6488
6489	6490	6491	6492	6494	6498	6502	6503	6504	6505	6506	6507
6508	6509										

The Investors' Review

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CONTENTS.

Passing Events:—Revenue — Lords on Capital and Labour — Sir R. Vassar-Smith's Inaugural Address — Anglo-French Society — Yokohama Specie Bank — A. B. C. — Handicapped Shipowners — Dear Coal — Ansell's Brewery — Dartford Brewery — Consolidated Gold Fields of South Africa — East Rand Proprietary Mines — Witwaterstrand Deep — Oceana Consolidated (pp. 471-5).

Leading Articles:—New Governor of the Bank — The Pacifist Betrayer of Humanity — Unpatriotic Extravagance and Premium Bonds — Central Argentine Railway — Rubber Plantations Investment Trust — By-the-Way War Notes (pp. 475-9).

American Business Notes:—United States and Japanese Agreement (p. 479).

Money and Credit Notes:—Unruffled Money Market — Bank Return — National Gold Reserves Estimated — Government Life Annuity Rates — German Banks' Bluff — United States Liberty Loan Figures — Canadian "Victory Loan" — Australia's Liberty Loan Results — Foreign Exchange Movements — Commercial Bank of Spanish America — Government Tea Purchases — Silver (pp. 480-3).

Insurance News:—War Rates in Christiania — Embargo on German War Risk Insurance in United States — State Insurance Against Air Raids (pp. 485-6).

The Week's Stock Markets (p. 483-4).

London Produce Markets (p. 484).

Tea, Oil, and Rubber:—Rubber Market — Statistics — Tanjong Malim Rubber Co. — Sungei Buaya (Sumatra) Rubber Co. — North Labis (Johore) Rubber and Produce — Beau Sejour (Ceylon) Tea and Rubber Co. — K.M.S. (Malay States) Rubber and Coconut Plantations, Ltd. — Tebolang Rubber Estate — Sungei Dangar (Malay) Rubber Co. (pp. 486-7).

Mining News:—Santa Gertrudis — Camp Bird — Kamunting Tin — The Eastern Rand Tenders — Lake View and Orova (p. 487).

What Balance Sheets Tell:—Cope Brothers and Co. — Drake and Gorham, Ltd. — Star Paper Mill, Ltd. — New Hudson Cycle Co. — Self-Sealing Rubber Co. — Pondichere Railway Co. — H.H. the Nizam's Guaranteed State Railways — Jabez Johnson, Hodgkinson, and Pearson, Ltd. — Montevideo Telephone Co. — Bolivar Railway Co. (pp. 487-8).

Company Meetings:—English, Scottish, and Australian Bank — Buenos Ayres Western Railway — Buenos Ayres Great Southern Railway (pp. 489-90).

Letters to the Editor (p. 485).

The Week in Mines (p. 487).

Answers to Correspondents (p. 490).

Public Income and Expenditure (p. 490).

Dividends Announced (p. 491).

Traffic Returns (p. 492).

THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - - - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital .. £4,000,000
Paid-up Capital .. 1,800,000
Reserve Fund .. 2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires) URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILE.—Valparaiso, Santiago. FRANCE.—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71 Old Broad Street, E.C. 2.

Subscribed Capital .. £1,276,747 10 0
Paid up Capital .. 669,670 0 0
Reserve Fund and Undivided Profits .. 375,680 11 8
Reserve Liability of Proprietors .. 606,962 10 0

REMITTANCES made by CABLE.
DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.
DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital Yen 48,000,000
Capital Paid Up Yen 38,000,000
Reserve Fund Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Antunz-Hsien.	Harbin.	Nagasaki.	Shanghai.
Bombay.	Honolulu.	Newchang.	Singapore.
Calcutta.	Hong Kong.	New York.	Sydney.
Changchun.	Kobe.	Osaka.	Tientsin.
Dairen (Dalny).	Liaoyang.	Peking.	Tokyo.
Fengtien (Mukden).	Los Angeles.	Ryojun (Port Arthur).	Tsinfu.
Hankow.	Lyons.	San Francisco.	Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

CANADA.

THE BANK OF BRITISH NORTH AMERICA.

Established 1856.

INCORPORATED by ROYAL CHARTER 1840.

PAID-UP CAPITAL .. £1,000,000. RESERVE FUND .. £620,000.
Head Office:—5, GRACECHURCH STREET, LONDON, E.C. 3.

Court of Directors.

Lt.-Col. F. R. S. BALFOUR. Lieut. E. JOFFREY Hon. A. R. MILLS, M.P.
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J. H. MAYNE CAMPBELL. F. LUBBOCK. G. D. WHATMAN,
E. A. HOARE.

SPECIAL FACILITIES FOR COLLECTION OF BILLS, &c.

Deposits received at rates which may be obtained on application.

ALL KINDS OF BANKING BUSINESS TRANSACTED

UNION BANK OF CANADA.

INCORPORATED 1855.

HEAD OFFICE: WINNIPEG.

PAID-UP CAPITAL .. \$5,000,000
REST AND UNDIVIDED PROFITS .. \$3,600,000
TOTAL ASSETS EXCEED .. \$100,000,000

The Bank has over 300 Branches in Canada, and Agents in the principal cities in America. GENERAL BANKING BUSINESS CONDUCTED.

Deposits Received for fixed periods at favourable rates, which may be ascertained on application to

London Offices: 6, PRINCES STREET, E.C. 2. and 28, HAYMARKET, S.W. 1.

New York Agency: 49, Wall Street.

BANKS.

STANDARD BANK OF SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province, to the Imperial Government in South Africa, and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL	£6,194,100
PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

BOARD OF DIRECTORS.

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New York Agency: 68, WALL STREET.

OVER 250 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, South-West Africa Protectorate and the Belgian Congo, and with the Bank's Agencies in New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED AND COLLECTED.

MAIL AND TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT AND DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK issues CIRCULAR LETTERS OF CREDIT available in all parts of the world.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE AND SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, Etc., received.

EXECUTOR and TRUSTEE BUSINESS undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

FRANCIS SHIPTON, London Manager.

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA, 38, Bishopsgate, London, E.C. 2.

INCORPORATED BY ROYAL CHARTER.

Capital, £1,200,000. Reserve Fund, £1,900,000.

Court of Directors.

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Sub-Manager: W. E. PRESTON.	

Bankers:

THE BANK OF ENGLAND.
THE LONDON CITY AND MIDLAND BANK, Limited.
THE LONDON COUNTY & WESTMINSTER BANK, Limited.
THE NATIONAL PROVINCIAL BANK OF ENGLAND, Limited.
THE NATIONAL BANK OF SCOTLAND, Limited.

The Corporation buy and receive for collection Bills of Exchange, grant Drafts and transact general banking business connected with the East.

DEPOSITS OF MONEY are received for fixed periods on terms which may be ascertained on application. Interest payable half-yearly, 30th June and 31st December.

FARROW'S BANK

Incorporated under the Joint Stock Companies Acts. LIMITED

Authorised Capital, £1,000,000. Shares Issued, 700,000.
Shareholders, 4,000.

Chairman - - - - - Mr. Thomas Farrow.

EVERY DESCRIPTION OF JOINT STOCK BANKING TRANSACTED.

CURRENT ACCOUNTS opened and interest paid where approved Credit Balances are maintained.

DEPOSIT ACCOUNTS. Interest paid according to notice of withdrawal.

Write or call for Special Booklet to

HEAD OFFICE:

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73 Branches throughout the United Kingdom.

A.H. & CO

THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837. LIMITED. INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,980,000; together £3,980,000

Reserve Liability of Proprietors 4,000,000

Total Capital and Reserves £7,980,000

HEAD OFFICE - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

BANKS.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	£1,500,000
Capital Issued	1,125,000
Capital Paid Up	562,500
Reserve Fund	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

INSURANCE.

ALLIANCE ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C. 2.

ASSETS EXCEED £24,000,000.

Chairman:

The Hon. N. CHARLES ROTHSCHILD.

The operations of the Company embrace all branches of Insurance.

Full information respecting

ESTATE DUTY AND

CHILDREN'S EDUCATIONAL POLICIES

issued by the Company may be obtained on application to the Head Office as above, or to any of the Offices or Agencies of the Company.

O. MORGAN OWEN, General Manager.

A PRACTICAL PENSION POLICY FOR WOMEN WORKERS.

"After the heat and turmoil of the day,
The sheltered haven of the peaceful years."

A leaflet entitled

"AFTER"

giving full particulars of a new and attractive scheme will be sent post free on application to the

NATIONAL PROVIDENT INSTITUTION,
48 GRACECHURCH STREET, LONDON, E.C. 3.

NOTICE.

THE STOCK EXCHANGE.

NOTICE.

MEMBERS of the STOCK EXCHANGE are NOT ALLOWED to ADVERTISE for business purposes, or to issue Circulars or Business Communications to persons other than their own Principals. Persons who advertise as Brokers or Share Dealers are Not Members of the Stock Exchange, or in any way under the control of the Committee. Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature. A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew-lane entrance to the Bank of England, or obtained on application to

EDWARD SATTERTHWAITE,

Secretary to the Committee of the Stock Exchange
Committee Room, The Stock Exchange, London, E.C. 3.

The Investors' Review.

Vol. XL.—No. 1,036.
New Series.

SATURDAY, NOV. 10, 1917.

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Telephone No.:
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The Editor cannot undertake to return rejected communications.

Letters from correspondents must, in every case, be authenticated by the name and address of the writer.

The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and they cannot accept responsibility for statements made therein.

ANSWERS TO QUERIES.

One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

Telegrams advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

Private Letters in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

Passing Events.

For the second week in succession the outgoings from the Treasury to meet current expenditure have gone up. On supply services alone the total payments of last week came to £54,093,300. Beyond that, interest on war debt took £1,292,000 and miscellaneous slightly more than £310,000. Altogether, therefore, the disbursements of the week amounted to £55,695,178, or just about £7,956,500 a day. The week before the increase was £10,200,000, so that, within a fortnight the weekly expenditure has risen by upwards of £13,500,000, and there can be little doubt that the crisis which has arisen in Italy is a main cause in this increase. Less floating debt, however, fell due last week for renewal, the total amount in Treasury bills repaid having been only £56,358,000, or £5,740,000 less than the amount of fresh bills issued, which was £62,098,000. Yet the total outgoings were £113,215,178, while the actual revenue from taxation and State monopolies was only £8,827,108. How, then, was the week's day-book of receipts and payments balanced? In the usual way, by help of £14,857,000, the proceeds of the sales of National War bonds, by £12,023,000 obtained under the rubric "other war debt," presumably advances from the United States, and by £14,000,000 raised in the market as floating debt pure and simple. A mere £800,000 was likewise credited from sales of War Savings certificates, and even so, the total did not fully meet the demands, so that £560,000 had to be withdrawn from the Exchequer balances. The total of the floating debt in the form of Treasury bills, although only increased by £5,316,000 nett, is now £991,036,000, and the total amount now due on the National War bonds has been increased to £67,097,000 through last week's sales, quite a trivial sum measured by our necessities, so insignificant a sum, indeed, that it is becoming an imperative necessity that some other means of drawing in the free money of the people shall be found. We shall have something to say about that in another column. The Exchequer balances are now down to £21,321,000.

There was some very plain speaking on labour unrest in the House of Lords on Wednesday. The subject was introduced by the Marquis of Salisbury, who gave voice to some benevolent generalities indi-

cating good-heartedness, which did not carry us very far, but he was right in insisting that we must altogether get rid of the want of confidence with which the working class had been treated in the past. "They must be prepared to tell them the truth, always the truth," as if that were the remedy. Unfortunately the working-men are not always in a mood, or quite endowed with the experience, that would enable them to recognise the truth when it is told to them. A far more practical, and also more thorough-going, speech was that delivered by the Archbishop of York, Dr. Lang. As a parson he had in his earlier days much experience with poverty in the East-End, and therefore spoke with knowledge, and he threw cold water on some of the patronisingly benevolent suggestions of Lord Salisbury. He did not think that the private profit system would give place to any system of profit-sharing, to which trade union opinion was resolutely opposed, nor to any system of Socialism, for that "had received many shrewd blows during the last three years." He described Socialism, indeed, as "a very sick system" now, and shows a shrewd insight in that opinion. He also insisted—and there we emphatically agree with him—that the British workman is not revolutionary. He tended to spell revolution without the "r." That is so, and that is what employers ought to recognise. The workman does not want to overthrow; he wants to take his place as a man, independent and free, alongside his director.

But the most thorough-going speech of all was that of Lord St. Davids. This gentleman has risen to a very authoritative position amongst the capitalists of the Empire, and is one of the most meritoriously successful men of his day. To a person of such wealth and influence one would instinctively look for conservative—nay, even reactionary—ideas; but it is not so with Lord St. Davids, although he rebutted emphatically the popular notion that it was the rich who were making money out of this war. In Socialist papers and speeches it was constantly being said that these capitalists were the profiteers. "But that is absolutely untrue," said his lordship. "The class who had gained by the war was the smaller merchant, the trader, the farmer, whom the workmen saw 'at their doors,' and so on. The rich, he contended, had been heavy losers, and that belief left him

brave and free to recommend the Government to seize the whole of the excess profits instead of a proportion thereof. In his lordship's view, "No one should be a great gainer through the war." With regard to the conscription of wealth as well as of men, he regarded it as unwise, but "it wanted answering," and, much as he should deplore it, he was not at all sure that when the end of the war comes a tax, a heavy tax, on capital and wealth of all kinds as well as income-tax would not become a necessity. That has been our opinion this long while, and we are glad to see a man of Lord St. Davids' eminence showing the courage to face facts, the necessity of the time. He invited the Government to consider whether it would not unite the country and do something to take away the idea of profiteering to make this very bold declaration: "In future from every man who made £100 additional a year out of the war they would take, not 60 or 80 per cent., but they would take it all, and in the case where great fortunes had been piled up out of the war, that before a general tax was levied on other people, the whole of that wealth should be taken for the benefit of the State." That is, indeed, a sweeping recommendation; but its sweep will, we fear, have to be considerably modified, because only the rich could bear such a levy. His lordship forgets the rise in the cost of living. That absorbs much, and often the whole, of the extra profits which certain classes may be earning during the war, and in consequence thereof.

There is much in Sir Richard Vassar-Smith's inaugural address to the Institute of Bankers which is worthy of notice and discussion, but space forbids us to deal with it at any length. In fairness, however, to this eminent banker's attitude upon the decimal coinage question, we must make room for the explanation he gives of his position thereon, and his explanation of the aims of the "decimalists," as we may call them. Speaking of the Council's attitude, he explained that—

In recommending the adoption of a decimal coinage system your council were not actuated by the desire to provide a more convenient currency for everyday retail transactions. Probably for such a purpose our existing currency is the most perfect in the world. Neither was our recommendation made with the object in view of providing a universal currency, which, in my opinion, is neither possible nor, in present conditions, desirable. What we had in view was that the decimalisation of our currency should go hand in hand with a view to removing possible obstacles to the extension of our foreign trade. Our merchants and traders are freely accused of want of consideration for the needs of our foreign customers. There is too much "take it or leave it," it is said. How far this is true it is not for me to say, but I can understand that if foreigners are expected to understand the intricacies and anomalies of our system of weights and measures they have ground for complaint. But a decimal system of weights and measures will not go with a duodecimal currency system. To gain the advantage which undoubtedly accrues in all but the simplest transactions you must decimalise both, and do away with the "compound multiplication" which the foreigner has probably never been taught. Sir Richard had some pertinent observations to make with regard to post-war reconstruction, and he was speaking only too truly when he said that it would be a long and arduous work, but if we build on "the firmer and fairer foundations" he speaks of, it will be work well rewarded. His remarks on the relations of capital and labour also point in the right direction, and we are glad to see that he is not a fanatical believer in the permanency of Government control or regulation of industries. Our industries will have to be regenerated, the relations of workmen and employers radically changed; but masters and men must do it all themselves, not the bureaucrats called "Government." Organisation must be thorough, but upon freer lines than those presented to us by the German model. "An unstable, unorganised industry," said Sir Richard, "is the despair of bankers," so the banker should be, and we believe will be, an invaluable auxiliary to the industrial capitalist and working men representatives when they set about the creation of unity, harmony, and co-ordination in our industries.

Those who attended that delightful lecture given by Mr. Edmund Gosse in the Venetian Room at the Holborn Restaurant on Saturday will surely have carried

away with them an enthusiasm for that Anglo-French society whose vice-president Mr. Gosse is and on behalf of which he spoke. Above all things the present and coming generations in France and England must learn to know each other and to understand and respect each other. The Anglo-French Society has been formed to help towards this understanding, and its founders have simultaneously founded a corresponding society in France, called the Société Franco-Anglaise. The object is to promote a knowledge of French literature and thought here and a corresponding knowledge of English literature and thought in France. It is not in contemplation to fuse or confuse the distinctive moral and intellectual qualities of the two nations, but rather to develop their individualities, while, at the same time, deepening their understanding of each other. There is a great work to be done, therefore, from an intellectual point of view, but there is also a more prosaic side. The members of the society here will have opportunities of conversing with each other in French, just as in France the members of the French branch of the society will have facilities for speaking English. Lectures will be given here in French and conversations held—and, by the by, the chairman of last Saturday, Lord Burnham, made a brief speech in French in introducing the lecturer, which was so graceful in sentiment and feeling and so good and clear in utterance as to be quite comprehensible by most, if not all, in the large and delighted audience. We hope the society will grow and prosper, and that its influence will be powerful in, amongst other things, guiding our instructors of the young in the way to teach the French language after a fashion which will make the knowledge a real help in all departments of our national relationships. France and Britain will have to stand by each other as twin brothers in the arduous work of recuperation and redemption that lies before them when this war is ended.

Testimony to the excellence of business in Japan is given in the report of the Yokohama Specie Bank, Ltd., for the half-year ended June 30 last. The principal figures were given last week, but it may be well to emphasise the fact that the gross profits show an increase of 14,571,000 yen at 39,332,616 yen. In this total is included the balance of 1,719,856 yen brought forward, which was in its turn 383,000 yen above the credit brought forward in the corresponding half of last year. Of these gross profits, however, the greater part were absorbed in increased expenses. The total of these, which includes interest, taxes, current working outlays, rebate, provision for bad and doubtful debts, bonus to officers and clerks, &c., was 34,385,858 yen, an increase of 13,261,849 yen, consequently the clear balance of 4,946,757 yen was just 1,309,302 yen higher. Of this, 800,000 yen, or double the amount set aside a year ago, is placed to the reserve fund, raising it to 22,100,000 yen, and the dividend is continued at the rate of 12 per cent. per annum on the share capital. This paid, the balance left to carry forward will be 2,226,757 yen, or 789,302 yen more than was brought in. Changes in the balance-sheet give emphasis to the growth of business. Notes in circulation, for example, are 13,073,582 yen up at 23,187,972 yen, and liabilities on deposit and current accounts, &c., are up 86,587,000 yen to 336,536,836 yen. Amongst the assets, cash, including balance at bankers, is 21,497,567 yen larger at 99,868,589 yen, and bills discounted, loans, and advances, &c., show an increase of 35,896,000 yen at 146,459,494 yen; but the largest increase of all is 127,605,646 yen in the entry "bills receivable and other sums due to the bank," which totals 337,979,854 yen. The only change in all the exhibit which shows a decrease is in bank premises, property, &c. This, at 3,158,414 yen, shows a reduction of 768,121 yen. The total of the balance-sheet is 217,730,446 yen up, making it 642,891,140 yen, or more than £65,000,000 sterling.

It will no doubt come as a great shock to most of the shareholders in the once prosperous Aerated Bread Co., Ltd., that trading in the year to September 29 has

resulted in a loss of £14,680, to which has to be added £8,000 written off for depreciation. Fortunately, £23,950 was brought forward, and the unpleasant spectacle of a debit balance is avoided, the sum of £1,270 being left to carry over. Gross profit on trading was £10,000 less at £288,500, while rents, rates, taxes, &c., were up £20,000, and a profit of £17,100 last year is converted into the loss stated. Of course, times have been difficult for caterers, but better results ought to have been attained, and apparently all the recent agitation has not effected any great improvement in the management. A committee has been consulting with the directors and recommends the closing of unprofitable depots and the increase of the capital by £80,000 or £100,000, but we are afraid the company is suffering from its past squandering of its resources, and it will have a hard struggle to regain even part of its old prosperity.

In one sense in particular the fabulous prices recently offered for shipping tonnage are exceedingly regrettable, inasmuch as they create an appearance of prosperity which is largely illusory. There are many people not conversant with the industry who feel they are justified in harbouring the suspicion that, notwithstanding all that has been said and done, shipowners are literally coining money at the expense of the unfortunate British public. Many of the reports which have recently come to hand have, it is true, disclosed substantial profits, but during the greater portion of the period covered by these accounts State control was far less rigid than it is to-day, and it is no exaggeration to say that at the present time, with almost the whole of the mercantile fleet requisitioned by the Government at Blue-book rates, and with the cost of insurance against war risks at a ruinous level, most cargo boats are earning a very poor return for their shareholders, while in some instances revenue has not covered expenses. Nor is this the only black side of the picture. Owners are prevented from contracting for new tonnage, and when a boat is lost every endeavour seems to be made by the authorities to whittle down her value, so that the sum received is such that there appears to be no chance of replacement for years after the war. If it is felt in any quarters that the authorities are treating British shipowners with a lavish hand, let them contrast the miserable and utterly inadequate Blue-book rate of 6s. or 7s. per ton deadweight which our requisitioned cargo steamers are receiving with the rates it is announced the United States Government will give their requisitioned cargo vessels. According to *Fairplay*, these are as follows: For 10,000 tons, \$5.75 per ton deadweight per month; 8,000 to 10,000 tons, \$6; 6,000 to 8,000 tons, \$6.25; 4,000 to 6,000 tons, \$6.50; 3,000 to 4,000 tons, \$6.75; and 2,500 to 3,000 tons, \$7. Vessels of a speed exceeding 11 knots are to be allowed 50 cents per ton for every knot or fraction of a knot over 11 knots, while passenger steamers of 10 to 11 knots, with accommodation for over 150 passengers, will receive \$9 a ton; 12 knots, \$9.50; 13 knots, \$10; 14 knots, \$10.50; 15 knots, \$11, and over 15 knots, \$11.50. And further than this, while our own Government makes no allowance to meet increased expenses, the Government of the United States intimates that it will, after carefully considering the results of the operations under the rates determine on any revision that appears to be necessary for the fair treatment of the vessels' owners. Far from being in a position of vantage, our shipowners are now severely handicapped at every turn, and it is to be hoped that our authorities will, before long, see their way to adjust Blue-book rates in accord with the increased cost of working. In times like the present Government control is probably necessary, but it must not be of a character to crush the initiative of the individual shipowner out of existence. In the struggle that lies before us concerted individual effort, and not red tape, will play the leading part.

The cost of coal is one of the most important items in determining the margin of profit in the iron and steel

industry, and we are not surprised to hear that the recent advance of 2s. 6d. per ton has already created a difficult situation in connection with the maximum prices of coke, pig-iron, and iron and steel products. What is going to be done? Are prices to be revised, or will allowances be made to the industries concerned? In the trade an entire revision of prices does not appear to be regarded with favour. There is no certainty that the price of coal will stop where it is, or that the price of other materials of the steel maker will not move up further. If new maximum prices be agreed upon, it is only necessary for another advance to come along and again upset the whole situation. There is no doubt that the position loudly calls for action by the Munitions Ministry, and it is to be hoped that careful consideration will be given to the matter without delay.

Two years ago the directors of Ansell's Brewery doubled the ordinary capital to £400,000 by capitalising a portion of the reserve fund, and that their confidence in the continued prosperity of the business was not misplaced is shown by the two annual reports since issued. The exhibit for the financial year ended September 30 last, now to hand, shows that nett profits, after making full provision for depreciation and bad and doubtful debts, increased £11,865 to £104,200. The dividend is 10 per cent. against a dividend of 10 per cent. and a bonus of 2½ per cent. a year ago, but this time it is paid free of tax, and compares favourably consequently, allowing for the income-tax of 5s. in the pound, with the previous distribution, and the 10 per cent. dividend of 1915 paid upon the former basis of capitalisation. Reserve again receives £30,000, bringing that fund up to £185,000, and there remains £540 less at £80,970 to carry over to the next accounts. A further substantial improvement has taken place in the balance-sheet position. Creditors are £30,260 higher at £157,900, and proposed disbursements take £5,860 more at £36,690, but cash has increased £34,300 to £74,530, and there are investments, including War Loan, amounting to £31,960. Thus whereas a year ago current liabilities and proposed disbursements exceeded liquid assets apart from stock—which amounts to the substantial figure of £157,900—by some £56,940, this time the excess is only £23,110.

Dartford Brewery Co. did very well during the financial year ended September last, but excess profits duty takes a big slice of the profits, and the amount retained as nett only exhibits a comparatively small increase. The directors, however, evidently regard the future with no misgivings, for they make a substantially larger distribution to the shareholders. Gross

LLOYDS BANK LIMITED.

HEAD OFFICE : 71, LOMBARD STREET, E.C. 3.

CAPITAL SUBSCRIBED	- £31,304,200
CAPITAL PAID UP	- 5,008,672
RESERVE FUND	- 3,600,000
DEPOSITS, &c. (Oct., 1917)	159,041,262
ADVANCES, &c. do.	62,433,784

FRENCH AUXILIARY:
LLOYDS BANK (FRANCE) AND
NATIONAL PROVINCIAL BANK (FRANCE) LTD.

profit on beer and revenue from rentals is £11,540 larger at £92,040, but sundry charges, which includes provision for excess profits duty, are £9,800 higher at £27,670, and as depreciation gets £1,600 more at £13,400 the amount carried to appropriation account is only £650 larger at £24,050. A year ago the ordinary shareholders received a dividend of 5 per cent., less tax, and a bonus of $\frac{1}{2}$ per cent., free of tax, but this time they get 8 per cent. After allocating £980 as against £1,500 to reserve there remains £1,300 less to go forward. Most of the changes in the balance-sheet are of no moment, but a reduction of £4,570 has been effected under the head of mortgages and interest payable. The reserve fund now amounts to £25,000. Liquid assets total £41,000, and sundry liabilities and disbursements aggregate £59,000. In liquid assets stock of malt, &c., is not included; this appears in the balance-sheet at £18,190.

Much interesting information is contained in the report of the Consolidated Gold Fields of South Africa, Ltd., covering the year ended June 30 last. The information about the great variety of enterprises in which it has stakes will be useful to the various groups interested in each, but we have space only to deal with the results as a whole, and as exhibited in the report and balance-sheet issued by the board. For the year the realised profit, mainly derived from dividends, was £446,466 after meeting debenture interest and all expenses. Deducting the dividends paid on the first and second preference shares, together with the French and South African taxes, £291,937 remains. That would have been a handsome revenue, but, unfortunately, the board has had to set aside £265,272 to meet market depreciation on the shares held. The significant remark is made that "this depreciation is again largely due to the fall in value of shares in mining companies whose length of life is now a factor in the market price." Does not this tacitly admit that in former years dividends were disbursed without regard to a most patent risk, and that now the shareholders are paying back to the company money which would never have been given to them had ordinary prudence been shown in guiding its affairs? Were the whole of the depreciation which is mentioned to be paid out of the year's revenue, there would have been no money left to pay any dividend to the ordinary shareholders, so £100,000 is withdrawn from the reserve, and only the balance taken from revenue. By this method £126,665 is brought out as free revenue, and is brought up to £208,405 by the balance of £81,740 brought forward. The board is in this way enabled to recommend a cash dividend of $7\frac{1}{2}$ per cent., free of income-tax, the same as a year ago, but that takes £150,000, so that not only was £100,000 withdrawn from the reserve to allow the payment to be made, but the balance carried forward is some £24,000 down at £58,000. Is not this cutting it rather fine in these times? Perhaps some help in answering that query might be afforded by an examination of the particulars appended to the main report regarding the numerous enterprises in which the Consolidated Gold Fields Co. is interested, but for that we have this week no space.

The directors of the East Rand Proprietary Mines have now decided to confine future development work to the payable and most promising areas of the mine as an alternative to the discontinuance of milling operations for the rest of the war period. The profit for the September quarter was only £2,926, a result which is attributed to the very restricted supply of native labour, increased cost of stores and materials, and to a fall in the grade of ore mined during the current year as compared with 1916 of 3s. 8d. per ton. In these circumstances the company cannot earn profits sufficient to meet the fixed charges, amounting to between £22,000 and £25,000 per month, and at the same time prosecute fully the development programme. If milling operations were suspended pending a return to more normal

conditions, the fixed charges and other expenses would rapidly exhaust the mine development suspense account, which amounts to £326,485, and which is the only cash asset available. As the directors believe that the greatest hope of finding a payable mine lies in the southern area, it is proposed to continue the sinking of the vertical shaft and extending the 26th level crosscut to intersect the vertical shaft. With this exception development will be confined to the Driefontein section, and to ground east of the Cinderella Consolidated eastern boundary. By following this course it is hoped that sufficient profit will be earned to defray the fixed charges. There has been no improvement in development results recently, and in the first nine months of this year the ore reserves were reduced by 574,300 tons to about 3,600,000 tons, a decrease of over three million tons in six years. The new programme will involve the rapid exhaustion of the reserves, which can only be replaced by payable tonnage developed in the Driefontein and East Cinderella section. How long the new policy will be continued will depend upon the profits earned meanwhile. Consequently the position will have to be reviewed again in a few months' time. It is a sad prospect for the shareholders that their property, the most extensive on the Rand, should have deteriorated so rapidly. A few years ago its profits exceeded a million sterling per annum, and the dividends were 40 per cent. It is curious, but none the less true, that the three great Rand amalgamations have fallen very short of expectations.

A woeful statement has been issued by the board of the Witwatersrand Deep, which demonstrates very clearly the effect of the shortage of labour and increased cost of materials on the low-grade mines of the Rand. This company before the war paid dividends of 50 per cent., and more, but for the first half of this year only 5 per cent. was distributed and for the current half-year it is unlikely that any distribution will be made. A decrease of 33 per cent. in the native labour supply has caused the tonnage milled to fall from an average of 40,000 tons per month for the first quarter of the year to 31,630 tons per month for the past quarter. The working of the plant at less than full capacity has automatically raised the expense ratio, apart from the rise in the prices of mining materials. The outlook for the company is described by the board as "extremely bad," for little profit can be expected on the present scale of operations in view of the increased expenditure which must be incurred in sinking more rapidly the eastern incline shaft. After providing for taxes, the cash resources of the company have been exhausted, largely because of the additional purchase of stores amounting to £64,939 since the war broke out. The uncertainty of the profit position, therefore, renders the prospect of a dividend very faint indeed.

After an interval of six years the Oceana Consolidated Co. is resuming the payment of dividends. It is a small distribution, equivalent to approximately 5 per cent., less tax, on the reduced capital of £512,633. The profits for the year ended June 30 last were £22,665, an increase of £4,933, but this does not represent the full extent of the financial improvement. The debt to the company's bankers has been reduced from £110,222 to less than £60,000, and contingent liabilities have also been reduced from £46,972 to £23,428. Further economies have been effected in expenditure. The company, which owns over one million acres of land in the Transvaal, sold 18,053 acres last year, the profit on which has been utilised in writing down the value of the land assets. This improvement in the financial position, together with a further increase in profits in the current year, were the chief reasons which influenced the directors' decision to resume the payment of dividends this year. A variety of mining investments are held by the company, and at September 30 the quoted securities had a market value of £58,000 in excess of the book value of £115,000, but the unquoted securities were valued at £243,495. Although the financial position has certainly been im-

proved, it is by no means a strong one, and some time must elapse before the shareholders can expect to get an adequate return on their investment, bearing in mind the fact that the capital has been written down at various times to one-quarter of its original total. At present an attempt is being made by the Latilla group to obtain control of the company, but in view of the improvement which the present board has effected in the position of the company, there seems no adequate reason why the shareholders should support this agitation.

New Governor of the Bank.

Lord Cunliffe will retire from the position of Governor of the Bank of England in April next. By that time he will have completed his fifth term of office, he having been first elected to that position in April, 1913, prior to which he had acted as deputy-governor for the usual period of two years. No one has hitherto held the governorship for so long, nor had such a heavy and burdensome task to perform. In view of the multitude of unprecedented problems which he has been called to unravel and solve during the past 3½ years, it is not surprising that Lord Cunliffe has decided not to continue to shoulder a burden which was really too much for any one man to carry for so long. Mistakes may have been made in the past 3½ years—it would have been impossible to avoid them under the stress of the greatest crisis in history—but they do not outweigh the very solid achievements of the Bank of England, acting under the guidance of Lord Cunliffe. Custom has fixed the period of governorship at two years, and before the war this term was exceeded on two occasions only. During the Baring crisis the Right Hon. W. Lidderdale acted as Governor for three years, and subsequently Mr. David Powell served for the same period. Sir Brien Cokayne, who has been chosen to succeed Lord Cunliffe, has gained a unique experience during the period that he has acted as deputy-governor, and he is probably better fitted by reason of the knowledge thus gained to fill the vacancy than any other director. Mr. Norman, who has done good work as a member of the exchange committee, has been elected deputy-governor for the ensuing year.

The Pacifist Betrayer of Humanity.

Surely no time could have been less suitable than the present to raise a Pacifist debate in the House of Commons. The only good that sprung from the fatuous display of Mr. Lees Smith and his backers was in the speech they drew from Mr. Balfour. Once again the Foreign Minister put plainly and clearly before the country and the world the aims of the Allies. He made it indisputable that the *Entente* is fighting for the liberty of the world, not for aggrandisement of territory, of rearrangement of the "boundaries of Empire," or for any hoary fraud of that kind. For the first time in the world's history war is being waged for the deliverance of the lowly and oppressed from hypocritical systems of Government which, cloaked in sanctimonious blasphemies, are just mere tyrannies. It is not the German people we are fighting, but a monstrous organisation of fraud and pretence, of assumption and falsehood by which the caste of despotic kings has obsessed and brutalised the populations of Europe for many centuries. One might say without being open to the charge of dealing with far-fetched conjecture, that the Pan-Germanism which is manifesting itself to-day in a covetousness, falsehood, and inhumanity unparalleled, has its root in the far-off days of Charlemagne in the founding of that enslaving imposture, "the Holy Roman Empire," one of the most deadly hindrances to man's deliverance the greed of the oppressor and priestly cunning ever devised. Unquestionably the tap roots of Pan-Germanism lie far back in the past. It is not of yesterday that Pan-Germans claim to have the "right" to seize and incorporate in the Hohenzollern Empire of steel every district the language spoken

in which is German, or a dialect of German. It was not the insane Pan-Germanist of to-day who first drew that map of Europe which marks the boundaries of the Empire of the Hohenzollerns extending as far west as Brest, as far south as Bordeaux, and which would leave to France only a strip of country north of the Pyrenees and along the Mediterranean shore; marching with Italy. The unholy dream has been cherished by insane German idealists, at least since the time of the first Napoleon—whose mistaken policy towards the German principalities, and, above all, towards Prussia, gave the greatest impulse to the growth of that fungus of race pride, lust of "revenge," and grasp-all domination from which the world now suffers, and for which the German race is now beginning to suffer punishment.

But these Pacifists, incapable of shame or of instruction, care for none of these things, and talk of "friendly conferences," of "disarmament reached by agreement," assert the whole question to be now whether Alsace and Lorraine shall be given back to France or not, the whole suffused with a cant often nauseous. They babble about German "democracy," which does not yet exist; trot out scattered sayings of German "Socialists"; speak respectfully of the German "Peace Party," of which we have never yet seen a trace, and altogether show themselves to be at best mere ignorant cranks, at worst malevolent betrayers of mankind. They are therefore worse than cranks; taken in the mass, they are traitors, not only to their country, but to the cause of that peace about whose speedy conclusion they profess to be so anxious.

This is a strong observation to make, but it is easily proved to be well warranted. All the newspapers of weight in this country, *à propos* the latest vote of credit, have been dwelling upon the enormous burden which the war debt is laying upon the country. Much head-shaking and many doubts are being indulged in and expressed as to our capacity to bear the load. If the war goes on for another year, and the expenditure continues at the present scale, or, what is more probable, at a higher scale still, it is unquestionable that, not only our institutions and civilisation, but the economic stability of every country engaged in the war on our side, would be perilous in the extreme, almost, if not quite, as perilous as the condition of the foundering empires of Austria and Germany to-day. Now, if that be true—and there can be no doubt of it—it is surely the duty of every citizen to strive his utmost to so sustain our side in the conflict as to bring the war to a speedy end, and nothing could be more short-sighted or essentially traitorous than to put any hindrance in the way of those who are fighting this war to a finish. To prolong the war by such action as these Pacifists continually indulge in is therefore to play the traitor, and to agitate over a "peace by treaty," or an "agreement" at the present stage is, if possible, more deliberately traitorous still, and for this very sufficient reason. If it be true that the load imposed by our debts is already threatening us with something like economic paralysis when the war does end, what would be our position and that of France, Italy, and Russia be should we all, in addition to the debts Prussian aggression has forced us all to contract, have also to maintain naval and military establishments on the scale that prevailed before we were called upon to fight this world war in self-defence? There is no getting past that dilemma. A peace concluded with the German military power would have only one guarantee, the guarantee that the war would have to be fought over again whenever the Prussian brutes thought they could win it. The Allies of the *Entente* must therefore continue to keep themselves in readiness.

It therefore follows that the Pacifists, such men as this Mr. Lees Smith, Mr. Ramsay Macdonald, Mr. Snowden, and the crowd of lesser platform notorieties, chiefly as ignorant of history as of human nature, are striving to keep the chains of militarism upon the people. That is the plain English of it. Their object appears to be to hand us all over to everlasting bondage. Peace by conferences, agreements between

ourselves and—all forgiven—blood-stained tyrants mean that the "nightmare of an armed peace" would remain an ever-present horror upon Europe after the "peace" just as before. Cannot these men see the inevitableness of this? Are they so blind as to imagine that they can secure disarmament by agreement with blood-stained, treacherous robbers like those with whom we have to deal in Berlin, with men whose record and boast it is that they have never kept any treaty a moment longer than suited their purpose? If they do, it is the most charitable way to regard them as fit only for lunatic asylums. But they do not. Some among them strain our belief in their good faith to breaking-point. Others are misled by their half-knowledge, by sentiments of wishy-washy benevolence, by vanity, and by that academic priggishness which leads men to moon in a world of illusion incomprehensible to the ordinary man.

It is a pity that neither Mr. Balfour nor Mr. Asquith touched upon this side of the great issue because it is the most essential of all. Because it is so an imperative mandate is laid upon the Allies to continue this fight until Prussian militarism is beaten to the dust, is utterly crushed and destroyed, made to display itself to mankind to the uttermost in all its repulsive malignity. Only thus can the nations, great and small, be set free; only thus can real democracies come into existence, and be free; only thus does it become possible for us to contemplate the burden of debt the war is laying upon us with something approaching equanimity. Let us once destroy militarism everywhere, and in that destruction will vanish dreams of empire, covetousness of the Naboth's vineyard type, and many other curses inherited from a false civilisation in the past. Then we can agree to disarm, to unite our disciplinary police force, and to devote our energies to the superhuman-looking labour of recuperation. A "peace" on the lines these Pacifists keep harping upon would mean the destruction of our civilisation, the betrayal of mankind. Rather than suffer thus, let us make haste and die. Ah, the shamefulness of the betrayal.

Unpatriotic Extravagance and Premium Bonds.

A week ago *Punch* contained a cartoon illustrating "How to Lose the War at Home." It pictured a group of people, with three fashionably and richly-attired ladies in the foreground, crowding round the windows of a West-End store. Posters in the windows advised the crowd of an "Important Sale of Jewellery and Fancy Goods"; told it to "Never Mind About War Economy. Come in and Buy! Luxuries for All!" and announced a "Great Show of New Models." "Lingerie de Luxe," too, was placated. The satire was keen, and the reflections the whole cartoon was designed to excite became bitter. It was a most clever drawing, and exactly hits off the attitude towards the war of whole classes of the community, high and low; their complete obliviousness to its obligations and necessities. The unemployed rich, especially the *nouveaux riches*, do not seem to know—certainly great numbers of them do not—that a war is actually raging. And whether they know or not, they do not seem to care. Multitudes among those who work, flush with the high and ever more extravagant rates of pay the Government is conceding, cannot be blamed perhaps if their new and hitherto unknown state of—luxury shall we say?—has turned their heads and caused them to do their best to ape their "betters"; but for these "betters," the comfortably rich, there is no excuse possible. When one beholds the aspect of the streets, and notes the profusion of illustrated advertisements in all the newspapers setting forth models of clothing of all kinds, outvying each other in their luxury, one has to combat a feeling that we are not worthy to win this war, that ours is a decaying civilisation, that we are indeed a decadent race. There is unquestionably among us an important mass of indifference and carelessness which,

if allowed to exercise its influence unchecked, can only lead us to the finale that similar displays of selfish luxury in all past ages have invariably reached. Why did the ancient empires of Egypt, Syria, and the Mesopotamian Valleys disappear? What ruined Imperial Rome? Luxury, self-indulgence, callous indifference to the interests not only of fellow-citizens, but of the human race, the utilisation of the endowments of civilisation for the gratification of those who were rich.

It is against this mass of indifference, seemingly amounting to moral rottenness, that the Government and all the patriotic members of the community have to struggle, and they are doing so with some measure of success, but not nearly with a success sufficient to protect the nation and the empire at large from calamities the imagination shrinks from attempting to conceive. There is much that one may seem amusing in many of the recommendations Sir Arthur Yapp continues to press upon us, but no one can fail to see why it is that he and others continue to harp upon economy and thrift in the matter of food consumption. The middle classes of the country, and many of the so-called humbler classes, are doing their best according to their means and lights to follow the recommendations of the Director of Food Economy, but many others are not, and to those in earnest the actual state of supplies and the high prices ruling make not a few of his recommendations look like a mockery. The others, the foam and the lees of society do not care, go on as if they had no concern in our peril. Sir Arthur does not seem to be able to touch or affect the real sinners, whose luxuriousness in food is just as pronounced and as persistent as their extravagance in dress. It is, therefore, by no means improbable that an attempt will have to be made to regulate our dietry by compulsion. Either that or incomes will have to be rationed. For, as Sir Arthur Yapp pointed out at a crowded meeting held in Harrod's Stores this week, food rationing will be a matter of extreme difficulty, and must involve injustices in all directions. It has not been too successful even in will-less, well-drilled Germany. During the first year, Sir Arthur told his audience, there were more than six million forged food tickets made use of there, or attempted to be used, and the difficulties in the way of equitably apportioning allotments of food are almost insurmountable. The poor are bound to come off second best, no matter what solicitude may be exercised, and may often find themselves without sufficient food of any sort. And the expense to the nation cannot fail to be prodigious if all are to have enough. It is not a question of lack of foods, for although the harvests of the world are neither so generally abundant nor so available as Sir Arthur Yapp seems to think, they might yet be sufficient to feed all the populations now warring against the German hydra could they be brought to market up to time, but they cannot. Had we forced the Dardanelles, as we might and should have done, Russian supplies would have been available for two years now, and had the merchant shipping of the world been handled at the first with the skill displayed now, stocks of grain might have everywhere been larger than they are. But it is no use harking back to "ifs" and "buts." We have got to deal with the situation as it is, and that situation demands self-denial from every individual in the country. Those who refuse the call of patriotic duty will have to have their spendings regulated for them, probably by committees drawn from the neighbourhood in which they reside.

One of the causes of Italy's recoil and consequent exposure of the rich plains of Venetia and Lombardy to the wolf-like rapacity of the invader is want of sufficient food. Probably the troops that flinched and fled before the first onset of the Austro-German Army had long been suffering from short supplies of victuals. That would tend to weaken their *morale*, and to render them an easy prey to the plausible emissaries of the foe. One, therefore, of the most urgent requirements of the hour of Italy is food. Can we not do something by economising our own consumption to render it easier for Italy to be fed? The winter is going to be a hard one almost the world over, and before it passes the Food Controller may have

to put us on rations. Expenditure on the war promises to be larger rather than smaller. This all implies a greater and greater flush of credit-generated wealth and greater demands upon our resources. These demands must be met by self-denial, or forced upon us by compulsion, lest the ultimate weight of our obligations bear us down altogether and imperil the future of civilisation.

But before applying coercion all means must be tried to sway the degenerate mobs towards wiser conduct. From the kind of people we are dealing with it may be almost hopeless to expect reformation. They would not understand appeals to the enlightened humanitarianism implied in the advice to deny themselves in order to have something to spare to Italy, any more than to think of the population at home, and it is because there is such a mass of moral insensitiveness to be dealt with that we have from the outset had no hesitation in harping about the value of the premium or bonus bond as a means of attracting to the Treasury money now going to waste in millions one may say every day of the week. If the people cannot be persuaded—and they are of all classes—they must be tempted, bribed if you like, to risk their money in what looks like a lottery—but is not—so as to be lured from flinging it away in luxuries hurtful to themselves and ominously crippling to our power to sustain this fateful conflict. What is the immorality attaching to the form of bond, which a perfectly legitimate form of credit, with no trickery or subterfuge about it? We can see none. It offers a "chance of making a profit," and why not? The immorality which selfishly squanders surplus incomes of all magnitudes seems to us much more debasing in its self-gratification. We have put other casuistical problems before the ecclesiastical mind, and now add this one to the number. Tell us, good purists, why it is all right for the young ladies in your congregations, or whom you meet in society, to spend, it may be tens, it may be hundreds, or thousands of pounds a year on personal adornment, and wrong to attract some of that now wasted and misspent money to the war Treasury by offering a chance of doubling or centupling it by drawings in a "lottery"? Is anybody cheated by these "drawings"? No. Is anybody robbed? No. Where, then, does the taint come in? We cannot see that the two demoralisations would be in any measure comparable in this case.

Central Argentine Railway.

It is a tale of almost unrelieved gloom that the directors of the Central Argentine have to submit in their report for the year to June 30. The twelve months witnessed a series of crop failures such as have not been experienced for many years. A drought commenced in May and lasted practically without interruption till the end of October, too late to prevent the loss of the bulk of the cereal harvest, and what might even then have been saved was devastated by a plague of locusts. Consequently, the maize and linseed harvests—two of the staple sources of revenue of the Central Argentine—gave the lowest tonnage recorded during the past five years, notwithstanding the additional area opened up to cultivation by the various extensions of the company's system. So far as wheat is concerned, the yield was the lowest for three years, and although the quantity carried showed an increase, this was entirely due to the considerable stock held over from the previous harvest. Indeed, so great was the shortage that doubts arose as to whether the supply would be sufficient to meet the requirements of home consumption, and an embargo was temporarily placed on exports. Sugar is another very important item in the company's traffic, and here, also, there was a disastrously inferior crop, the tonnage carried being the lowest for ten years. Naturally, these losses were reflected in other sources of revenue, and this was particularly marked in the case of passenger traffic, which was the smallest recorded since 1909. Live stock and firewood gave better results, but they provided small compensation for the declines elsewhere.

Under these circumstances it is not surprising to find that the gross receipts of £5,246,000 show a decrease of £490,000, or 8½ per cent., the average receipts per mile of line per week being £2 15s. less at £39 9s. The number of passengers carried was 19,280,000, a decrease of 880,000, or 4.36 per cent., while the receipts fell £217,000, or 13.82 per cent., to £1,355,000. As compared with the year 1913-14, the decline in passenger receipts is over half a million sterling, or almost 27½ per cent., each of the past three years showing a progressive decrease, which is a fair indication of the depressed conditions prevailing in the country. Goods traffic produced £2,926,000, a reduction of £305,000, or 9½ per cent. Firewood brought in £137,250 or 87½ per cent. more, wheat £54,400 or 21½ per cent. more, and hay, &c., £33,250 or 36½ per cent. more. Live stock receipts also showed an improvement of £58,700, or over 14 per cent., but there was a decrease of £239,000 or 32½ per cent. in maize, of £106,600 or 66½ per cent. in linseed, of £130,400 or 17 per cent. in general merchandise, and of £29,250 or 34½ per cent. in sugar.

While earnings fell off so heavily, it is satisfactory to find that it was possible to save something on working expenses, which amounted to £2,605,000, a decrease of £97,000, or 2.62 per cent., but the ratio to receipts was 4.2 per cent. higher at 68.71 per cent. Practically the whole of the reduction in expenses is accounted for by smaller allocations to reserve and renewal funds, which were £95,400 less at £384,500. No less than £215,000 was saved on maintenance, but on the other hand the increased cost of fuel was £214,000, and other materials cost £45,150 more, while municipal taxation, paid under protest, absorbed £12,000, and the campaign waged against the locust plague cost £24,600. But for these exceptional items the decrease in working expenses would have been £297,000. In connection with the high cost of fuel, it should be mentioned that wood had to be substituted for coal to a very large extent, and this involved not only a great deal of extra haulage (one ton of coal being equal to 2.8 tons of the best wood fuel), but it accentuated the flow of one-way traffic, and gave rise to an unusual amount of empty wagon mileage.

In the result, nett earnings amounted to £1,641,430, a decrease of £393,560, or 19.34 per cent. Nett revenue credits amounted to £241,000, an increase of £15,000, to which profit on exchange contributed £37,000, while interest charged to capital during construction was £23,000 less. On the other hand, general interest required £21,000 more, and a new item of £257,860 appears for "inland revenue," but the sum of £100,000 set aside last year for contingencies is not repeated, and the balance of nett revenue for the year is £556,000 lower at £803,830. With £204,000 less brought forward, the total available is £760,000 down at £946,200, and after paying the interim dividend of 1 per cent. on the ordinary stock, only £228,000 remains, and it is proposed to carry this forward—£86,000 more than last time—no final distribution being practicable.

Capital expenditure has been kept down to the lowest possible level, and, at just under £400,000, it is £670,000 less than in the previous year. The contract entered into between the Argentine Government and the company for carrying out certain irrigation works in the Province of Cordoba has been rescinded by mutual consent, and a balance due to the company in Irrigation bonds should shortly be handed over. On the other hand, a very unfortunate position seems to have arisen with regard to concessions for the construction of 1,400 miles of branches and extensions. The period for the commencement of the work had been postponed by a Governmental decree, it being recognised that the abnormal world conditions ruling constituted *force majeure*, but in May last the Government revoked this and similar decrees affecting the principal railway companies, who had perforce to submit, but it has so far failed to return the deposits made at the time of the application for such concessions. In this and other matters the present Government is proving

itself anything but friendly to the railway interests which have done so much to promote the development of the country, and even the Luxburg revelations do not seem to shame it into a better frame of mind. Most of the recent labour troubles have been encouraged, if not actually fomented by the attitude of the Government, whose handling of the situation has been deplorable in the extreme. What may be the upshot of it all it is impossible to forecast, but if the abortive Pension Law of 1915 is any criterion of the legislative wisdom of the ruling powers, the outlook must be regarded with considerable misgivings. However, it is useless to kick against the pricks, and we can only counsel patience, hoping that the present mood will pass when conditions become more normal. With the prospect of a bountiful harvest and returning prosperity to the country, many problems which seem almost unsolvable at present will disappear, and Argentina, we hope, may again take its place among the enlightened nations of the earth.

Rubber Plantations Investment Trust.

Some disappointment was caused by the dividend announcement of this important company, and certainly for a pound share standing at 33s. a distribution of 6 per cent. seems inadequate in these days of dear money. The price has risen to its present level from about 7s. immediately before the war, and it may be taken for granted that purchasers who have recently been paying a large premium on the shares have done so with a view to future prospects rather than for the present return. Judged from that standpoint, the report for the year to March 31 provides considerable encouragement. Nett profits were £48,000 higher at £112,340, and the dividend, which is at double last year's rate, absorbs only £63,360, so that the financial position is being steadily strengthened. The balance of £57,125 carried forward is subject to excess profits duty and Ned.-Indies war profits tax, if any, and no doubt the chairman will have something to say on this subject at the forthcoming meeting; but we may safely assume that the surplus is sufficient for all contingencies. A year ago the amount carried forward was £121,230, but of this £104,640 has been transferred to reserve, which now stands at a round half-million, including share premiums. Moreover, during the year temporary loans have been reduced by £136,000 to £14,660, and even this small amount is secured by the deposit of £50,000 War Loan stock.

Shares, debentures, and options stand at £622,000, a decrease of £200,000, but the market valuation showed an appreciation of £328,000, or £190,000 more than a year ago. The directors state that the company does not trade in its holdings, but varies them only for the purpose of maintaining or improving the revenue return thereon, and they have therefore decided that the surplus or deficiency on sales of investments shall be dealt with solely on capital account. The profit on realisations, the amount of which is not stated, has accordingly been carried to a realisation account to provide for depreciation and other contingencies. Of the total investments, £143,700 (an increase of £33,000) is in debentures, most of which are convertible. About 60 per cent. is invested in rubber, 33 per cent. in tea, and the balance in tobacco.

In addition to its share and debenture holdings, the trust is directly interested in properties valued at £1,212,000. The planted area is 13,450 acres, mostly in Sumatra, and there are over 41,000 acres in reserve. At present tea is the most important crop, the area under it being 9,280 acres, as against 3,013 under rubber. In 1916 the tea harvested was 3,084,000 lbs., or considerably more than double the output for the previous year. The yield reached the very high figure of approximately 1,000 lbs. per acre, while the average price realised was 1s. 1.26d., against 11.20d., and the all-in cost was reduced from 9.28d. to 8.58d. For the current year the output was estimated at 5½ million lbs., but this has been reduced to 4,100,000 lbs. owing to delay in obtaining factory equipment, freight shortage,

and the prohibition of imports into the United Kingdom of teas not grown in British territory.

As regards rubber, the Sumatra crop amounted to 270,355 lbs., against 111,870 lbs., but the gross price realised fell from 2s. 8.02d. to 2s. 6.82d. On the other hand, the all-in cost also was reduced by nearly a penny, being 1s. 6.10d., against 1s. 7.02d. The average yield was 230 lbs. per acre, including young rubber brought into tapping, and for the current year the output is estimated at 380,000 lbs. In South India there are 608 acres planted with tea, and 554 with rubber. The first tea crop yielded 124,600 lbs., and the first rubber crop 1,750 lbs. For the current year the output is estimated at 205,000 lbs. tea and 28,300 lbs. rubber, but it will be some time before the estates in this district are fully developed. It will be observed, however, that the Trust's direct ownership of properties is now more extensive than its share, &c., interests, and there is every reason to be gratified with the progress that has already been made.

By-the-Way War Notes.

Many shadows are in the picture the various arenas of war present to us this week, but the effect of the whole is less depressing than many of our guides would have us believe. Take the black side first. In Petrograd the position looks one bordering on complete anarchy, and yet we continue to believe that the forces on the side of order will before long get the mastery. For some time it has been plain that a trial of strength was approaching between the extremist party and the more enlightened and humane elements in society, and now it seems to have broken out. It will not help the extremists to have seized the State Bank, and their attempts to guide the country when it has reduced all its instruments of exchange to nullity cannot but end in failure. Therefore we hope and believe, but abstain from speculating about a situation too obscure as yet to be understood. The latest news comes exclusively through Soviet channels, and looks altogether black. Lenin, the alleged German instrument, is said to be supreme, a separate peace is demanded, a distribution of the land among the peasants, &c., &c., all very subversive and gloomy—but wait and see.

In Italy things seem to go from bad to worse with the army, and distressing beyond expression is the aspect of the campaign there to-day. All the conquests so gallantly won during the summer by the Italian troops have had to be abandoned line after line in the retreat. In the Venetian Plain, General Cadorna is, on a smaller scale, repeating the feat of the Grand Duke Nicholas of Russia in retiring before the German onset in 1915. The spectacle is heart-breaking, but gives no excuse for despair. The main Italian armies are intact and we must never forget that, thanks to the weakness—to call it no worse—of the third Napoleon, Austria was allowed to keep fast hold of all the passes leading out of the Alps into Italy, and that consequently the Italian armies must fall back because exposed to be outflanked on their left. Still they are able to retreat in order and to carry most of their equipage with them, and that is a hopeful sign. The Austrians and Germans are blaring and magnifying their successes in order to make them appear great victories; they boast ever about large captures of troops, and do their utmost as usual to dazzle the world with their wonderful prowess. It must all be taken at a very considerable discount, and we need not oblige the enemy by forgetting that with each mile of advance the invader's difficulties increase. The scouts and pioneers of his reptile press are talking now of making an attack by sea, bidding us contemplate the capture of Venice and following up that feat of marauders by securing the mastery of the Adriatic. All this may be useful in helping to heat up the dying embers of war enthusiasm amongst the populations of the two doomed empires, but it hardly betokens assurance of ultimate victory. Do not let us be disturbed by these essays in terrorisation. Austria is not able to cope with the Allies on the sea, and we only wish she

would make a try for the mastery there, for in her feebleness on the water lies the certainty of her ultimate destruction. This invasion of Italy is indeed only in the nature of a desperate foray by an enemy bankrupt in means and conscious that he is doomed. The haste of his Viennese Press to divide up Italy once more before conquest has been made is merely proof of the incurableness of Teutonic insanity.

Elsewhere the aspect of things is in a high degree encouraging; nothing to vaunt about, but enough to cheer us and give comfort to doubters. In the Caucasus and Mesopotamia the Turks have been beaten. In Palestine General Allenby has captured Beersheba and Gaza, and advanced towards Jerusalem, and in the Western war zone the French are keeping down all attempts on the part of the Germans to assail them in their now dominant positions on the Chemin des Dames Ridge. We, too, have at last captured the Passchendaele Ridge, and we both hold the Germans in Flanders, in the Soissons-Rheims districts, and elsewhere in a very real sense at our mercy. Things seem to be moving also in Macedonia, but an overpowering advance there is prevented by the unpreparedness of our Greek Allies. Doubtless Mr. Venizelos's visit to Paris and London has to do with arranging means to speed up preparations.

Looking at the position all round, remembering how diligently the United States is buckling on her armour, not forgetting either the economic side of Germany's troubles, the symptoms of unrest within, becoming more and more emphatic as revealed and illustrated by the wrangles over the changes of Chancellors, puppets all, none of them representative of the people in the slightest—there is ample cause for agreement with Mr. Balfour's cautious statement that Germany may be nearer exhaustion than we think. Her defeated masters will bluff, and lie and brag to the last, letting the people die at home of hunger or on the battlefield in war, without caring a jot, if so be that they can escape themselves unpunished.

One of the best indications that we are making progress in victory is found in last week's returns of shipping losses by submarine piracy. Altogether, 4,763 ships entered and left our ports—2,384 in and 2,379 out—and actually only six vessels of 1,600 tons and over were sunk in that week. The total losses in that class are returned at eight, but this includes two sunk during the week ended October, 1914. Also the four smaller ships returned as sunk includes one sunk during the same week in October, so that only nine vessels in all were sunk last week, and that is the smallest number destroyed by the enemy in any week since the run-a-mok campaign of murderous piracy began in February last. Six unsuccessful attacks are also recorded, but only one of these happened in the past week, for the six returned includes two attacked during the week ended October 14, one attacked in the week following, and two attacked in the week ended October 28. If it be true that the number of enemy submarines now sneaking about the seas is larger than it was at any earlier time in the campaign, then there can be no question at all that our ministers were in no way misleading us when General Smuts told us that we were obtaining the mastery, that the horror of indiscriminate drownings at sea, regardless of every law of civilised warfare and of every consideration of humanity, was being overcome. Italy's losses last week were also small—two steamers under 1,500 tons and three small sailing ships—but the smallest is more than she can spare. France lost two ships, one over and one under 1,600 tons.

American Business Notes.

Good news comes from Washington this week about what we call the Far East. An agreement has been come to between the United States and Japan, and Notes have been exchanged defining their attitude towards each other and towards China. For years back the idea has been industriously instilled into the minds of the people of the United States that a war with Japan was a certainty. We have heard Americans say

so, accept the assertion as an axiomatic truth, and never could see the slightest ground for holding any such view. It now turns out that, like many other tortuosities with which mankind has been afflicted of recent years, the idea was inspired and disseminated by the Germans. Their world domination insanity led them into every kind of deceit, and inspired the dissemination of the most absurd lies in order to further their mad schemes. What originally prompted the Germans to spread abroad the notion that Japan and the United States must come to death grips, we cannot guess. It may, however, have been that the German lunatics—lunatics animated by a fell purpose—imagined that were Japan and the United States to quarrel, the way would be opened for an extension of German control over China, or portions of China. Any sinister object, no matter how fantastical, would be good enough to inspire the campaign of lies, but recently, no doubt, and as the date fixed for the new conquest of France and the absorption of Belgium drew near, the lies had the definite purpose of so shaping the public sentiment in both the United States and Japan as to make them too occupied with their own affairs and with the imaginary causes of quarrel to pay much attention to what went on in Europe.

The Teutonic dunderheads have been, as usual, completely self-deceived. The two powers they wished to set at loggerheads have not quarrelled, have never had any intention of quarrelling, and no falsehood could be more baseless and absurd than that which sought to excite alarm in the minds of the American Government and people by legends about Japanese designs on the Pacific Coast of Mexico. But although they were never well grounded these lies had a certain influence in the Far East, and may have excited suspicions both in China and Japan, so it was well that the two Governments should come together and enter into frank explanations. Viscount Ishii came as head of a Japanese mission to the United States, and after conferring with the Secretary of State in Washington, it was decided to make a public announcement to the effect that the United States recognises Japan's special relations with China. The mere territorial propinquity of the two countries made that indubitable, but that does not imply that Japan is going to put barriers in the way of other Powers in their intercourse with China. And the Note goes on to say, "the territorial sovereignty of China nevertheless remains unimpaired, and the Government of the United States has every confidence in the repeated assurances of the Imperial Japanese Government that, while geographical position gives Japan such special interests, they have no desire to discriminate against the trade of other nations or to disregard the commercial rights heretofore granted by China in the treaties with other Powers." Further, it is declared that "the Governments of the United States and Japan deny that they have any purpose to infringe in any way the independence or territorial integrity of China, they always adhere to the principle of the so-called 'open door,' or equal opportunity of commerce and industry in China," and they mutually declare that they are "opposed to the acquisition by any Government of any special rights or privileges that would affect the independence or territorial integrity of China, or that would deny to the citizens of any country the full enjoyment of equal opportunity in the commerce and industry of China." These are weighty words, and deserve to be held in remembrance. Not only will an agreement of this kind, which is fully endorsed by a Note from Viscount Ishii published the same day, dissipate all fears about strife between Japan and the United States, but it should powerfully assist the new Republican Government of China in consolidating its position and help it materially to get that assistance and material backing which may be necessary to establish the new order of things on a firm basis.

The British, Foreign, and Colonial Corporation, Limited, announce that the offer at 21s. of 250,000 7 per cent. cumulative and participating "B" preference shares in the Aircraft Manufacturing Co., Ltd., has been largely over-subscribed.

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from $5\frac{1}{2}$ per cent. on
Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

It is remarkable how unruffled the Money market continues to be amid the upheavals which the war has brought about. The Russian collapse ought, one would have thought, to have exercised a paralysing influence on business, but it appears to have little or no visible influence, and rates for money, as also of discount, continue to remain unchanged from week to week. Yesterday the tendency was said to be easy, but that does not mean any quotable change in rates. Even the 60-day bank bills remain at $4\frac{3}{4}$ per cent., and fluctuations in Treasury bills depend entirely upon the date of their maturity. An attempt has been made to get an agitation started having for object a reduction in the bankers' deposit rates, but we do not feel disposed to give it countenance until we know more about the actual position. Our banks are carrying an enormous load of credit at the present time, and were they to take a step which tended to the withdrawal of some material portion of the balances now on deposit with them it might become awkward. The rates now allowed—4 per cent. by banks and 4 to $4\frac{1}{4}$ per cent. by the discount houses—are by no means excessive; and besides it would be

unwise to move in a direction that might tend to bring down the general market rates. They are low enough, and we may be thankful that they show no tendency to go higher in spite of the adverse exchanges or the strain on credit produced by the collapse of the Russian rouble, and the less pronounced, but still most severe, depreciation of the Italian lira.

Changes in the Bank return this week are of small moment, and no doubt are caused almost exclusively by the movements of the Government account. Other deposits are £1,329,000, and public deposits £345,000 lower. These declines are reflected in a decrease of £161,000 in the Government securities, and of £1,658,000 in the other securities. Coin and bullion has increased £165,000 to £56,191,000, and the note circulation has contracted £11,320, so that the actual increase in the reserve is £177,000. Owing to the decline in the liabilities on deposits the effect of this increase is heightened, and the proportion of reserve to liabilities is accordingly $\frac{3}{8}$ per cent. up at $19\frac{3}{8}$ per cent.

The *Journal* (Paris) publishes the following statement of the gold reserve of the nations at the end of October (francs are converted at the rate of 25 to the £ sterling):—France, £213,040,000; Russia, £77,960,000; Germany, £56,760,000; Spain, £77,960,000; Holland, £56,760,000; Great Britain, £56,360,000; Italy, £133,400,000; Rumania, £19,720,000; Switzerland, £12,760,000; Sweden, £11,440,000; and Denmark, £10,068,000. The *Journal* points out that the German gold reserve should be accepted with reservation, as the German Government has ordered that the various Government notes should be reckoned as gold in the bank returns.

It seems not improbable that the Government will shortly have to revise its rates for life annuities, in view of the fact that they are no longer consistent with existing values. By statute the rate of interest is based on the yield of Consols, but in the present tables that yield is assumed to be $3\frac{1}{4}$ per cent. The actual yield is $4\frac{1}{4}$ per cent., so that a distinct loss is sustained in purchasing annuities at the present time. In fact, at certain ages a larger income can be obtained by a purchase of war stock than by a purchase of annuities, though, of course, the investor in War Stock will have to replace his security by one equally remunerative at the date of redemption, which at the latest is 1947.

Decidedly those German banks are amusing. Whether their conductors are unconscious of the position they now occupy among credit houses—their foreign branches all swept away from them, all Germany's colonies gone, the Baghdad Railway "conquest" blocked and ruined, and all their assets already devoured by or pledged to the criminally insane enterprise of their military masters, and all Germany's overseas commerce in ruins, &c., &c.—we cannot say. But whether or not, it is comically insolent bluff on their part to assume that after the war they will be able to go on as before, to resume "pacific penetration" everywhere as if no war of Germany's making had brought ruin on mankind. The Deutsche Bank has notified that it is opening new branches in Bucharest and Budapest, and the Dresdner Bank proclaims its intention to widen its sphere of activity by "opening branches abroad"—in London and Paris, among other places, we suppose.

Why did the United States Government pass the self-denying rule to accept no more than half of the excess amount subscribed to the second Liberty Loan? The actual amount tendered turns out to be about £923,000,000, and the amount asked for was £600,000,000. Owing, however, to the decision to take only half of the money tendered, the actual amount of the money obtained by the loan will be reduced to £762,000,000. It is said that no fewer than 9,306,000 American men, women and children subscribed to the loan.

"Victory Loan" is to be issued on Monday by the Canadian Government. Its amount is to be £30,000,000, and it will bear $5\frac{1}{2}$ per cent. interest. Bonds will be issued current for 5, 10, and 20 years at par, in amounts ranging from £10 to £2,000.

Reuter sends pleasant news about the Liberty Loan recently launched in Australia. Applications numbered 35,000, and the amount tendered for was £19,651,000. This is increased by belated applications since to hand to a total of over £20,000,000, and the total added to the already issued war loans of Australia will bring up the contributions of that young country to the costs of the war to £100,000,000. Moreover, since the prospectus of this Liberty Loan was issued, war savings certificates valued at £554,000 have been sold. Compared with the population, these results are as great, one may say, as our own.

A further rise of a point has occurred in the Montreal exchange, which is now quoted at \$4.75½. This improvement in the exchange position is due to the action of the Federal Reserve Board in offering to lend Canada \$25,000,000 in gold to meet the exigencies of the exchange situation, the metal to be returned when the position is adjusted. This is expected to be about the beginning of the New Year. New York funds in Canada now stand at an appreciable discount, partly because of the United States restrictions on gold shipments, and partly because of sales of Canadian grain bills and similar documents in New York. There has been a sensible recovery in the Scandinavian exchanges, and the Italian lira has depreciated further in value. The Paris exchange has risen 6 points to 27½ 43c., despite an official announcement that it is proposed to issue the new 4 per cent. Rentes abroad.

Negotiations have been practically completed for the acquisition of the majority of the "A" shares of the Commercial Bank of Spanish America by an important South American bank. An offer to purchase the remaining shares at 17s. 6d. per share is about to be made. The Commercial Bank, which has a capital of about £260,000, is a trade bank working on novel lines in the lesser South American republics. Its limited resources has restricted its development hitherto, and the object of the change of control is to remove this deficiency, and, by giving it powerful support, to enable the bank to meet the increasing competition met with in Central and South America.

It is now learned that the representative committee of companies interested in Indian and Ceylon tea plantations have decided not to approve of the Government scheme for purchase of tea for the requirements of this country on the basis of a fixed percentage of working costs. What the companies would prefer is that payment should be based on pre-war prices, together with an allowance on account of the increased cost of working. The object of this scheme, of course, is to enable the companies to maintain dividends at the pre-war level.

SILVER.

Silver has continued a weak market during the past seven days, and was yesterday 1½d. lower. Messrs. Mocatta tell us in their circular that there has been no further buying on China account, the exchange there being weaker and the general tendency dull. Considerable purchases, however, continue to be made by the United States Government for subsidiary coinage, and these prevent New York offerings from being as large as they might be.

Messrs. Samuel Montagu and Co. report that the nett imports of silver into India during July, 1917, were heavy. The total was 8,867,052 ozs.; allowing for exports amounting to 2,460,227 ozs., the nett imports were 6,406,825 ozs. The nett imports of silver during the months April to July, inclusive, amounted to the substantial weight of 33,702,629 ozs., valued at about £5,314,000. Of this total the Indian Government was responsible for no less than 30,552,487 ozs., valued at Rs. 7,17,88,370, and capable of being minted into over 8,90,00,000 rupees. The stock of silver in Bombay on November 6 consisted of 3,700 bars, the same as held on October 30. The stock in Shanghai on November 3 consisted of about 25,700,000 ozs. in sycee and 14,900,000 dollars, as compared with about 25,200,000 ozs. in sycee and 15,200,000 dollars on October 27.

Applications for the Rs. 90,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,03,55,000. Of these Rs. 82,71,000 were allotted in deferred transfers, and Rs. 7,29,000 in immediate transfers. Tenders for bills and deferred transfers at 1s. 4 29.32d. and for immediate transfers at 1s. 5d. received about 44 per cent. The amount to be offered next Wednesday is again Rs. 90,00,000. Since April last Rs. 33,00,00,000 have been sold, realising £22,509,398.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, November 7, 1917.

ISSUE DEPARTMENT.

Notes Issued	£ 72,728,910	Government Debt	£ 11,015,100
		Other Securities	7,434,900
		Gold Coin and Bullion ..	54,278,910
		Silver Bullion	—
	£ 72,728,910		£ 72,728,910

BANKING DEPARTMENT.

Proprietors' Capital ..	£ 14,553,000	Government Securities ..	£ 58,883,370
Reserve	3,190,573	Other Securities	91,155,402
Public Deposits (including		Notes	30,338,890
Exchequer, Savings		Gold and Silver Coin ..	1,912,144
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	43,498,699		
Other Deposits	121,037,083		
Seven Day and other Bills	10,451		
	£ 182,289,806		£ 182,289,806

Dated November 8, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. Nov. 8.		Oct. 31, 1917.	Nov. 7, 1917.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,220,912	Rest	3,157,655	3,190,573	32,918	—
51,597,052	Pub. Deposits ..	43,843,946	43,198,699	—	345,247
111,252,003	Other do.	122,366,439	121,037,083	—	1,329,356
20,498	7 Day Bills ..	10,539	10,451	—	88
	Assets.			Decrease.	Increase.
42,187,741	Gov. Securities ..	59,043,870	58,883,370	160,500	—
100,682,658	Other do.	92,813,358	91,155,402	—	176,683
37,773,066	Total Reserve ..	32,074,351	32,251,034	1,657,956	—
				1,851,374	1,851,374
				Increase.	Decrease.
£	Note Circulation	£	£	£	£
37,172,165	Coin and Bullion	42,401,340	42,390,020	—	11,320
56,525,231	Proportion	56,025,691	56,191,054	165,363	—
23 2 p.c.	Bank Rate	19 3 p.c.	19 6 p.c.	3 p.c.	—
6 "		5 "	5 "	—	—

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,445,416,000	333,290,000	—
June	1,486,612,000	1,147,630,000	338,982,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August	1,628,368,000	1,364,782,000	263,586,000	—
September	1,348,317,000	1,136,590,000	211,727,000	—
October	392,265,000	337,388,000	54,877,000	—
" 10	381,976,000	326,880,000	55,096,000	—
" 17	371,167,000	338,823,000	32,344,000	—
" 24	354,974,000	301,789,000	53,185,000	—
" 31	377,152,000	315,087,000	62,065,000	—
November 7	366,737,000	312,043,000	54,694,000	—
Total ..	16,482,616,000	13,010,130,000	3,472,486,000	—

PUBLIC INCOME AND EXPENDITURE. (For 7 days ended Nov. 3.)

REVENUE.	EXPENDITURE.
Customs	National Debt Service ..
Excise	Interest, etc., on War Debt ..
Estate, &c., Duties ..	Development & Road Impvt ..
Stamps	Payments to Local Taxation ..
Land Tax and House Duty	Other Consolidated Fund ..
Property and Income Tax	Charges
Excess Profits Tax ..	Supply Services
Land Values	Bullion Advances
Post Office	For Advance for Interest ..
Crown Lands	on Exchequer Bonds under
Sundry Loans	Capital Expenditure ..
Miscellaneous	(Money) Act, 1904
Bullion advances repaid ..	For Treasury Bills
For Treasury Bills for Supply	Expenditure
5% Exchequer Bonds, 1922 ..	under 5% Loan Act, 1916 ..
6% Exchequer Bonds, 1920 ..	Other Debt under War Loan ..
National War Bonds	Acts, 1914-16
War Expenditure Certificates	For Exchequer Bonds under
War Savings Certificates ..	Section 61 of Finance Act,
4% War Loan, 1929-1942 ..	1916, and Section 34, 1917 ..
5% War Loan, 1929-1947 ..	Under Telegraph (Money)
Other Debts created under	Act, 1913
War Loan Act, 1915, and	Under Post Office (Lon-
Finance Act, 1916	don) Railway Act, 1913 ..
Telegraph Money Act, 1913 ..	Under Military Works Acts ..
Under Post Office Rly. Act,	Under Housing Act, 1914 ..
1913	Public Buildings Expendi-
Under Military Works Acts,	ture Act, 1903
1897-1903	Old Sinking Fund, 1907-8 ..
Under Public Buildings ..	Sinking Fund, 1914
Under Housing Act	China Indemnity
Repayment of Advance for	Depreciation Fund
Interest on Exchequer	Suez Canal Drawn Shares ..
Bonds	Temporary Advances repaid ..
China Indemnity	Increase in Exchequer
East African Protectorate	balances
Loan repayment	
Suez Canal Drawn Shares ..	
Ways and Means Advances	
Decrease in Exchequer	
balances	
£ 113,215,178	£ 113,215,178

* Excluding sales through banks which have not yet been brought to account.

CURRENCY NOTES.

Return of Currency Notes for the week ended November 7, 1917.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes	4,044,026	2,467,071	135,952,867
10s. notes	1,348,221	1,120,470	33,751,471
Note certificates	930,000	—	20,240,000
Previous total	738,158,452	550,948,819	—
	744,480,699	554,363,360	189,944,338

Ratio of gold held against notes, this week, 16.79 p.c.; last week, 16.96 p.c.

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Oct. 5, 1917.	Sept. 28, 1917.	Oct. 6, 1916.
	£	£	£
Gold coin and certificates ..	96,329,800	88,032,400	53,152,200
Gold Settlement Fund ..	66,957,400	67,605,400	23,888,200
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks ..	173,787,200	166,737,800	77,013,400
Gold with Federal Res. Agent ..	112,022,200	111,047,800	40,895,200
Gold Redemption Fund ..	1,893,000	1,061,800	382,000
Total gold reserves ..	287,702,400	279,747,000	118,290,600
Legal tender notes, silver, &c. ..	9,640,600	9,816,800	2,798,200
Total reserves ..	297,343,000	289,564,200	121,088,800
Bills discounted—Members' ..	53,050,200	46,667,000	4,731,200
Bills bought in open market ..	37,232,400	35,351,200	15,487,600
Total bills on hand ..	90,282,600	82,018,200	20,218,800
U.S. Gov. long-term sec. ..	11,145,400	11,035,800	8,874,000
U.S. Gov. short term sec. ..	14,726,400	7,954,200	1,752,600
Municipal warrants ..	15,800	44,800	5,817,000
Loans on gold coin and bullion ..	—	—	—
Total earning assets ..	116,170,200	101,053,000	36,662,400
Due from other Fed Res. bks—n. ..	514,000	1,586,600	5,246,000
Uncollected items ..	46,084,600	46,569,800	—
Total deducts, fm gross dep. ..	46,598,600	46,156,400	5,246,000
5% Red. Fund ag Fed. Res. bks ..	100,000	100,000	100,000
All other resources ..	114,800	81,600	609,000
Total resources ..	460,326,600	438,958,200	163,706,600
Capital paid in ..	12,205,400	11,875,800	11,136,800
Government deposits ..	17,257,000	12,730,200	6,734,200
Due to members—Res. account ..	229,777,400	227,498,200	—
Due to non-mbrs—clearing ac. ..	18,805,800	13,331,400	—
Members' bank deposits—nett ..	—	—	105,203,800
Collection items ..	31,856,600	31,472,800	—
Total gross deposits ..	297,666,800	285,032,600	111,998,800
F.R. notes in actual circula'n ..	1,460,000	139,661,600	40,272,800
F.R. bk nts in circn—nett liab. ..	161,200	1,600,000	206,600
All other liab. in for Gov crdts ..	641,200	581,200	92,400
Total liabilities ..	460,326,600	438,958,200	163,706,600
Gold res. ag nett deposit liab. ..	69.2%	70.3%	72.1%
Gold & lawful money reserve ..	73.0%	74.5%	74.8%
against nett deposit liabilities ..	76.9%	80.8%	102.5%
Gold res ag F.R. nts in act circ ..	—	—	—

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Nov. 3, 1917.	Oct. 27, 1917.	Oct. 20, 1917.	Nov. 4, 1916.
	£	£	£	£
Loans	183,574,000	171,776,000	169,342,000	146,840,000
Specie	8,864,000	9,192,000	11,400,000	12,138,000
Deposits	179,030,000	177,280,000	174,634,000	155,674,000
Legal Tenders	10,100,000	8,584,000	3,566,000	1,944,000

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Nov. 3, 1917.	Oct. 27, 1917.	Oct. 20, 1917.	Nov. 4, 1916.
	£	£	£	£
Loans	902,098,000	834,806,000	814,286,000	669,322,000
Reserve held in own Vaults ..	7,620,000	10,406,000	12,448,000	92,298,000
Reserve held in Fed. Res. Bk. ..	95,222,000	90,258,000	91,554,000	34,664,000
Cash in own Vaults ..	20,318,000	19,406,000	20,162,000	—
Reserve held in Other Depos. ..	6,360,000	10,586,000	15,254,000	10,670,000
Net Demand Deposits ..	715,570,000	715,868,000	730,242,000	667,352,000
Net Time Deposits ..	43,396,000	43,948,000	44,478,000	33,118,000
Circulation	6,558,000	6,542,000	6,530,000	6,300,000
Excess Lawful Reserve ..	12,482,000	13,482,000	18,988,000	22,474,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

BANK OF FRANCE (25 francs to the £).

	Nov. 2, 1917.	Oct. 25, 1917.	Oct. 18, 1917.	Nov. 2, 1916.
	£	£	£	£
Gold in hand ..	131,615,080	131,559,000	131,496,040	199,680,800
Silver in hand ..	10,139,240	10,212,040	10,278,560	13,043,760
Bills discounted ..	29,454,320	24,354,840	24,253,520	23,050,240
Advances ..	45,024,840	44,876,080	44,983,160	55,212,000
Note circulation ..	880,732,840	868,210,760	867,207,240	645,131,440
Public deposits ..	1,570,240	2,062,680	1,486,520	7,235,520
Private deposits ..	107,162,680	113,340,280	114,381,440	69,731,760
Foreign Bills ..	94,920	85,920	65,440	124,880

Proportion between bullion and circulation 25.34 per cent., against 25.71 per cent. last week. Advances to the State £486,000,000, unchanged. The adjourned payments of drafts in Paris on account of the moratorium, £20,339,200, decrease £56,760, and at the branches £25,605,840, decrease £30,320.

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Oct. 31, 1917.	Oct. 23, 1917.	Oct. 15, 1917.	Oct. 31, 1916.
	£	£	£	£
Total Coin & Bullion ..	125,932,050	125,691,300	125,373,800	126,113,000
Treasury Notes ..	51,106,750	49,620,200	50,106,050	11,472,300
Bills discounted ..	586,852,600	577,154,650	600,246,600	393,880,350
Advances ..	67,700	500,950	639,050	693,400
Note circulation ..	520,013,200	506,934,900	514,786,300	365,018,350
Deposits ..	284,302,800	286,771,700	297,149,550	172,918,000

Clearing House return during October £505,492,450, against £404,766,500 in September.

SWISS NATIONAL BANK (25 francs to the £).

	Oct. 31, 1917.	Oct. 23, 1917.	Oct. 15, 1917.	Oct. 31, 1916.
	£	£	£	£
Gold and silver ..	16,158,296	16,189,384	16,061,960	13,619,908
Bills ..	9,025,620	8,072,776	7,884,184	7,563,356
Note circulation ..	24,524,164	23,074,636	23,142,608	19,420,732
Current and deposit ..	3,559,894	3,727,056	3,405,380	3,668,436

BANK OF ITALY (25 lire to the £).

	Sept. 30, 1917.	Sept. 20, 1917.	Sept. 10, 1917.	Sept. 30, 1916.
	£	£	£	£
Total cash	39,598,000	40,218,120	41,088,240	42,379,320
Inland Bills	25,576,480	25,365,680	25,353,400	21,477,000
Foreign Bills	833,240	833,440	832,720	835,120
Advances	13,873,600	13,306,880	13,110,800	7,671,000
Government securities ..	8,785,840	8,787,000	8,786,200	8,798,040
Circulation	199,375,760	192,524,080	190,191,160	144,848,520
Deposits at notice ..	26,373,760	25,175,160	25,062,440	14,813,160
Current accounts ..	12,651,120	18,995,920	13,906,480	13,727,320

BANK OF SPAIN (25 pesetas to the £).

	Oct. 27, 1917.	Oct. 20, 1917.	Oct. 13, 1917.	Oct. 28, 1916.
	£	£	£	£
Gold	77,976,730	77,943,390	77,675,320	42,434,062
Silver	28,976,771	28,921,267	28,898,949	29,885,202
Foreign Bills	3,622,445	3,661,717	3,676,825	4,018,277
Discounts and Short Bills ..	29,212,859	24,104,951	29,731,931	25,143,027
Treasury Account, &c. ..	25,264,855	25,174,692	25,178,988	30,890,358
Notes in Circulation ..	108,709,575	108,508,209	108,495,586	92,349,380
Current Accounts, Deposits ..	37,842,161	38,237,219	38,608,239	29,170,709
Dividends, Interests, &c. ..	2,007,369	1,950,497	1,902,757	1,994,925
Government Securities ..	4,104,379	4,184,488	4,506,978	4,117,644

BANK OF NORWAY.

	Oct. 22, 1917.	Oct. 15, 1917.	Oct. 8, 1917.	Oct. 22, 1916.
	£	£	£	£
Gold	6,757,000	6,753,000	6,753,000	6,173,000
Balance abroad and ..	—	—	—	—
Foreign Bills	3,958,000	3,945,000	4,156,000	5,501,000
Gov't Securities ..	707,000	707,000	707,000	767,000
Discounts & Loans ..	17,607,000	18,675,000	17,453,000	6,522,000
Notes in Circulation ..	16,899,000	17,125,000	17,030,000	12,677,000
Deposits at notice ..	9,754,000	9,669,000	8,751,000	3,731,000

NETHERLANDS BANK (12 Florins to the £).

	Nov. 3, 1917.	Oct. 20, 1917.	Oct. 13, 1917.	Nov. 4, 1916.
	£	£	£	£
Gold and Silver ..	57,584,416	57,718,000	57,696,083	49,293,250
Bills and Advances ..	15,689,583	12,925,333	13,730,415	13,420,500
Note circulation ..	72,187,333	68,919,000	68,162,333	62,350,583
Deposits	4,690,083	5,219,823	6,627,583	4,014,416

* Statement of October 27 not yet to hand.

BANK OF SWEDEN.

	Oct. 13, 1917.	Oct. 6, 1917.	Sept. 29, 1917.	Oct. 14, 1916.
	£	£	£	£
Gold	11,919,000	11,919,000	11,919,000	7,494,000
Balance abroad and ..	—	—	—	—
Foreign Bills	7,510,000	7,249,000	7,456,000	9,212,000
Swedish and Foreign ..	—	—	—	—
Govt. Securities ..	3,973,000	3,974,000	2,863,000	3,757,000
Discounts and Loans ..	8,726,000	10,130,000	11,075,000	4,565,000
Notes in circulation ..	27,743,000	28,129,000	28,948,000	20,254,000
Deposits at notice ..	5,179,000	5,830,000	5,379,000	5,558,000

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Nov. 6, 1917.		Nov. 8, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	10.68	10.78	10.60	10.70
	Three months' bills ..	10.90	11.00	10.75	10.85
Paris	Cable transfers ..	27.56	27.41	27.37	27.42
	Three months' bills ..	27.75	27.80	27.77	27.82
Switzerland ..	Cable transfers ..	21.10	21.20	20.95	21.05
	Three months' bills ..	21.45	21.55	21.30	21.40
Petrograd ..	Cable transfers ..	354	355	375	380
Genoa, &c. ..	Cable transfers ..	37.85	38.00	38.65	38.85
Spain	Cable transfers ..	20.23	20.33	20.18	20.28
	Three months' bills ..	553	563	553	563
Lisbon and Oporto ..	Cable transfers ..	304	314	304	314
Copenhagen ..	Cable transfers ..	13.10	13.25	13.33	13.45
Christiania ..	Cable transfers ..	13.00	13.15	13.25	13.35
Stockholm ..	Cable transfers ..	10.75	10.90	11.05	11.15

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22½	27.37	27.39
Amsterdam, cheques ..	Florins to £1 ..	12.107	11.67½	10.62½
Italy, sight ..	Lire to £1 ..	25.22½	38.25	38.75
Madrid, sight ..	Pesetas to £1 ..	25.22½	20.25	20.20½
Lisbon, sight ..	Pence to milreis ..	53½d.	30½d.	30½d.
Switzerland, sight ..	Francs to £1 ..	25.22½	21.35	20.97½
Christiania, sight ..	Kroner to £1 ..	18.159	13.05	13.30
Stockholm, sight ..	Kroner to £1 ..	18.159	10.75	11.07½
Copenhagen, sight ..	Kroner to £1 ..	18.159	13.15	13.34
Petrograd, sight ..	Roubles to £10 ..	94.57	355	376
Alexandria, sight ..	Piastres to £1 ..	97½	97½	97½
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Hong Kong, T.T. ..	Sterling to dollar ..	—	2/10½	2/10½
Shanghai, T.T. ..	Sterling to tael ..	—	4/2	4/0
Singapore, T.T. ..	Sterling to dollar ..	—	2/4½	2/4½
Yokohama, T.T. ..	Sterling to yen ..	24.58d.	2/13	2/13
New York, cable ..	Dollars to £1 ..	4.86½	4.76½	4.76½
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	51½d.	51½d.
Valparaiso, go days ..	Pence to peso ..	—	14½d.	14½d.
Montevideo, T.T. ..	Pence to dollar ..	51d.	57½d.	57½d.
Rio de Janeiro, 30 days ..	Pence to milreis ..	16d.	13½d.	13½d.

BANK AND DEPOSIT RATES.

	Last week	This week
	Per cent.	Per cent.
Bank of England minimum discount rate	5	5
" " short loan rates	—	—
Bankers' rate on deposits	4	4
Bill brokers' deposit rate (call)	4	4
" " 7 and 14 days' notice	4½	4½
Current rates for 7 day loans	4½	4½
" " for call loans	3½-4	4

The Week's Stock Markets.

War news has been of a rather mixed character, and the Stock Exchange seems to require more stimulating than it has received recently, so it does not make a very heroic show. The splendid achievements on the Western Front and in Svria were overshadowed to a large extent by the regrettable Italian reverses, and the fresh upheaval of the elements of disorder in Petrograd. We must bear with these disappointments, but it would be foolish to magnify their importance, as the tendency seems to be in some quarters. Markets generally opened with a dull appearance, and dealings were very restricted, but the sentiment was inclined to improve towards the end, in spite of the Russian news. For instance, there was quite a smart recovery in War Loans on Mr. Bonar Law's speech, which incidentally repudiated the idea of a levy on capital, and this gave a better tone to other markets. The new agreement between the United States and Japan also helped to clear the air, and the securities of both countries were inclined to improve, but not much animation was displayed in any direction, nor can it be otherwise while Government borrowing in one form or another proceeds at its present pace.

Stock markets continue in an extremely sluggish condition, and with the war news of such a varying character the tone was inclined to be erratic, but with an improving tendency towards the end. The better feeling was led by the gilt-edged section, in which War Loan took a prominent part, with a biggish advance after Mr. Bonar Law's Manchester speech. Indian issues and several others also recovered to some extent, but dealings were on a very small scale. Bank stock was marked down a point. Colonial loans opened fairly firm, but relapsed into quietude and finished with an irregular appearance. In the Foreign market there was almost nothing doing most of the week, but later the tone weakened on the Russian news, and Russian securities, Brazilians, Mexicans and Peruvian Corporation all gave way. On the other hand, Japanese were better on the conclusion of a new agreement with the United States, and Chilean bonds also received some support.

Home Railways have been an extremely dull market, and prices gave way ½ to ¾ all round, with Underground stocks particularly weak. Like the others, however, they hardened a little at the finish. American were inclined to be dull, and Chesapeakes lost as much as 8 points, but there was good support for International Mercantile Marine, which advanced moderately. Canadian Pacifics and Grand Trunks were both good on the better traffics, and on a certain amount of buying after the recent sharp decline. Argentines showed considerable strength at one time, but the attitude of the Government and fears of fresh labour troubles caused some reaction. Mexicans were dull, and United of Havana fell on the 5 per cent. dividend, which although it is at the same rate as last year was regarded as disappointing in view of the large increase in receipts. Guayaquil and Quito also gave way rather sharply.

Banks were quiet and irregular. Anglo-Egyptian and National Bank of Egypt showed considerable strength, but other movements were usually adverse. Among Breweries, City of London, Ind Coope, and Allsopps were very firm, but business has been quieter than was the case some time ago. The small section of Egyptian securities continued to receive an exceptional amount of attention, and most of the shares in the group have further advanced. Iron and Steel shares as a rule were good, Swan Hunter and Rhymney being particularly prominent, while Otis Steel advanced by points at a time almost every day, and have now reached the level of 210. Among Land shares, Hudson's Bays were very flat, and Forestals and Pahangs also gave way, but Nigers put on a small fraction. Nitrate shares generally were weak, and most of the issues gave way to some extent. Shipping shares, on the other hand, were extremely well supported, and advanced substantially almost day by day, possibly on the belief that the industry will obtain some modification of the present Blue-book rates. Court Lines, Furness Withy, Indo-China, and Prince Line were particularly prominent. Marconis were rather weak, but the Marine Co. received some support. Scarcely anything was mentioned in the Textile group, but Coats's lost a fraction on the dividend announcement, which was not quite up to expectations. Brazilian Traction and Rio de Janeiro Trams were flat, but the former recovered before the finish. Among Miscellaneous Industrial securities, Salt Unions, Associated Cements, Gramophones and United Alkalies all showed strength, and Cities Services advanced as much as 15 points, bringing the price up to close on 300.

	Last Week	This Week		Last Week	This Week
Consols.....	55½	55½	N.S.W. 4½% 5 yr.bds.....	97	97
War Loan 3½%.....	85	85	" " 4½% 1922-7.....	91½	91½
" " 4½%.....	99½	99½	" " 5% 1921-3.....	90½	90½
" " 4½% 1929-37.....	93½	93½	" " 5½% 1920-2.....	98	98
" " 4% 1929-42.....	99½	99½	New Zealand 4½% 1929.....	84½	84½
India 3½%.....	55½	55½	Queensland 4½%.....	80½	80½
" " 3½%.....	65	64½	" " 4½% 1920-5.....	92	92
Australian 3½% 1920-22.....	99½	99½	Union of S. Africa 4½%.....	92	92
Canada 4½% 1940-60.....	81	81	1920-5.....	92	92
" " 4½% 1920-5.....	93½	93½	Victoria 4½% 1920-5.....	92	92
N.S.W. 4½% 1933.....	82½	82½	Westn. Aus. 4½%.....	79½	78½
Argentina 4½% 1900.....	65	65	French War Loan, 5%.....	97	97
Belgian 3½%.....	60	60	Japan 4½% (rst), 1905.....	93	92½
Brazil, 1913.....	70	69	" " 5% 1907.....	65	64
" " 5% 1914.....	80	78	Mexican 5%, 1899.....	50	50
Chinese 1896.....	82½	82½	Russia 4½%.....	56	56
" " 1912.....	84	83½	" " 4½% 1909.....	56	56
Egypt Unified 4%.....	84	83½	" " 5% 1906.....	62½	62½
Caledonian defd.....	84	84	London and N.-W.....	92	91½
Gt. Central pta.....	139	139	London and S.-W. dfd.....	23½	23½
" " dfd.....	64	64	Do red. pf. 1914.....	92	92
Gt. Eastern.....	36	35½	Metropolitan.....	23½	22½
Gt. Northern dfd.....	36½	36½	Do, 5% pf.....	77	77
Gt. Western.....	85	85½	Met. District.....	10	16
Lancs. and Yorks.....	66	66	Midland dfd.....	56½	56½
London Brighton defd.....	59½	59	Nth. British dfd.....	13½	13½
London Chatham ord.....	9	8½	Nth.-Eastern.....	97½	97½
Canadian Pacific.....	162	162½	Sth.-Eastern dfd.....	29½	29½
E. Indian Guar. 4½% debts.....	86	86	Chesapeake.....	53½	49½
Grand Trunk ord.....	9	9½	Erie.....	23½	23½
Do, 1st pf.....	50	51	Southern.....	29	28
Do, 3rd pf.....	20½	20½			
Antofagasta dfd.....	131x	130½x	Cent. Argentine ord.....	59	60½
Brazil Comm.....	5	5	Leopoldina.....	38	37½
B. A. & Pacific.....	40½	40	Mexican ord.....	19½	18½
B. A. Gt. Southern.....	77	77½	San Paulo (Brazilian).....	185	185
B. A. Western.....	74	74½	United of Havana.....	83½	82
Anglo-South American.....	77½x	77½x	London & S.W.....	12½	12½
Bank of Australasia.....	115	115	London City & Midland.....	72	72
Bank of N.S. Wales.....	35	35	London County & West.....	15	15
Barclay & Co. "A".....	7½	7½	London Joint Stock.....	23½	23½
Do, "B".....	11½	11½	Nat. Prov. of Eng. (10½ pd)	27½	27½
Capital & Counties.....	22½	22½	Do, (12 pd).....	32	32
Chartered of India.....	68	68	Parr's.....	29	29
Hongkong & Shanghai.....	84	84	Standard of S.A.....	10½	10½
Lloyds.....	24	24	Union Discount.....	10½	10½
London & Provincial.....	16½	16½	Union & Smiths.....	23½	23½
London & Brazilian.....	23½	23½			
Armstrong, Whitworth.....	39/9	40/	Kynochs.....	37/6	37/6
Birmingham Small Arms.....	51/6x	53/6	Mond Nickel ord.....	3½	3½
Cammell-Laird.....	6½	6½	South Durham Steel.....	40/	40/
Cargo Fleet.....	22/6	23/	Thornycroft.....	2	2
Dorman, Long.....	43/	43/	Vickers.....	39/6	39/6
Associated Cement.....	31/	31½	Pine Cotton Spinners.....	32/	32/6
Borax dfd.....	47½	47½	Forestal Land.....	48/	47/6
Bovril.....	19/6	19/6	Furness, Withy.....	51/6x	54/3x
Brazil Traction.....	43½	43½	Harrods Stores.....	2½	2½
British Amer. Tobacco pf.....	18/	18/	Hudson's Bay.....	7½	7½
British Aluminium.....	31/9	31/9	Imperial Tobacco 'C' pf.....	34/6	34/6
British Oil & Cake.....	30/3	30/3	Lever Bros. 'C' pf.....	20/6	20/3
Brunner, Mond.....	4/½	4/½	Lyons, J.....	4½	4½
Casner-Kellner.....	3½	3½	Marconi.....	3½	3½
Coats.....	6½	6½	Maypole Dairy dfd.....	26/	26/
Courtaulds.....	6½	6½	National Steam Car.....	20/0	20/
Cunard.....	3½	3½	Pears, A. & F.....	1½	1½
Dennis Bros.....	37/9	37/9	P. & O. dfd.....	326½	328½
Eastern Telegraph.....	149½	149½	Royal Mail.....	112½	112½
Kastmans.....	11/	11/	Underground Inc. Bds.....	83½	82
English Sewing Cotton.....	52/6	52/6			
Anglo-Egyptian "B".....	28/	29/3	North Caucasian.....	11½	11½
Baku (10s).....	2/3	2/	Romanian Cons.....	11/6	11/3
Burmah.....	6½x	6½x	Royal Dutch (100 gulden).....	49½	50
Lobitos.....	42/6	42/6	Shell.....	58½	58½
Malakoff Pipeline.....	3/	3/	Spies (10/-).....	10/	9/6
Mexican Eagle pf.....	38½	38½	Ural Caspian.....	1½	1½
Allagar 2/-.....	3/6	3/6	Perak 2/-.....	8/	8/
Anglo-Java Rub. 2/-.....	7/9	7/7½	Port Dickson 2/-.....	41/10x	41/10x
Anglo-Malay 2/-.....	15/6	15/6	Rub. Estates Johore £1.....	44/6	45/
Ayer Kuning £1.....	53/	52/6	Rub. Estates Krian 2/-.....	45/6	45/6
Batang Malaka 2/-.....	5/5	5/5	Rubber Trust £1.....	33/6	32/9
Bekoh 2/-.....	5/3	5/3	Sampang (Java) 2/-.....	3/	2/10
Brit. N. Borneo Trust £1.....	19/	19/	Sapumalkande £1.....	28/	28/
Bukit Cloh 2/-.....	5/9	5/9	Seaport £1.....	31/6	32/6
Bukit Kajang £1.....	81/	82/	Selangor.....	37/6	37/6
Bukit Mertajam 2/-.....	5/1½	5/1½	Sengat 2/-.....	38/10x	38/10x
Bukit Sembawang 2/-.....	3/9	3/9	Seremban £1.....	48/½	47/6x
Carey United £1.....	49/	49/	Shelford £1.....	45/	45/
Ceylon Para 2/-.....	11/	11/1½	Sialang £1.....	78/	78/
Chersonese.....	3/9x	3/9x	Singapore Para 2/-.....	41/10x	41/10x
Cheviot 2/-.....	7/2x	6/10x	Singapore United 2/-.....	3/9	3/9
Dalkeith 2/-.....	3/2	3/	Soemmer Ajoie 2/-.....	31/3	31/3
Eastern Invest. Trust £1.....	29/	28/6	Stagbrook £1.....	33/6	33/6
Grand Central £1.....	29/	28/9	Straits Bertam 2/-.....	7/6	7/6
Gula Kalumpung £1.....	37/	37/3	Sumatra Para 2/-.....	10/1½	10/1½
Highlands £1.....	64/	64/	Sungei Bahr £1.....	46/	46/
Java Investment £1.....	32/½	31/9x	Sungei Kapar 2/-.....	12/	12/
Java Para £1.....	35/	35/6	Sungei Kruit £1.....	59/	59/
Johore Rubber Lands £1.....	39/6	39/3	Taipang 2/-.....	4/8	4/9
Kamuning 2/-.....	4/9½	4/9½	Tali Ayer £1.....	43/6	43/9
Kinta Kellas 2/-.....	4/10	4/10	Tandjong £1.....	99/3	98/
Kuala Kubu 2/-.....	3/3	3/3	Tandjong Malim £1.....	37/	37/
Labu 2/-.....	11/	11/	Tebrau £1.....	78/	74/9
Langen Java £1.....	48/9	48/3	Telogoredjo £1.....	53/	53/
Linggi 2/-.....	30/10x	31/	Tempeh 2/-.....	3/	2/11
London Asiatic 2/-.....	9/4½	9/4½	United Serdang 2/-.....	12/6	12/4½
Malacca £1.....	58	58	United Sumatra 2/-.....	9/9	9/9
Malayalam £1.....	41/3	43/	Val d'Or 2/-.....	4/6	4/6
Merlimau 2/-.....	61½	61½	Vallambrosa 2/-.....	25/3	25/
Padang Jawa 2/-.....	3/8	3/8	Way Halim 1/8 pd.....	210½x	210½x
Pataing 2/-.....	44/6	44/6			
Abbottiakoon (10/-).....	4/6	4/	Gt. Boulder (2/-).....	13/3	13/3
Bechuanaland Exp.....	7/9	7/6	Kyshtim.....	1½	1½
Brakpan.....	54½	54½	Mashonaland Agency.....	6/9	6/6
Broken Hill Prop. (8/-).....	52/6	51/6	Meyer & Charlton.....	5½	5½
Cam & Motor.....	11/9	11/	Modder "B".....	8½	8½
Central Mining (£12).....	6½	6½	Do. Deep.....	7½	7½
Chartered.....	15/1½	15/1½	Mysore.....	3½	3½
City Deep.....	3½	3½	Rand Mines (5/-).....	37½	37½
Cons. Gold Fields.....	35/3	35/3	Rio Tinto (£5).....	62½	65x
Cons. Langlaagte.....	22/	22/	Russo-Asiatic.....	3½	3½
Crown Mines (10/-).....	28½	28½	Spring Mines.....	3½	3½
De Beers dfd. (£2 10s.).....	13	12½	Tanganyika.....	3½	3½
East Rand.....	7/3	15/6	Tananyk.....	1½	1½
Geduld.....	2½	2½	Van Ryn Deep.....	38½	38½
Gov. Areas Mod.....	38½	38½			

Oil shares were weak almost all round, and only in the case of Anglo-Egyptians, Burmahs and "Shells" was there any recovery at the end. Rubber shares were much quieter than they have been recently, and the tone was not so confident, but the adverse movements were mostly quite unimportant, except in the case of Rubber Trusts, where the dividend had been anticipated. The report, however, created a very favourable impression.

LONDON PRODUCE MARKETS.

SUGAR.—The market remained without new feature, prices being kept at late level.

COFFEE.—With sustained inquiries, business again proceeded with animation, and recent prices were not only fully maintained, but in some instances slightly exceeded. Fair to good bold East India, sold, 90s. to 98s.; and some fancy extra bold native, 115s. For future delivery prices further advanced.

CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING NOVEMBER 9, 1917.

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt., duty 14l. 98% polarisation	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granulated, first marks	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	New Zealand	nom.	nom.
German Cubes f.o.b.	nom.	nom.	(scoured) Merino	nom.	nom.
French Cube	nom.	nom.	Greasy Crossbred	nom.	nom.
Crystallised, West India	2 6 9	2 6 9	Cape snow white	nom.	nom.
Beet, 88% f.o.b.	nom.	nom.			
Tea —per lb., duty 1/-	s. d. s. d.	s. d. s. d.	Indiarubber p. lb.		
Indian Pekoe ..	1 0-2 4½	1 0-2 0½	Plantation, Spot	0 2 9	0 2 7½
Broken ..	1 3-2 7	1 0-2 8	Crepe ..		
Orange ..	1 0-2 7	1 0-2 8	Coal —per ton		
Broken ..	1 6-2 8	1 0-2 9	Durham, best ..	nom.	nom.
Pekoe Souchong	1 0-1 6	11-1 3	Seconds ..	nom.	nom.
Ceylon Pekoe ..	1 0-1 6	1 0-1 6	East Hartlepool ..	nom.	nom.
Broken ..	1 0-2 1½	1 0-2 5½	Seconds ..	nom.	nom.
Orange ..	1 0-1 3	1 0-1 6	Steamers, best ..	32 6	32 6
Broken ..	1 0-2 8½	1 3-2 8	Seconds ..	29 6	29 6
Pekoe Souchong	1 0-1 3	11½-1 0	Lead —per ton.	£ s. d.	£ s. d.
Cocoa —per cwt., duty 6d. per lb.	s. s.	s. s.	English Pig. ..	nom.	nom.
Trinidad—per cwt.	90 0-97 0	90 0-97 0	Foreign soft ..	£30½-£29½	£30½-29½
Grenada ..	81 0-91 0	85 0-91 0	Quicksilver —per bottle firsthand	nom.	nom.
West Africa ..	61 0-71 0	61 0-71 0	Tin —per ton		
Ceylon Plantation	75 0-88 0	75 0-90 0	English Ingots	£258-259	£266½-267½
Guayaquil Arriba ..	98 0-100 0	100½-102½	Do. bars ..	£259-260	£267½-268½
Coffee —per cwt., duty 42/- per cwt.			Standard cash ..	£258	£267
East India ..	82 0-104 6	82 0-114 6	Tin Plates, per box	nom.	nom.
Jamaica ..	69 0-120 0	69 0-120 0	Copper —per ton.		
Costa Rica ..	80 0-103 0	80 0-103 0	English, Tough, per ton ..	nom.	nom.
Provisions —			Best Selected ..	£119-£123	£119-£123
Butter, per cwt.			Sheets ..	£150	£150
Australian finest	220/-223/-	220/-223/-	Standard ..	£110-110½	£110-110½
Argentine ..	220/-223/-	220/-223/-	Jute —per ton.		
Irish Creameries	224/-229/-	224/-229/-	Native firsts for shipment	£19 f.o.b.	£18 5 f.o.b.
Dutch ditto ..	nom.	nom.	Oils —		
Russian finest ..	256/8	256/8	Linseed, per ton ..	£58-£63	£58-£63
Paris baskets ..	nom.	nom.	Rape, refined ..	£71	£71
Danish finest ..	256/8	256/8	crude ..	£66	£66
Brittany rolls ..	27/6-28/	27/6-28/	Cott'n Seed, crude	£60	£60
Bacon —per cwt.			Ditto, refined ..	£67-£95	£67-£95
Irish ..	161/-162/-	161/-162/-	Petroleum Oil, per 8 lbs.	1/7½	1/7½
Continental ..	162/-	162/-	Water White ..	1/8½	1/8½
Canadian ..	162/-	162/-	Oil Seeds, Linseed	—	—
American ..	157/-	157/-	Calcutta—per ton	29 10 0	29 10 0
Hams —per cwt.			Spot ..	30 0 0	30 0 0
Irish ..	184/-	184/-	Rape ..	30 0 0	30 0 0
Canadian ..	160/-	160/-	Iron —per ton		
American ..	110/-137/-	110/-137/-	Cleveland Cash ..	nom.	nom.
Cheese —per cwt.			Tobacco —duty, unmanufactured		
Dutch ..	nom.	120/-156/-	7/4 to 8/0 per lb.		
Canadian ..	nom.	nom.	Maryland & Ohio	nom.	nom.
English Cheddar	142/-	142/-	per lb. bond	nom.	nom.
Wilts loaf ..	nom.	nom.	Virginia leaf ..	0 8-2 1	0 8-2 1
New Zealand ..	nom.	nom.	Kentucky leaf ..	0 7-0 11	0 7-0 11
Rice —per cwt.	9. d.	8. d.	Latakia ..	2 0-5 0	2 0-5 0
Japan ..	29 6	29 6	Havana ..	1 6-6 6	1 6-6 6
Rangoon 2 stars ..	26 3	26 3	Manila ..	nom.	nom.
Eggs —per 120.			Cigars, duty 10/6 per lb.	2/ upds.	2/ upds.
English ..	39 0-41 0	39 0-41 0	Timber —Wood.		
Irish ..	32 0-36 0	30 0-34 0	Pitch Pine ..	300/-400/-	300/-400/-
Danish ..	33 0-35 0	32 0-35 0	Indian Teak ..	380/-700/-	380/-700/-
Spelter —			Turpentine —		
G.O.B. as to position ..	£54-£50	£54-£50	American Spot ..	4 10 6	4 10 0
Flour —per sack.			Copra —per ton	46 0 0	46 0 0
Country Straight					
Runs ex Mill ..	44/3	44/3			

Cocoa.—Moderate transactions were effected privately at full quotations, no public sales being held during the period under review.

TEA.—14,600 packages Indian and 7,000 packages Ceylon were brought to auction this week and evidenced a ready sale at full maximum rates. D. class, however, disclosed slight weakness in the early part of the week, but recovered on improved buying of this particular grade.

SPICE.—Pepper received moderate support, and a firm tone ensued. Black Singapore, on spot basis, fair, sold, 1s. 3d.; Telli-cherry, 1s. 4d. to 1s. 4½d., as to quality; and Muntok, 1s. 6½d. Cloves, on spot, done, 1s. 11d. for Zanzibar. Tapioca firm. Flake, spot, sold, 6½d. to 7d., as to quality; fair Penang seed, 66s. to 67s.; good lots, 70s.; and fair medium, 64s. At public sale, washed rough Calicut ginger, sold, 65s. Clove stems, 7d. to 7½d. Mace dearer. Penang, sold, 4s. to 4s. 2d.; good Java, 4s. 2d. to 4s. 3d.; wild mace realised 7½d. to 8½d.

RICE.—There was a fair business doing at previous rates. Beans and peas quiet, unchanged.

HEMP.—East India and Chinese realised extreme rates. Good to fine dressed East India, sold, £90 to £97; undressed, £70 to £78; and No. 1 Yuchow, afloat, £145. Manila and New Zealand remain at fixed prices.

SHELLAC stronger but irregular. Fair T.N., spot, sold, 300s.; December, 284s. to 305s., 300s., 302s.; March, 300s. to 305s., 302s., 305s.

RUBBER unsettled and quiet. Plantation, spot, crepe, sold, 2s. 8d., 2s. 8½d., 2s. 7½d.; December, 2s. 8½d., 2s. 9d., 2s. 8½d.; January-June, 2s. 10d., 2s. 9½d. Ribbed smoked sheet, spot, sold, 2s. 6½d., 2s. 6½d., 2s. 6d. Fine hard Para, spot, 3s. 1d.; soft fine ditto, 2s. 4d.; and ball, 1s. 6½d.

COPRA nominal, owing to paucity of offers.

CORN (Mark Lane).—Market movements were devoid of any interesting feature this week, trade being limited and prices steady. Wheat: Native grain continues in restricted supply, while ruling at 73s. 6d. per qr. (504 lbs.). Of imported descriptions, No. 1 Northern Manitoba quoted at 79s. 6d.; and No. 3 ditto, 76s.; Manitoba No. 5, 71s., all landed. Flour: Country straight runs, 44s. 3d. per sack, ex mill. Oats: American white clip No. 2, 61s., landed; English, 44s. 3d. Barley: English, 62s. 9d. per qr. Maize remains nominal, the market being practically cleared of supplies at present.

COTTON (from our Manchester correspondent).—Prices in the market have continued to advance, and it has been difficult for buyers to place orders. Producers are now indifferent as to extending their engagements, and in some quarters prohibitive prices are being quoted so as to stave off further contracts. Rather increased anxiety has shown itself with regard to the shipping situation, and it is feared that owing to the Government requirements being greater than ever there is little prospect of tonnage to bring the raw material from America being more plentiful. Spinners who have entered the Liverpool market to purchase the raw material have found very little offering, and from day to day there have been more buyers than sellers. In connection with the Egyptian crop the feature of interest has been the estimate of the Alexandria Produce Association of 6,250,000 to 6,500,000 cantars, as compared with 5,126,000 cantars last year. In cloth for India there has been plenty of inquiry, and after a decidedly slow demand for many months in grey shirtings such fabrics have moved off more freely for Calcutta. In some quarters printing cloths have been rather quieter. There has been no activity whatever for China, both staple makes and fancies having attracted very little attention. The inquiry for Egypt has been well maintained. Some fair lines have been put through for South America. The British and French Governments have been in the market for strong and heavy materials. The general conditions in the home trade remain healthy. American yarns have been dearer to buy than last week, and spinners have been very independent when fresh business has been offering. Some producers are now declining to quote, as they do not want to further extend their engagements. A considerable turnover has transpired in coarse numbers. There has not been very much activity in export descriptions apart from France, which has provided some very fair lines. A considerable demand has transpired in Bolton spinnings, and an encouraging trade has been done at advancing rates.

KING GEORGE'S FUND FOR SAILORS.

HANDSOME SUBSCRIPTIONS.

A meeting of the general council of King George's Fund for Sailors was held on Thursday at the Trinity House.

H.R.H. the Duke of Connaught took the chair. He expressed his confidence as to the great advantage that the fund must be to the marine benevolent institutions, and, through them, to the gallant men of the sea and to their widows and children. The whole country would be able to show their appreciation of the services of the Royal Navy, the Royal Naval Reserve, the Royal Naval Volunteer Reserve, and the men of the Merchant Service. In conclusion, His Royal Highness said that the work of the fund had been watched with very great interest by his Majesty the King, who had requested him to announce that he (the King) desired to contribute £5,000 towards the admirable work that was being done. This announcement was received with great enthusiasm.

Capt. A. W. Clarke (deputy-chairman) said he was pleased to announce that the fund had now reached £210,000. The expenses in connection with the raising of this amount were only one-half per cent., so that for every £100 subscribed by the public £99 10s. would go direct to the sailors. He thought that this constituted a record in the annals of charity organisation.

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Letters to the Editor.

FOOD ECONOMY AND THE NATION.

SIR,—Owing to the shortage in food supplies, the financial administration of every household has become almost of as much importance to the national security as the financial administration of the Treasury. So that I hope no apology is needed for addressing a word to THE INVESTORS' REVIEW on Sir A. Yapp's economy campaign.

Going forth early to market for my modest household a few days ago, I was confronted in three successive shops with the notice: "No Tea, No Sugar, No Butter, No Margarine." Unfortunately, there was nothing novel about the incident, but the inconvenience struck me more forcibly owing to the fact that I had just been reading Sir A. Yapp's appeal to us all to use less of those very commodities. If the humorous side of the matter had not occurred to me, I think I should have felt annoyed. Most of us would not only use less, but would gladly do without all those articles rather than drag from shop to shop after them—often in vain—if there were any possible substitutes to use. But when I saw some poor women turning away from these shops with tears in their eyes, wondering—poor creatures!—where they should go next, I confess I thought that this new National Economy Campaign, unless very wisely conducted, might prove not only futile, but even dangerously irritating. Those of us who can understand what any rationing system would mean in waste of time and energy and in hordes of officials, and how impossible it would be to work such a system with anything approaching equity or efficiency, will certainly do our best to help Sir A. Yapp, but he should remember that to a large class of the community rationing is not something to be feared; on the contrary, they believe—groundlessly, I fear—that then they would obtain easily at least a small supply of what they can now obtain only after infinite effort, and sometimes not then.

May I give the experience of my own household in regard to those articles of diet on which Sir A. Yapp lays special stress?

BACON.—Has been off the menu for a long time owing to high price.

BUTTER.—Do. In addition, is now quite unprocurable.

SUGAR.—Unprocurable for months. A friend living at a distance gets us half a pound when she can.

EGGS.—One a week.

TEA.—Only procurable in quarter-pounds, and often not at all.

MARGARINE.—Increasingly hard to get. Often necessary to visit two or three shops and stand in a queue.

BREAD AND MEAT.—Can still be got, and we do our best to keep to the Devonport rations.

CHEESE.—A compliment can be paid to the Food Controller here, for we have never had any difficulty in getting "controlled" cheese, and it has been a great boon.

But as to the other items, I have no reason to suppose our experience exceptional; nor do I think there is any ground for the belief unwisely fostered in certain papers that it is only the "poor" who are suffering from shortage. Locality seems much more important than income, and the suburbs generally seem much better supplied than the central parts of London.

With regard to the alleged extravagant consumption of food, I have been told—

(1) That in Scotland everyone eats what is right in his own eyes;

(2) That much the same thing prevails in the North of England;

(3) That the real extravagance is in the well-paid munition areas;

(4) That the real extravagance is in the country districts where people see few newspapers, and are inclined to carry on "Business as usual."

I am quite ignorant whether there is any, and if so,

how much truth in these statements, but surely it would be possible for the Food Ministry to find out in what areas extravagant consumption is going on, and direct their economy campaign into those districts rather than run it entirely "en l'air." Further, could they not check the flow of supplies to those areas a little? It is impossible to consume extravagantly what is not to be had. A shortage is one of the most effective ways of teaching economy.

A point that is difficult to understand from Sir A. Yapp's appeals is whether all that is necessary to tide us along is a reasonable economy; or whether what is needed is that a considerable section of the community should go short of what *in their view* is essential to the maintenance of health and efficiency. I say in their view advisedly. The habits of a nation cannot be changed in a few weeks. It is no good circulating scientific opinions that one solid meal a day and half a pound of bread a week is quite sufficient if the victim will make up with haricot beans that take 24 hours to cook, and are not much to boast of then. We English nation will not be reduced to a haricot and lentil diet by anything short of starvation and compulsory communal kitchens.

It must be remembered that the great mass of the nation, men and women alike, are working; that all are, and have been, enduring intense mental strain: that the last three years have meant to most of them a monotonous pressure of anxiety. These things do not improve strength or vitality, and people are consequently more dependent than usual on a good dietary. Workers would hardly be wise in the interests of that haphazard economy which is all that voluntary methods can produce to go to work with a sense that they were inadequately fed; for what they sacrificed with difficulty might simply be wasted somewhere else. Consequently, if this severity of economy is really essential, compulsory rationing of some sort will be inevitable. In the meantime, possibly, Sir A. Yapp's economists might concentrate their efforts on the specially extravagant areas, if such are to be found.

Yours faithfully,

HOUSEKEEPER.

P.S.—An alleviation of the acute tea shortage might be found by supplying the German prisoners with an alternative beverage such as coffee, or, better still, cocoa, the consumption of which is supposed by many to induce pacifist sentiments. Our prisoners in Germany never see such a luxury as tea, and it is difficult to see why a tea-drinking nation like the English should be asked to sacrifice what has become a necessary of life to enemies who can be quite well provided for in other ways.

Insurance News.

Striking evidence of the growing success of the Allies in dealing with the submarine menace is afforded by the news from Christiania that insurance premiums on mercantile ships were lowered on October 29. For vessels sailing from Norway to England the rate is reduced from 7 per cent. to 5 per cent. in the case of those sailing by the East Coast route, and 6 per cent. for those proceeding by the West Coast. For the Channel the reduction is from 12 per cent. to 8 per cent., for the Netherlands from 5 per cent. to 4 per cent., from Havre and Rouen from 9 per cent. to 7 per cent.

President Wilson has issued a proclamation forbidding the transaction of marine or war-risk insurance by the United States branches of German insurance or reinsurance companies, the reinsurance of such risks by either American companies or foreign companies other than German in such branches of German companies, and the placing of such risks, by any person in the United States, with any German company, or with any other company which reinsures such risks with any German company. The proclamation refers only to war-risk and marine insurance, and it is contended by American insurance experts that it is time to face the patent facts and deal with these enemy institutions

as such, and comprehensively. Officials of the German fire offices have access to detailed plans and other vital information which might prove of great value to the enemy. The Government is urged to take charge of the business and assets of all the German insurance companies operating in the United States, cancelling outstanding policies, settling obligations already incurred, and eliminating all persons from the staffs whose loyalty is subject to any suspicion whatever.

The Chancellor of the Exchequer made an important statement in the House of Commons this week with regard to a State insurance scheme against air-raided damage. It is proposed to give owners of property not exceeding £500 in value compensation for damage done by air raids and bombardment without payment of any premium. Owners of property of values exceeding £500 will be compensated up to that amount without premium, provided that all values in excess of that figure is insured under the Government insurance scheme. The new arrangement came into force as from September 1 last. In no circumstances will a refund of premium be made in respect of any insurance that may have been effected with the Government. The new scheme will be administered by a committee under the chairmanship of Sir Thomas Elliott, and will be worked in close connection with the Government insurance scheme, which is under the superintendence of the Board of Trade. When the State scheme was inaugurated in July, 1915, the rate for private houses was 2s. per cent., but this rate was reduced by 50 per cent. in February last. The insurance companies who were agents for the Government merely received a commission for working it.

Tea, Oil and Rubber.

Nothing of much interest has occurred in the Rubber share market this week. There has been a fair amount of business, but the tone was inclined to dulness in sympathy with other sections, and prices in many cases eased off a fraction. The market for the raw material also was very quiet, and standard crêpe fell back to 2s. 8d., while smoked sheet is quoted at 2s. 6½d. Last week 320 tons were landed, and 577 tons were delivered, leaving stocks standing at 11,827 tons, against 9,100 tons a year ago. So there seems to be no danger of rubber queues just at present. Several favourable dividend announcements have made their appearance, including the Kuala Lumpur final of 25 per cent., making 45 per cent., tax free, for the year, against 40 per cent. last time. In addition, £10,000 is placed to reserve, and £25,400 carried forward.

Statistics with regard to rubber consumption in the United States are of abiding interest owing to the dominant position America has secured as a purchaser of the commodity. The following official figures issued by the United States Department of Agriculture for the three years to June 30 will therefore be welcomed:—

	1914-15.	1915-16	1916-17.
Imported from—	Tons.	Tons.	Tons.
Europe	36,887	33,814	37,089
Middle East	12,454	56,041	80,996
South America	23,867	27,336	28,156
Central America and Mexico	1,169	2,042	1,266
Other countries	2,439	309	1,320
Total imports	76,816	119,542	148,827
Less re-exports	2,854	2,081	5,516
Net imports	73,962	117,461	143,311

It will be seen that the imports from Europe actually showed an increase in the past year, which is all the more surprising in view of the submarine trouble and the enormous expansion in direct shipments from the Middle East. The latter have multiplied more than six times in the space of two years. It will also come as a surprise to many people that South American exports have increased to a moderate extent, as it used to be a popular tenet of belief that wild para from Brazil would be driven out of the market by the plantation article. Exports of manufactured rubber goods from the States showed no appreciable increase last year over the previous 12 months, so that the bulk of

the large advance in imports would appear to have been required for home consumption. It is the motor industry that has accounted for most of the increase. In 1916-17 motor tyres accounted for nearly 40 per cent. of the total exports of rubber manufactures, and at the end of 1916 the number of cars registered (exclusive of motor cycles) was 3,513,000, as compared with 2,445,000 in December, 1915. We are told that there is a motor car for every 30 inhabitants, or, put in another way, one for every six families. That is a "steep" proposition even for the United States. Of course, America took to the motor with the greatest enthusiasm (as we should have expected), but until war profits changed conditions fundamentally there were nearly as many second-hand cars for sale as the makers like "Ford" were turning out, and we shall be surprised if similar conditions are not revived in the near future.

TANJONG MALIM RUBBER CO., LTD.—Year to June 30. Issued capital £500,000, in £1 shares. Estate account, £450,000. Reserve fund, nil.

	1915.	1916.	1917.
Nett profit	£26,514	£61,700	£70,490
Dividend	5 p.c.	10 p.c.	10 p.c.
Carried forward	£7,690	£12,835	£19,540
Output	571,540 lbs.	766,460	1,229,100
Average price	2s. 3d. 09d	2s. 9d 52d.	2s. 7d 42d.
All-in cost	1s. 3d. 76d	1s. 2d. 97d.	1s. 5d. 50d.
Planted area	6,648 acres	6,630	6,630
Yield per acre	86 lbs.	116	200

The dividend is paid tax free, and for the past year is equal to 13½ per cent., less tax. Carry forward is subject to additional remuneration to directors and excess profits duty. Nearly 4,000 acres have been planted since 1912, and 2,700 acres ought to come into bearing within the next 12 months, so that the output and profits are likely to be largely increased in the near future. The yield is already good, considering the age of the estate.

SUNGEI BUAYA (SUMATRA) RUBBER CO., LTD.—Year to June 30. Issued capital £85,000, in £1 shares. Estate account, £81,565. Reserve, £10,000.

	1915	1916.	1917.
Nett profit	£14,800	£28,450	£35,610
Dividend	15 p.c.	22½ p.c.	22½ p.c.
Carried forward	£2,490	£5,820	£16,300
Output	300,670 lbs.	375,250	504,310
Average price	2s. 3.06d.	2s. 8.96d.	2s. 7.61d.
All-in cost	1s. 3.19d.	1s. 2.99d.	1s. 2.62d.
Planted area	2,046 acres	2,100	2,180
Yield per acre	150 lbs.	180	231

Out of last year's profits, £6,000 has been paid for excess duty, and the carry forward is subject to this levy for the current year. All but 218 acres were planted in 1911 or earlier, and although no estimate of the crop for the current year is given it ought to show a large expansion, seeing that about 900 acres are now 10 years old and upwards.

NORTH LABIS (JOHORE) RUBBER AND PRODUCE, LTD.—Year to June 30. Issued capital £100,000, in £1 shares. Estate account, £91,640. Reserve fund, £2,500.

	1916.	1917.
Nett profit	£2,480	£12,230
Dividend	nil	7½ p.c.
Carried forward	£996	£1,230
Output	77,930 lbs.	258,960
Average price	2s. 7.42d.	2s. 6.23d.
All-in cost	1s. 11.36d.	1s. 7.05d.
Planted area	1,508 acres	1,508
Yield per acre	52 lbs.	172

From last year's profit £2,500 was set aside to reserve, while the whole of the profits for 1915-16 were written off underwriting commission, leaving a balance of £997 at the debit of preliminary expenses. Of the area planted, 528 acres have been planted since 1911, and there are 3,520 acres in reserve. Output for the current year is estimated at 350,000 lbs., a very good average of 230 lbs. per acre, for a young estate. No further clearing was undertaken in the past 12 months.

BEAU SEJOUR (CEYLON) TEA AND RUBBER CO., LTD.—Year to June 30. Issued capital 601,790 ordinary and 100,000 7 per cent. preference shares of 2s. each=£70,179. Estate account, £74,075. Reserve fund, nil.

	1915.	1916.	1917.
Nett profit	£1,360	£2,186	£3,680
Dividend (Ord.)	nil	nil	nil
Carried forward	£364	£260	£1,365
Output	28,990 lbs.	46,560	63,870
Average price	2s. 2.20d.	2s. 6.90d.	2s. 8.80d.
All-in cost	10.86d.	1s. 1.63d.	1s. 3.40d.
Planted area	—	1,300	1,428
Yield per acre	—	36	45

K.M.S. (MALAY STATES) RUBBER AND COCONUT PLANTATIONS, LTD.—Year to June 30. Issued capital £85,000, in £1 shares. Estate account, £82,580. Reserve fund, £2,000.

	1915.	1916.	1917.
Nett profit.....	£1,917	£6,450	£15,420
Dividend	nil	nil	10 p.c.
Carried forward	£1,220	£227*	£2,530
Output	69,470	99,290	196,295
Average price	2s. 2.84d.	2s. 7.83d.	2s. 9.83d.
All-in cost	1s. 4.40d.	1s. 3.43d.	1s. 4.83d.
Planted area	1,012	1,280	1,306
Yield per acre	69	77	151

* Preliminary expenses £6,340 written off.

TEBOLANG RUBBER ESTATE, LTD.—Year to June 30. Issued capital £42,500, in £1 shares; 7½ per cent. convertible debentures, £24,900. Estate account, £59,160. A profit and loss account is furnished for the first time, the nett result being a credit of £1,435, which it is proposed to write off preliminary expenses. Output amounted to 88,400 lbs., against an estimate of 52,000 lbs., and for the current year the estimate is 160,000 lbs. The planted area, dating from 1911, is 1,606 acres, and there are 992 acres in reserve. Average price obtained was 2s. 8.70d., and the all-in cost was as near as possible 2s. per lb. No useful deductions can be made from the first year's figures, but the capitalisation is moderate and the prospects are encouraging.

SUNGEI DANGAR (MALAY) RUBBER Co., LTD.—Year to June 30. Issued capital £50,000, in £1 shares; 7½ per cent. convertible debentures, £20,000. Estate account, £74,240. After payment of interest, the nett profit is £3,524, of which £3,407 is utilised in writing down preliminary expenses, leaving £117 to be carried forward. The output was 128,020 lbs., against 46,820 lbs., and the average price obtained was 2s. 8.36d., while the all-in cost amounted to 1s. 9.05d. The planted area is 1,494 acres, and there are 546 acres in reserve. The company has made a promising start, and, as all the estate except about 100 acres was planted before 1912, production ought to increase rapidly. For the current year the output is estimated at 180,000 lbs., and this ought to be more than doubled before long.

The Week in Mines.

Business has been very slack in the mining markets this week, owing to the indisposition of buyers to enter into fresh commitments pending a clearing up of the Italian position. But the tone, which had been dull in the early part of the week, became more cheerful later on the news of the capture of Gaza. The Modder group developed strength, and reached new high levels, and tin shares were supported on the rise in the price of the metal to the unprecedented level of £266¼ per ton. In other departments the majority of movements have been adverse to holders.

SOUTH AND WEST AFRICANS.

Eastern Rand shares monopolised attention in the South African market. New Modderfonteins have risen 7½ to 24, the highest price yet recorded, while Modder B's, on the expectation of a record profit for October, have advanced to 8½, and Modder Deeps 7½ to 7½. Modder Leases have been supported at 3½, on the quarterly report showing the development of 500,000 tons more of payable ore than in the June quarter. On the other hand, the Consolidated Mines Selection group was weaker. Rand Selections have declined 7½ to 4½, and Springs ¾ to ¾. The option of the C.M.S. group on the 300,000 new Springs shares at £3 a share is criticised on the ground that the shareholders should have been given the right to participate in the issue for the purpose of financing the new ground, but it should be remembered that when the option was secured the shares stood at £3. Gold Fields have declined 3½ to 1 21-32 on the dividend announcement, which disappointed the market, and Gold Mines Investments at 15s., and Gold Trusts at 24s. 9d. are both lower. East Rand, on the directors' statement, have fallen 1s. 9d. to 5s. 6d., and Wit Deeps 1s. 3d. to 7s. on the official warning of the improbability of a dividend being forthcoming this half-year. Rhodesian shares have trended downwards. Giants have relapsed 1s. to 7s. 6d., but Lonely Reefs have exceptionally advanced 1s. 6d. to 21s. Diamond shares are lower. The West African market has been enlivened by active buying of Fanti Consols, which are 1s. higher at 7s.

COPPER AND MISCELLANEOUS.

Copper shares have weakened in sympathy with the general tendency. Mount Elliots have fallen ½ to 4 on the decision of the directors, owing to continued labour troubles, to suspend smelting until the new year. Arizonas have recovered to 2 7-32 on the news that the strike has ended. Rio Tintos are quoted at 65 ex-dividend, and Mount Morgans have eased to 33s. 9d. Tin shares have responded very faintly to the rise in the metal, owing to the absence of business. Nigerian Tin Corporations have risen 1s. 6d. to 18s. 6d., and Renones 1½ to 2½, but South Crofts have fallen 1s. to 20s. 6d. Silver shares have been sold on the relapse in the metal. Casey Cobalts have declined 1s. 3d. to 6s. 6d. Mining Corporations of Canada 1s. to 16s. 6d., and Santa Gertrudis 9d. to 14s. 6d. Russians show little change, but Indian shares are weaker. Ivanhoes have been inquired for at 214 in anticipation of rumored developments below the bar of porphyry at the bottom of the mine. Broken Hill shares have been on offer; British Proprietaries have declined 1s. further to 37s. 9d.

MINING NEWS.

SANTA GERTRUDIS.—The report of this Mexican company for the year to June 30 makes a very poor showing, owing to the fact that it was not able to crush much more than half its capacity, largely in consequence of the shortage of cyanide. A profit of only £1,799 is shown in the accounts as compared with £42,057, and against this £2,500 is allocated for depreciation on the Messina shares. No dividend is paid, whereas last year 1s. per share was distributed. Since the close of the financial year the position has materially improved. A profit of £20,000 was reported for September, as against £17,500 in August, and £10,900 in July. The ore reserves have declined from 1,214,000 tons to 1,125,000 tons, but the values are higher both in gold and silver. The balance carried forward is reduced from £22,030 to £21,329.

CAMP BIRD.—This company, which controls the Santa Gertrudis, made a loss in the year ended June 30 of £6,753, which reduces the credit balance brought in from £85,020 to £78,276, which balance compares with £138,685 a year ago. The preference dividend absorbed £45,474, and income-tax £11,315, leaving £21,487 to be carried forward. The company's holding of Santa Gertrudis shares is 1,126,901, or 75 per cent., but it is understood that about 10,000 shares were recently sold to strengthen the Camp Bird's cash position.

KAMUNTING TIN.—During the year ended June 30 this company, after setting aside £6,781 for amortisation of capital, made a net profit of £15,926, as compared with £38,858, but £16,854, against £3,996, was brought in. Excess profits duty for the year 1915-16, however, absorbs £14,875, and the dividend is reduced from 20 per cent. to 5 per cent., tax free, and £6,188 is carried forward. On account of the current year an interim of 5 per cent., tax free, has been declared, and the prospects for this year are much better owing to the high price of tin.

THE EASTERN RAND TENDERS.—It appears that the unsuccessful tenderers for the Springs-Southern Geduld area, secured by the Barnato interests, were the Anglo-American Corporation, the Central Mining Corporation, the Geduld, the Albu group, and Messrs. Lewis and Marks. For the South-Eastern portion of the De Rietfontein Farm, secured by the Springs Mines, the unsuccessful bidders were the Barnato group, Messrs. Lewis and Marks, and Mr. J. Dale Lace. The unallotted portion of the De Rietfontein Farm was tendered for by the Central Mining Corporation, Mr. J. Dale Lace, and Messrs. Lewis and Marks, as well as the Springs Mines. Only one tender was put in for the Eastern Geduld, and that was by Messrs. Lewis and Marks, but this was not accepted. It is generally agreed that the Barnato offer for the Springs-Southern Geduld area was remarkably high. The capital of the company to be formed to work this area will be £1,500,000. The Springs Mines will issue 500,000 new £1 shares, but apparently this emission will be a private one.

LAKE VIEW AND OROYA.—Although the profits show a slight recovery, amounting to £14,600 for the year ended June 30, against £12,971, the available balance is only £14,764, against £42,766, owing mainly to a reduction of £22,131 in the sum brought in. No dividend is to be paid, whereas last year 10 per cent. was distributed, and £14,764 against £164 is carried forward.

What Balance Sheets Tell.

COPE BROTHERS AND CO., LTD.

After two years of surprising and increasing prosperity, this company have at last experienced a setback, the profit for the financial year ended June last being £7,430 below that of the previous period. After debiting interest and other charges, there remains the sum of £58,540. Of this, £40,000 against £45,000 is set aside as a reserve for excess duty and other contingencies, leaving an available surplus of £18,540, out of which a dividend of 6 per cent. as before is declared. From the previous accounts the sum of £8,880 was brought in, so that there is now £1,665 more at £12,955 to be carried forward. In the ordinary course £51,400 debenture stock of the company would have become due for redemption on July 31 last, but arrangements have been made for its renewal for a further period of seven years at 5½ per cent. per annum. And that the company's cash resources are none too ample for its requirements gives no cause for surprise. Costs are up in every direction, and the price of leaf has enormously increased. Thus the stock which a year ago appeared at £234,460 is now valued at £292,680. Bank advances are £18,000 larger at £50,200, and this item, current liabilities, special reserve for excess profits duty, and dividend disbursement together total £187,780, against liquid assets, apart from stock, aggregating £144,510. Compared with what it was some years ago, the position exhibits an appreciable improvement, but it is far from as satisfactory as might be wished. Goodwill still figures at £44,970, and the reserve fund only amounts to £4,070.

DRAKE AND GORHAM, LTD.

A considerable improvement took place in the position of this undertaking during the financial year ended June 30 last. Not only were better results derived from the wholesale trading department and the works, but the sale of self-propelled electric vehicles showed a substantial expansion. Gross profit and interest on investments are £5,780 larger at £35,740, and although expenses and depreciation absorbed a larger sum than in the previous year, £2,870 of this increase is retained in nett. The sum available amounts to £11,400, and after providing for a 5 per cent. dividend, as against 4 per cent. a year ago, £2,000

more at £5,000 is devoted to writing down goodwill, which now stands in the balance-sheet at £54,000. This allocation and disbursement leaves a surplus of £145, which, added to the amount brought in, leaves £2,295 to go forward. In the balance-sheet stock is £2,440 higher at £21,635, investments at market value are up £1,090 at £14,250, and sundry debtors owe £2,770 more at £58,640. On the other hand, creditors and dividend disbursements are only £4,050 larger at £37,280, so that the liquid position is stronger than a year ago.

STAR PAPER MILL CO., LTD.

A phenomenal increase took place in the gross profits during the half-year ended October 31 last, but expenses increased to an even greater extent, so that a smaller amount is retained in nett than in the corresponding half of 1916. Still, the shareholders again get 20 per cent., which brings up the return for the full twelve months to 20 per cent., as against 16½, which is substantial enough. Paper, rents, &c., yielded £104,020 more at £356,695, materials, wages, &c., absorbed £336,200, an increase of £106,710, and nett revenue, after writing off £4,000 in respect of depreciation, is £2,690 less at £16,500. The sum of £38,440 was brought into the accounts, but as £20,000 of this is allocated to reserve the carry-forward is left £1,912 down at £27,830. In the balance-sheet several large movements have taken place. Sundry debtors owe £41,820 more at £88,180, the sum of £39,250 has been invested for debenture redemption, and stock of materials, paper, &c., has increased by £17,125 to £37,795. On the other hand, debts owing by the company are £65,218 higher at £105,040.

NEW HUDSON CYCLE CO., LTD.

Compared with 1916, the trading profits of this company for the financial year ended August last show an enormous reduction, but the earnings for that year were, of course, abnormal, and there is doubtless a good and sufficient reason to account for the anomalous character of the figures. That the directors regarded the results of a year ago as exceptional, and not likely to recur, is evidenced by the fact that the distribution made on the ordinary shares on that occasion was less than one-sixth of the amount available. The trading profit comes out at £32,500, against £82,950, and after deducting various items of expenditure, which, at £8,950, were £2,110 larger, there remains the sum of £23,530. Depreciation and repairs get £12,200, compared with £14,800, and the available profit, before provision for excess profits duty, comes out at £11,330, in contrast to £61,300. The ordinary dividend is repeated at 10 per cent., free of tax, and £5,500 written off in respect of special losses incurred in winding up and closing the subsidiary businesses in Paris and Cape Town, and certain of the home depots. This has entailed drawing upon the amount brought in to the extent of £5,120, leaving the carry forward £4,120 down at £49,300. What proportion of this sum the company will eventually retain it is impossible to say, as it has yet to pay war taxation in respect of the period from September, 1914 to August, 1917. A year ago the directors stated that as soon as the amount of the war impost was ascertained they would take into consideration the advisability of a further distribution of dividend, but this time the report is silent on the point. Changes in the balance-sheet call for no comment.

SELF-SEALING RUBBER CO., LTD.

This company did not do so well in the financial year ended August 31 last as in the preceding financial year. Profit on trading was £1,290 smaller at £2,705, and as income-tax and directors' remuneration absorbed £90 more at £790, there is £1,390 less at £1,910 available for distribution. The dividend is, however, maintained at 12½ per cent., free of tax, and out of the amount brought in £1,000, against nil, is allocated to the reserve fund. This leaves £960 less at £1,150 to go forward. Balance-sheet changes call for no comment. Liquid assets exceed current liabilities by £7,000, and stock-in-trade is valued at £6,090.

PONDICHERRE RAILWAY CO., LTD.

The war continues to affect the business of this company, and the number of passengers carried and tonnage of goods hauled both show a falling off. Goods traffic yielded Rs. 10,170 less, but the increase of 50 per cent. in fares, although only effective from February, 1917, actually resulted in a larger income from passenger traffic for the year ended March last. This augurs well for the current year. The total receipts come out at Rs. 96,435, a decrease of Rs. 9,740, but as working expenses were reduced Rs. 4,450 to Rs. 49,045, net receipts at Rs. 47,390 only exhibit a reduction of Rs. 5,285. After meeting home charges, net earnings amount to Rs. 31,990, a decrease of Rs. 7,780. Then Rs. 15,990 goes to the French colonial authorities in respect of their moiety of the profits, leaving a balance equivalent to £1,090 to be brought home. The distribution on the shares is again made up to 20 per cent., free of tax, after which there remains £835 to go forward, against £1,075 brought in.

H.M. THE NIZAM'S GUARANTEED STATE RAILWAYS.

Considerable interest always attaches to the operations of this undertaking, though we fear most of the capital stockholders have long ago given up all hope of receiving anything beyond their 5 per cent. in the way of dividend. The sums paid under existing and previous guarantees by the Nizam's Government remain a contingent liability of the company, and at March 31 last the amounts received during past years to pay guaranteed annuities in respect of the broad gauge system reached the huge total of £2,194,317. As the annual Government moieties of surplus earnings—by means of which this contingent liability is to be repaid—fall short of the annual interest on the debt, the liability has been increasing year by year, and the long-looked-for time when all broad gauge surplus earnings will belong to the company seems to be getting more

and more remote. In the financial year ended March 31 last the revenue of the broad gauge section was £9,745 larger, and as working expenses were £48,950 down at £250,560, net earnings are £54,050 up at £254,050. This apparent improvement is, however, chiefly attributable to the smaller amount spent on maintenance, the expenditure under this head at £36,000 being £66,200 less than in the previous year. The earnings of the metre gauge system show a shrinkage of £37,620, but expenses are £22,820 less, and the actual fall in nett is, therefore, only £14,750. Together the nett earnings of the two systems amount to £379,670, an increase of £39,800. Of this £184,600 is absorbed by debenture interest and refunds and £100,000 by the 5 per cent. dividend on the capital stock. The sum of £27,320, the Government's moiety in respect of the broad gauge system, is applied to reduce the contingent liability, but the 5 per cent. interest for the year on this amounts to £45,540, so that the total liability has been further increased £18,200 during the period. The balance goes to surplus earnings and reserve fund B, the former now amounting to £149,870 and the latter to £125,000.

JABEZ JOHNSON, HODGKINSON AND PEARSON, LTD.

The profits of this firm of quilt and blanket manufacturers for the financial year ended July last were somewhat lower than those of the preceding period, but the slight falling off is ascribable to the incidence of an increased excess profits duty for seven months of the period, and as the amount available is equivalent to nearly 38 per cent. on the old ordinary shares, the shareholders have no cause for dissatisfaction. The net profit, after providing for depreciation and excess profits duty, comes out at £35,210, a decrease of £2,320. A year ago the ordinary shares received a dividend and bonus of 22½ per cent. In the ensuing interval £80,000 of the reserve fund has been capitalised into deferred ordinary shares of £1 each, and the ordinary shares converted into 10 per cent. non-cumulative preferred ordinary shares. The dividend on the preferred ordinary shares and the distribution of 12½ per cent. on the deferred shares now announced represent, therefore, an amount equal to the preceding year's disbursement. After again allocating £10,000 to reserve, there remains £30,850 to go forward. Liquid assets, including investments, total £147,380, against £162,850, and current liabilities, including dividend disbursements, aggregate £97,840, compared with £108,830. This slight contraction in the liquid position is explained by stock, which has gone up £22,850 to £106,920. The reserve fund now amounts to £30,000.

MONTEVIDEO TELEPHONE CO., LTD.

Quiet progress continues to be made by this company. Subscriptions and rentals during the financial year ended July 31 last amounted to £81,420, an increase of £6,200. Expenses, chiefly due to increased provision for income-tax and excess profits duty, totalled £55,100, as against £49,230, and nett profit comes out £340 larger at £26,320. After providing £8,000 and £9,000 respectively for depreciation and reserve for renewals, as before, there remains the sum of £9,320, out of which is paid the preference dividend, requiring £4,320, and the ordinary distribution of 6 per cent., calling for £4,360. These disbursements leave a surplus on the year of £640, which goes to augment the carry-forward, now amounting to £6,330. The chief changes in the balance-sheet are the increases in the items investments at cost, which are returned at £99,930, as compared with £72,000 a year ago, the rise of £9,000 to £18,500 in bills receivable, and the reduction of £10,610 in cash. With the latest allocation, the reserve for renewal of plant amounts to £77,770, and the general reserve fund to £60,000, substantial provision with a share capital of £159,170 and no debentures.

BOLIVAR RAILWAY CO., LTD.

In Venezuela the mining industry has been much more active, and a welcome improvement has taken place in the affairs of the Bolivar Railway, the oldest railway in that country, and a line which, although only just over 130 miles in length, is of considerable importance to a number of British investors. By far the greater proportion of the goods traffic consists of copper ore, and the amount carried during the year ended June last, which was 18,190 tons larger at 40,481 tons, resulted in a substantial accession to the earnings of the railway, the gross take being £12,690 up at £113,670. Steamer earnings and sundry receipts produced £1,220 more at £9,890, and total gross revenue, therefore, exhibits an increase of £13,900 at £123,570. Naturally, all the chief items of expenditure are up, but not to the extent that might be expected, and after again setting aside the sum of £7,000 for depreciations, repairs and maintenance, writing off £2,480, as against £3,880, in respect of loss on working of estates, nett revenue comes out at £20,780, an increase of £3,240. The payment of the 5 per cent. preference dividend as before leaves a surplus on the year of £9,800, and, adding the amount brought in, there is £67,680 to go forward to the next accounts. Working assets are some £12,500 larger at about £48,000. Creditors, bank overdraft, &c., total £1,560 less at £14,040, and, including sundry disbursements, current liabilities amount to £18,960. During the first three months of the current year gross earnings have amounted to £32,000, as compared with £22,510, and if this rate of improvement continues a further substantial increase in nett revenue is likely to be seen, despite higher working expenses. A satisfactory feature is that the revenue includes eleven months' traffic receipts from the San Felipe Branch, which the directors regard as being satisfactory, and as giving much promise for the future. Another encouraging development is the removal of certain restrictions on export business at the port of Tucucas, the coastal terminus of the company's railway.

COMPANY MEETINGS.

ENGLISH, SCOTTISH, AND AUSTRALIAN BANK.

The 25th ordinary general meeting of the English, Scottish, and Australian Bank, Limited, was held on Wednesday at Winchester House, Old Broad Street, Mr. C. J. Hegan, the chairman, presiding.

The London Manager and Secretary (Mr. E. M. Janion) having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of his address, said:—Gentlemen,—It is very gratifying to your directors that, notwithstanding the troublous times through which the country—indeed, the whole Empire—is passing, we are in a position to lay before you to-day a report and statement of accounts with which I am sure you will be satisfied. The majority of you, I feel sure, are well aware of the difficulties which beset every form of business enterprise carried on under present conditions with the far-distant Commonwealth of Australia, but there are other difficulties peculiar to banking which are, perhaps, not so widely recognised.

The lending out on advantageous terms of the money belonging to our shareholders and the money entrusted to us by the public is a comparatively simple matter; but banks, especially those doing business with the distant parts of the Empire, have an all-important part to play in facilitating trade between the Mother Country and those self-governing communities which own allegiance to the flag—financing the output, the transport, and the marketing of their produce, and sending back to them from the Mother Country the varied manufactures of which they stand in need. Well, this interchange of commodities—which, simple enough in theory, involves sometimes the most complex financial arrangements—has been disorganised and thrown out of gear by the exigencies of the situation in which we find ourselves to-day. The chief articles of Australian produce—wheat, wool, frozen meat, and butter—have been commandeered by the Federal Government acting on behalf of the British Government, so that, to begin with, the financing of the bills of exchange which used to be drawn against the produce shipped has to a great extent passed out of the hands of the banks. At the same time, this is probably the best thing that could have happened for the individual producers. But the large disbursements made in London by the British Government in payment for this commandeered produce have led to the accumulation over here of an unusually large proportion of the funds of all the Australian banks, and these, owing to the restrictions placed upon exports from the United Kingdom and other causes, are only able to find their way back again very gradually. Meanwhile, we have made the best possible use of them here by supporting the different issues made by the British Government to an extent we should not otherwise have been able to do. At the date of making up our balance-sheet we had upwards of £1,750,000 invested in War Loan, Exchequer Bonds, and Treasury Bills. The seasons have been favourable of late throughout the Australian continent. The wheat harvest bids fair to be a good one, and the heavy losses of sheep—which between the years of 1911 and 1916 are estimated to have totalled nearly 24,000,000, or more than 25 per cent. of the flocks depasturing in Australia in the first-mentioned year—will, with a continuance of seasons like the present, be rapidly made good. A week ago our general manager cabled to us as follows:—“Harvest and pastoral prospects good throughout Australia; general business good at all our branches.” A very satisfactory feature of the situation which deserves notice is the way in which the Australian community as a whole has responded to the calls made upon it for funds to carry on the war. The issues were liberally supported by the banks, and we were not behindhand in taking our share. While the good seasons and the high prices obtained for their produce affect favourably the agricultural, the pastoral, and the dairying industries alike, it must not be forgotten that there are adverse factors also with which they have to contend—namely, the deficiency of labour, the shortage of freight, and the heavy war taxation. The last-named we all suffer from, at home as well as abroad, and we do so ungrudgingly, so long as the incidence of the taxation is fairly distributed; but institutions like ours, which are taxed on the fruit of their labours twice over, have a right to complain, and do complain, of the injustice meted out to them. The figures in our profit and loss account are a significant reminder of the extent to which we suffer. “Income and other taxes” figure there for £73,796, while the yearly distribution to our shareholders only amounts to £43,155. In other words, while the shareholders get 8 per cent. upon their capital, upwards of 13½ per cent. is paid away in taxes; and that without our incurring any liability on account of excess profits. The seriousness of the situation created by the shortage of freight can hardly be exaggerated. Without a free market in shipping, and with the natural laws of supply and demand no longer operating, trade and commerce are seriously handicapped. Questions of high policy and military necessity now govern the situation, and there we must be content to leave it for the present. Turning now to the figures before us, the appropriations which we recommend to you are identical with those recommended by us and adopted by you a year ago. The expenses of management continue to mount up, four-fifths of the increase over last year coming under the head of salaries. This is by far the heaviest item in the total, and there can be no reduction of it while the war lasts; for we are saddled with the payment of the salaries of those serving at the front, as

well as of those we have taken in to fill their places. At the end of our financial year we again decided, in view of the greatly increased cost of living, to grant an increase of 10 per cent. on all salaries for that period. I should like to draw your attention to the undeniable strength of our position, as shown by the fact that, in cash and Treasury bills—the latter appearing under the head of bills receivable,—and leaving our investments out of account, we hold no less than 24s. against every 20s. of our immediate liabilities to the public. Our reserve fund now stands at £500,000, an amount which very nearly equals the reserve liability upon our shares.

Mr. James Jackson seconded the motion, which was carried unanimously.

BUENOS AYRES WESTERN RAILWAY.

The 28th ordinary general meeting of the Buenos Ayres Western Railway, Ltd., was held on Tuesday at River Plate House, Finsbury Circus, E.C., Sir Henry Bell, Bart. (the chairman), presiding.

The Secretary (Mr. Robert Graham) read the notice convening the meeting and the report of the auditors.

The Chairman said they had to deplore the death of their esteemed colleague, Mr. David Simson, and added that to fill the vacancy thus created on the board Mr. Henry C. Allen had been elected a director. Turning to the report, he remarked that it was about the worst they had ever had, mainly due to an almost total failure of the crops from drought and locusts and to enormously increased working expenses caused by the war. The dividend recommended must have been a disappointment to the shareholders, but the board prepared them for it when distributing the interim dividend. They might be inclined to ask why it was not increased from the reserve fund. The whole matter had had the board's most careful consideration. At the time they were involved in a serious strike, and they could not overlook the fact that if it continued for any length of time they might be obliged to use the reserve funds to pay for fuel, stores, &c., and also to provide for the debenture interest. As it was, they would have to encroach on the carry forward, which was practically part of their reserve, to the extent of £27,942 to pay the proposed 1 per cent. One or two shareholders had expressed the hope that the interests of the small shareholders would not be overlooked. He wanted to say that they were never overlooked. He had frequently noticed that many people in the Argentine, when referring to the foreign railway companies operating there, were inclined to regard them as being owned and controlled by small bodies of wealthy men, who were generally described as capitalists. This was an entirely erroneous impression. He had had the holdings of their ordinary stock analysed, and he found that if they deducted only six of the largest holdings from the total, they got an average per holder of some £820, and there were some 10,000 holdings which did not exceed £400. In this company alone there were over 30,000 stockholders and shareholders, and therefore, when by antagonistic legislation a feeling of suspicion was aroused, very considerable and widespread harm was caused to the standing and future development of the companies, and if persisted in it must eventually have a very prejudicial effect on Argentina, because it would become more and more difficult to find further capital when it was required. Their relations with the Argentine authorities had been the cause of unceasing anxiety during the year, and the more they tried to maintain cordial relations with them the more exacting became the demands on the companies. As an example of such exacting, he mentioned the pensions proposals, which, he said, were so confiscatory that to have accepted them would have meant ruin to the companies. The matter was still *sub judice*. After dealing with the Government's Pension Law, the increase in rates, and the strike, he spoke of some of the more hopeful aspects of the company's position, remarking on the unequalled promise of the growing crops. In a cable from the chairman of the local committee, which he read, it was stated that the prospects of large traffics from all sources could not be better. He concluded by moving the adoption of the report and accounts.

Mr. A. E. Bowen seconded the motion, which was adopted; and a resolution to contribute £1,000 to the Red Cross Society was passed.

BUENOS AYRES GREAT SOUTHERN RAILWAY.

The ordinary general meeting of the Buenos Ayres Great Southern Railway Co., Ltd., was held on Wednesday at River Plate House, E.C., Mr. A. E. Bowen (the chairman) presiding.

The Secretary (Mr. A. Giet) read the notice and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, said, to a certain extent he thought the shareholders would find the report encouraging, as their railway was the only one in the Republic which had a fair crop of cereals to carry, and the receipts showed an increase of £185,001, though the total tons carried was 179,714 less than last year. That comparatively favourable position, however, was over-balanced by a phenomenal increase in the expenditure, the extra cost of coal alone being £482,589, or 114 per cent. over the previous year, with the result that there was a falling off of £323,597 in the nett receipts. The year had been a difficult one from the point of view of railway working. It had been impossible to get sufficient coal from either England or the United States, and they had had to fall back upon hard wood fuel, which came

principally from the northern districts. They were obtaining small quantities of oil from the Government, but nothing like sufficient to keep the engines going which they had fitted to burn that fuel. Every possible economy had been effected, and it was a great credit to the officials that they had been able to carry on, and that the nett result was as good as it was. Apart from the working of the railway, it had been a worrying year, principally owing to the attitude adopted by the Argentine authorities towards the railways. The present Government appeared to ignore the fact that the prosperity of the country had been brought about by the construction in a comparatively short time, of about 15,500 miles of railway by British capital. It had been one of the objects of the board to try and convince the Government that if the nation desired to make the Republic a paradise for railway workers they would have to pay the bill in the shape of increased tariffs. Another trouble during the year was the strike, which completely stopped the railway for 25 days, and had caused a great deal of loss of property. A cable received that morning was to the effect that more trouble was certain within a short time unless the Government took energetic steps to deal with the agitators. With regard to the future, the crops were looking well, the worst feature being the price of coal. They were paying a balance dividend of 2 per cent., making 4 per cent. for the year.

Sir Henry Bell seconded the resolution, which was carried unanimously, and a sum of £1,000 was voted to the British Red Cross Society.

Answers to Correspondents.

*** A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.**

Deposits against future queries may be lodged with the Publisher.

Nigeria.—The company is still in the gamble stage. You should take your profit, and not buy more to average on the up-grade.

Z. Z. P.—(1) Yes, not first rate, but fair. (2) We doubt it. The guarantee is limited, and the line does not pay—some say, never will.

Joseph.—They might be, but certainly not on the yield. The company, too, carries a big overburden of rubbish, and is not very skilfully managed.

M. M.—It pays a high dividend, and is likely to continue doing so. There is no reason to sell at present.

D. R. G.—(1) Since you wrote, the news politically is disquieting. Apart from this, in the present state of affairs they are hardly attractive purchases just now. (2) Quite a speculation. The company seems likely to do fairly well, but we see no reason for any substantial rise.

Cave.—(1) Ten-year bonds. (2) Not yet, although crop prospects are distinctly better. (3) The report is disappointing, expenses show such a heavy increase. If the market falls under 80, a purchase might be considered.

F. S. T.—(1) They will not be issued here. Why not support our own issue? (2) They are artificially high, and should be sold. The security is no doubt good, but you can get equally secure bonds much cheaper.

Manor.—(1) Three and a-half per Cent. War Stock; dividends can be added automatically. (2) Quite a good bond, redeemable by drawings at 104. Keep unless you can obtain about par for them.

Citizen.—Your city is very prosperous and likely to continue so, but we do not anticipate any important recovery in its securities for a long time. There is no objection to a further purchase if you are not looking for appreciation.

C. R. A.—We cannot say without knowing the powers of investment under the trust deed. If you will send us a copy of the clause we will advise you. As a rule, bearer bonds are not allowed.

A. J. M.—If you can get anything for your shares sell them. If not cut your loss, and do not put more money into the concern. It is a very doubtful enterprise.

F. E. S.—The company has prospects, but there is nothing to justify any rapid rise soon. A buyer will have to wait, so the shares do not fill your requirements.

A. B. Z.—We think you might hold on a little longer, but do not care to advise further purchase now.

Sir J. L. Hulett and Sons, Ltd.—The following cable, dated November 5, 1917, has been received from the head office:—"All mills and refinery as also tea factories safe. Pumping plant mills some instances severely damaged. Electrical power station, Kearsney, washed away. Umgeni and Umhloti railway bridges washed away. All other bridges, although damaged, and approaches washed away, are safe. Rainfall and storm worse in Natal than Zululand. Difficulty transport great. Our actual loss capital value thirty thousand pounds, apart from consequential loss, about which writing fully.—Huletts."

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and November 3, 1917:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Nov. 3, 1917.	Total Receipts into the Exchequer from April 1, 1916, to Nov. 4, 1916.
Balances in Exchequer on April 1—			
Bank of England	—	25,209,947	25,111,665
Bank of Ireland	—	1,225,912	463,731
REVENUE.		26,435,859	25,575,006
Customs	70,750,000	41,649,000	38,945,000
Excise	34,950,000	21,511,000	31,345,000
Estate, &c., Duties	29,000,000	17,252,000	17,731,000
Stamps	8,000,000	4,215,000	4,233,000
Land Tax	—	—	—
House Duty	2,600,000	340,000	330,000
Property and Income Tax and Super Tax	—	—	—
Excess Profits Duty (including Munitions Levy)	224,000,000	58,271,000	41,004,000
Land Value Duties	200,000,000	110,175,000	48,732,000
Post Office	400,000	247,000	221,000
Crown Lands	33,700,000	19,150,000	19,000,000
Receipts from Sundry Loans, &c.	600,000	320,000	320,000
Miscellaneous	7,500,000	1,469,917	4,815,767
	27,100,000	37,560,341	10,908,967
Revenue	638,600,000	312,399,258	217,493,734

Total, including Balance 338,835,117 243,068,740

OTHER RECEIPTS.		
Repayment of Advances for Bullion	1,170,000	2,470,000
Repayment of Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	—
Under Telegraph (Money) Act, 1913	55,000	180,000
Under Post Office (London) Railway Act, 1913	68,000	160,000
Under Housing Act, 1914	229,000	45,200
For Treasury Bills (for supply)	1,486,712,000	1,342,142,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	—	3,087,600
For 4½ per Cent. War Loan, 1925-1945	—	424
For 5 per Cent. Exchequer Bonds, 1919	—	34,222,000
For 5 per Cent. Exchequer Bonds, 1920	—	84,115,469
For 5 per Cent. Exchequer Bonds, 1921	—	62,464,000
For 5 per Cent. Exchequer Bonds, 1922	82,110,000	—
For 6 per Cent. Exchequer Bonds, 1920	—	76,616,000
For War Expenditure Certificates	—	27,262,000
For War Savings Certificates	22,400,000	33,550,000
For other Debt created under the War Loan Acts, 1914-1917	428,814,137	76,106,202
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947	166,550,000	—
For National War Bonds	*67,097,000	—
Temporary Advances—		
Ways and Means (including Treasury Bills £345,000,000 in 1916-1917)	612,196,000	457,896,500
Total	3,206,406,072	2,443,386,141

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

* Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Nov. 3, 1917.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Nov. 4, 1916.
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EXPENDITURE.			
Permanent Charge of Debt ..	17,000,000	11,714,331	14,420,874
Interest, &c., on War Debt ..	194,500,000	8,199,917	64,152,872
Payments to Local Taxation Accounts, &c.	9,700,000	4,855,910	4,864,135
Other Consolidated Fund Services	1,695,000	1,096,551	1,282,986
Supply Services	2,068,826,000	1,483,330,492	1,085,766,662
Expenditure	2,291,721,000	1,581,174,203	1,170,495,529

OTHER ISSUES.			
For Advances for Bullion	1,290,000	2,660,000	—
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	91,370	—
Under Telegraph (Money) Act, 1913	55,000	180,000	—
Under Post Office (London) Railway Act, 1913	68,000	160,000	—
Under Public Buildings Expenses Act, 1903 ..	—	8,000	—
Under Housing Act, 1914	382,000	44,500	—
For Treasury Bills for Supply	959,736,000	880,638,000	—
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	—	3,087,600	—
For Exchequer Bonds, etc., under Section 61 of the Finance Act, 1916, and Section 34 of the Finance Act, 1917	310,995	62,950	—
For other Debt under the War Loan Acts, 1914 to 1917	14,650,039	—	—
For Depreciation Fund under the Finance Act, 1917	21,192,160	—	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908	10,100	69,000	—
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	20,000	43,160	—
Old Sinking Funds, 1911-12 and 1913-14, issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914	149,000	250,000	—
Temporary Advances repaid—			
Ways and Means (including Treasury Bills £282,760,000 in 1916-17)	605,058,000	355,656,500	—
Total	3,195,085,215	2,416,446,609	—

Balances in Exchequer— 1917. Nov. 3. 1916. Nov. 4.

Bank of England	20,336,244	25,843,711	—
Bank of Ireland	984,613	1,095,821	—
Total	21,320,857	26,939,532	—

Memo.—Treasury Bills outstanding on Nov. 3, 1917, £99,030,000.

* Includes £383,000, the proceeds of which were carried to the Exchequer within the period of the account.

THE JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED,

announces that owing to the irregularity and delay in the mails, the issue of the quarterly reports to the Shareholders of the Mines of the Barnato Group will be discontinued for the time being. In place thereof a cabled summary of the quarter's operations will be advertised in the press

GOVERNMENT GOLD MINING AREAS (Modderfontein) Consolidated, Limited.

Tons Crushed, 326,500 tons.	Per ton, based on Tonnage Crushed
Total Working Revenue ... £494,620	£1 10 3
Total Working Costs ... 314,721	0 19 3
Working Profit... ... £179,899	£0 11 0
Sundry Revenue ... 1,422	
Total Profit for the quarter ... £181,321	

No allowance has been made in the above for the Government's share of the Profits.

The expenditure on Capital Account amounted to £27,835.

Owing to a serious shortage of Native Labour crushing was decreased by 13,000 tons as compared with the previous quarter. The revenue from gold improved to the extent of 9d. per ton; working costs were 7d. per ton higher.

The Payable Ore Reserves were increased by 500,000 tons.

VAN RYN DEEP, LIMITED.

Tons Crushed, 129,210 tons.	Per ton, based on Tonnage Crushed
Total Working Revenue ... £280,989	43 6
Total Working Costs ... 125,002	19 4
Working Profit ... £155,987	24 2
Sundry Revenue ... 2,619	
Total Profit for Quarter ... £158,606	

The expenditure on Capital Account amounted to £1,889.

Crushing was increased by 2,510 tons as compared with the previous quarter. Working costs were reduced by 3d. per ton. The grade of the ore was practically the same

The Payable Ore Reserves are now estimated at 2,410,948 tons.

CONSOLIDATED LANGLAAGTE MINES, LIMITED.

Tons Crushed, 144,300 tons.	Per ton based on Tons Crushed.
Total Working Revenue ... £181,344	25 1½
Total Working Costs ... 123,772	17 2
Working Profit ... £57,572	7 11½
Sundry Revenue ... 522	
Total Gross Profit for quarter ... £58,094	

The expenditure on Capital Account amounted to £11,056, and Debenture Interest to £1,719.

Owing to the scarcity of native labour crushing was decreased by 14,300 tons as compared with the previous quarter. Working costs were higher by over 1s. per ton, and the grade was better by 1s. 6d. per ton.

The East Incline Shaft was sunk 130 feet to a total depth of 4,221 feet. The West Incline Shaft was sunk 10 feet to a total depth of 3,695 feet.

WITWATERSRAND GOLD MINING CO., LTD.

Tons Crushed, 117,150 tons.	Per ton, based on Tonnage Crushed.
Total Working Revenue ... £140,435	23 11
Total Working Costs ... 97,713	18 8
Working Profit ... £42,722	7 3
Sundry Revenue ... 4,495	
Total Profit for quarter ... £47,217	

The expenditure on Capital Account amounted to £5,638.

Crushing was increased by 2,750 tons as compared with the previous quarter. Working costs were reduced by 9d. per ton. The grade of ore treated was 1s. per ton lower.

The sinking of the Southern Incline Shaft has been resumed, and it has now reached a depth of 2,653 feet.

RANDFONTEIN CENTRAL GOLD MINING COMPANY, LIMITED.

Tons Crushed, 492,350 tons.	Per ton based on Tonnage Crushed
Total Working Revenue ... £598,296	24 4
Total Working Costs ... 490,261	19 11
Working Profit ... £108,035	4 5
Sundry Revenue ... 3,653	
Total Profit for the quarter ... £111,688	

The expenditure on Capital Account amounted to £53,265.

The supply of native labour showed a further decrease, and in spite of increased efficiency the tonnage crushed showed a reduction of 4,416 tons as compared with the previous quarter. The grade of ore and the working costs were both lower by 4d. per ton. Shaft sinking accomplished totalled 1,863 feet.

LANGLAAGTE ESTATE AND GOLD MINING COMPANY, LIMITED.

Tons Crushed, 128,480 tons.	Per ton, based on Tons Crushed.
Total Working Revenue ... £148,580	23 1½
Total Working Costs ... 121,309	18 10½
Working Profit ... £27,271	4 3
Sundry Revenue ... 436	
Total Profit for the quarter ... £27,707	

The expenditure on Capital Account amounted to £27,959.

Crushing was decreased by 9,780 tons as compared with the previous quarter. Working costs were 3d. per ton higher, and the grade of ore shows a slight improvement.

The Hebbard Incline Shaft was sunk 118 feet to a total depth of 2,806 feet.

No allowance has been made in any of the above for Colonial Taxation.

DIVIDENDS ANNOUNCED.

Anglo-Sumatra Rubber Co.—Final for year ended May 31 of 20 per cent., less tax, making 50 per cent., less tax, for the year; £5,000 to reserve; forward, £33,826, subject to excess profits duty and bonus to Eastern Estate staff.

Ashanti Goldfields.—Dividend No. 36 of 25 per cent. (1s. per share), same as a year ago.

Angela Nitrate.—Interim 10 per cent. (2s. per share), less tax; a year ago the distribution was 5 per cent.

Bank of New Zealand.—Interim of 6 per cent. on ordinary shares to be paid on Dec. 12, the same as a year ago.

Brunner, Mond, and Co.—Interim at rate of 25 per cent. per annum, less tax, same as a year ago.

Cuban Central Railway.—4 per cent., less tax, the same as a year ago; £55,000 to reserve, against £35,000; £15,000 to general renewal reserve, against £25,000.

Damansara (Selangor) Rubber.—Second interim, 12½ per cent., less tax.

Ex-Lands Nigeria.—Further interim, 10 per cent., free of tax.

Glenshiel Rubber Estates Co.—Interim of 12½ per cent. actual, less tax, for the year to Dec. 31, 1917, the same as a year ago.

Grand Hotel, Eastbourne.—Balance of 5 per cent. and a bonus of 6 per cent., less tax, making with the interim 16 per cent., less tax, for year ended Sept. 30, against 14 per cent.

Indian Electric Supply and Traction Co.—Interim of 2½ per cent., being at rate of 5 per cent. per annum, payable on Nov. 8, the same as a year ago.

J. and P. Coats.—Quarterly dividend of 1s. 6d. per share on ordinary shares, payable Dec. 31, less tax, same as a year ago.

Kinta Tin.—5s. (1s. per share), free of tax.

Land Mortgage Bank of Texas.—Interim on ordinary shares at the rate of 10 per cent. per annum, less tax, for half-year ended Sept. 30, payable on Dec. 1, the same as a year ago.

London American Maritime Trading Co.—Final of 7 per cent. on ordinary shares for year ended July 31, making 12 per cent. for the year, against 20 per cent. for the previous year.

Labat Mines.—1s. 6d. per share, less tax, making 2s. 6d. per share for the year.

Lochnagar (Ceylon) Produce.—Interim 4 per cent., less tax, same as a year ago.

Merlimau Rubber Estates.—Interim 8½ per cent., less tax. A year ago 6½ per cent., free of tax, was paid.

Malacca Rubber Plantations.—Interim of 10 per cent. for year ending Dec 31 (2s. per share), free of tax, payable on Nov. 28, to all preference and ordinary shareholders.

National Benefit Life and Property Assurance Co.—Usual interim at rate of 5 per cent. per annum on account of current year.

Park Gate Iron and Steel.—Interim of 1s. 3d. per share, free of tax, for half-year ended Sept. 30, same as a year ago.

Royal Mail Steam Packet Co.—Interim for half-year ended June 30 last at the rate of £4 per cent. per annum, less tax, on the ordinary stock, being at the same rate as last year.

Sons of Gwalia.—Interim (No. 57) at rate of 6d. per share, less tax, same as a year ago.

Taitai Railway.—Final of 6s. per share, making 9s. for year, against 8s. for the previous year; £15,570 for redemption of debentures, against £14,959; £10,000 to reserve, the same; £4,000 for depreciation of investments, against £10,000; forward, £28,377, against £27,023.

Trust and Loan Co. of Canada.—Interim for the six months ended Sept. 30 at the rate of 10 per cent. per annum.

Tredegar Iron and Coal.—Interim of 7½ per cent. (free of tax), being at the rate of 15 per cent. per annum, on the "A" and "B" shares, the same as a year ago.

The Malay Rubber Planters.—Interim of 5 per cent. (making 15 per cent.), less tax, the same as a year ago.

United Railways of the Havana and Regla Warehouses.—Final of 3 per cent., less tax, making 5 per cent. for the year, the same as a year ago; £150,000 to general renewals reserve, against £100,000; £10,000 to insurance fund, against £5,000; £10,000 to pensions fund, the same; £37,844 forward, against £12,115. A year ago £300,000 was placed to reserve account.

Western Railway of Havana.—7 per cent., less tax, the same as a year ago; £10,000 to reserve, against £10,000; £21,791 forward, against £12,410.

Western Australian Bank.—Usual £1 per share, equal to 20 per cent. per annum.

Waihi Gold Mining Co.—Interim of 1s. per share, free of tax, payable on Dec. 1, the same as a year ago.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Week ending	Amount	In. or dec. on last year.
		Rs.			Rs.	
Assam Bengal ..	Sept. 8	1,18,000	— 20,678	†	30,50,073	+ 1,22,172
Barsi ..	" 30	19,000	— 4,000	†	4,64,000	+ 72,700
Bengal & N.-W. ..	" 22	2,91,700	+ 13,435	†	1,00,37,095	+ 1,67,074
Bengal Nagpur ..	" 15	9,08,000	+ 58,000	†	2,45,14,816	+ 18,79,727
Bombay, Baroda ..	Oct. 27	12,30,000	+ 71,000	†	46,54,000	+ 1,84,000
Burma ..	Sept. 11	3,67,627	— 19,063	†	89,31,824	+ 20,332
Delhi Umballa ..	Nov. 11	95,200	+ 19,341	†	4,76,186	+ 1,24,974
East Indian ..	" 3	22,45,000	+ 7,000	†	1,10,28,000	+ 6,17,000
Gt. Indian Penin. ..	Oct. 27	17,94,600	+ 2,03,900	†	69,58,700	+ 6,33,700
Lucknow-Bareilly ..	Sept. 22	58,231	+ 25,964	†	12,27,134	+ 1,46,787
Madras and S. ..						
Mahratta ..	" 15	9,60,000	+ 1,970	†	2,59,37,388	+ 20,05,207
Nizam's Gd. (Broad) ..	" 15	1,14,459	+ 4,211	†	31,63,338	+ 60,875
" (Metre) ..	" 15	51,613	+ 5,408	†	16,24,996	+ 8,524
Rohilkund and ..						
Kumaon ..	" 22	29,481	— 2,684	†	11,42,682	+ 78,657
South Indian ..	" 15	6,72,129	+ 86,480	†	1,63,90,933	+ 14,54,674

* 15 days. † April 1. ‡ October 1.

TRAMWAY AND OMNIBUS.—HOME.

NAME.	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.
Bristol ..	Nov. 2	11,604	+ 1,124	†	482,197	+ 36,438
Dublin United ..	" 2	6,889	+ 638	†	295,638	+ 28,024
Hastings and Dist. ..	" 4	1,107	+ 299	†	55,593	+ 8,662
Isle of Thanet ..	Oct. 13	195	— 141	*	350	— 324
Lancashire United ..	" 31	2,341	+ 545	†	103,198	+ 22,531
Provincial ..	" 27	2,335	+ 201	*	9,138	+ 507
Yorks. (Wat. Rdng.) ..	Nov. 4	2,221	+ 420	†	93,364	+ 15,780

* From Oct. 1. † From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.
Alabama Power ..	Aug. 5	104,868	+ 20,192	12	1,213,551	+ 383,096
Angio-Argentine ..	Nov. 4	56,328	+ 3,208	†	2,274,569	+ 30,906
Auckland Electric ..	Oct. 26	22,308	+ 880	†	92,118	+ 7,832
Brazilian Traction ..	Sept. 1	M7,925,000	+ M7,800,000	9	M684,300,000	+ M527,900,000
Brisbane Elec. Inv. ..	"	31,600	+ 930	9	294,840	+ 2,820
British Columbia ..	"	876,118	+ 13,667	2	1,92,699	+ 27,686
B.A. Lacroze ..	Oct. 1	39,057	+ 603	†	149,879	+ 1,737
Burmah Electric ..	Sept. 6	Rs.26,168	+ Rs.2,419	—	26,168	+ Rs.33,802
Calcutta ..	Nov. 3	Rs.57,465	+ Rs.1,230	*	Rs.28,497,93	+ Rs.15,580
Carthage and ..						
Herrerias ..	Oct. 6	2,805	+ 266	*	41,210	+ 16,071
Cordoba Light ..						
P. & T. ..	Sept. 1	12,463	— 850	†	82,895	— 1,588
Hongkong ..	" 15	13,817	+ 2,708	†	499,566	+ 41,661
La Plata ..	" 6	3,450	+ 543	9	36,545	+ 1,076
Lima ..	"	13,700	+ 522	9	142,418	+ 1,355
Madras Electric ..	Oct. 31	Rs.35,418	+ Rs.3,599	†	Rs.696,215	+ Rs.62,305
Manila Electric ..	Aug. 8	65,467	+ 4,667	†	547,492	+ 70,625
Mexico ..	Nov. 5	215,256	+ 108,669	†	3,193,106	+ 197,227
Rangoon ..	Oct. 1	5,667	+ 624	*	43,955	+ 1,650
Singapore Electric ..	Sept. 1	12,501	+ 995	†	45,14,416	+ 13,323
Toronto ..	"	463,927	+ 2,371	9	4,15,88,000	+ 240,696
United of Monte V. ..	"	30,153	+ 1,424	12	359,832	+ 12,060
Vera Cruz ..	Aug. 5	52,200	—	7	408,000	—
Winnipeg ..	Sept. 5	63,426	+ 24,427	9	570,127	+ 308,756

b 28 days. * From Jan. 1. † Net. ‡ From July 1. c Two weeks.

UNITED STATES OF AMERICA.

NAME.	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.
Chesapeake & Ohio ..	Oct. 21	1,110,000	+ 110,000	†	43,012,000	+ 3,086,000
Chicago G.W. ..	" 21	377,000	+ 39,000	†	13,129,000	+ 336,000
Colorado & South'n ..	" 21	400,000	+ 15,000	†	14,510,000	+ 1,902,000
Denver & Rio Gran. ..	" 21	671,000	+ 93,000	†	22,495,000	+ 2,555,000
Louisville & Nashv. ..	" 21	1,583,000	+ 267,000	†	60,10,000	+ 9,114,000
Minn. S.P. (So.) ..	" 21	721,000	+ 5,000	†	27,254,000	+ 319,000
Missouri Kansas ..	" 21	962,000	+ 51,000	†	34,041,000	+ 5,334,000
Southern ..	" 21	2,517,000	+ 404,000	†	89,742,000	+ 12,371,000

§ Includes Wisconsin Central. † From Jan. 1.

FOREIGN RAILWAYS.

NAME.	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.
Alcoy and Gandia ..	Oct. 27	Ps. 10,000	+ Ps. 1,000	†	Ps.475,020	+ Ps.64,280
Antofagasta (Chili) ..	Nov. 4	41,460	+ 4,665	†	1,836,505	+ 320,490
Arauco ..	Sept. 30	12,000	+ 1,500	†	88,000	+ 15,200
Argentine N.E. ..	Nov. 3	10,900	+ 4,500	†	123,900	+ 2,098
Bilbao R. and Canta ..	Sept. 1	4,284	+ 667	9	31,950	+ 8,853
Bolivar ..	Oct. 1	10,000	+ 3,186	4	42,708	+ 13,384
Brazil ..	Aug. 1	M4,432,000	+ M532,287	†	M319,800,000	+ M377,987,000
Brazil Gt. Southern ..	June 1	Ms.37,600	+ M6,800	†	M250,950	+ M35,500
B. Ayres & Pacific ..	Oct. 27	75,000	+ 8,000	†	941,000	+ 495,000
Do. Central ..	Sept. 1	18,317	+ 7,787	3	70,915	+ 4,887
Do. Gt. South'n ..	Nov. 4	145,000	+ 26,000	†	1,384,705	+ 421,549
Do. Western ..	" 4	65,000	+ 10,000	†	585,000	+ 361,000
Central Argentine ..	" 3	115,000	+ 9,000	†	1,239,300	+ 790,600
C. Ur'g'ay of Mts V. ..	" 3	24,394	+ 9,468	†	297,901	+ 89,086
Do. East'n Ex. ..	" 3	5,766	+ 782	†	74,607	+ 4,692
Do. North'n Ex. ..	" 3	2,629	+ 432	†	52,535	+ 19,060
Do. West'n Ex. ..	" 3	2,709	+ 839	†	32,689	+ 1,526
Cordoba Central ..	" 3	33,000	+ 6,085	†	472,400	+ 101,720
Costa Rica ..	Oct. 6	2,028	+ 1,589	†	42,800	+ 30,727
Cuban Central ..	Nov. 4	10,833	+ 1,872	†	213,908	+ 45,946
Dorada Extension ..	Sept. 1	8,000	+ 1,100	†	32,400	+ 9,300
Egyptian Delta ..	" 30	7,637	+ 1,118	†	109,616	+ 18,585
Entre Rios ..	Nov. 3	15,400	+ 4,400	†	196,700	+ 17,600
French Sante Fé ..	Aug. 1	132,000	+ 29,099	†	900,336	+ 173,429
Gt. South. of Spain ..	Oct. 27	Ps.101,632	+ 48,209	†	Ps377,016	+ Ps511,790
Gt. West. of Brazil ..	Nov. 3	18,500	+ 8,000	†	568,250	+ 134,150
Havana Central ..	Oct. 13	7,534	+ 1,226	†	107,067	+ 15,805
Inter. of C. Amer. ..	Sept. 6	6,986	+ 2,027	†	215,486	+ 31,749
La Guaira and Car. ..	Oct. 1	5,250	+ 1,250	†	74,000	+ 4,250
Leopoldina ..	Nov. 3	31,308	+ 4,330	†	1,300,658	+ 214,402
Midland Uruguay ..	Sept. 1	12,337	+ 651	†	37,341	+ 6,002
Mogiana ..	July 1	M258,200	+ M211,261	†	M113,430,000	+ M485,987,000
N.W. of Uruguay ..	Sept. 1	26,000	+ 1,542	†	69,500	+ 8,250
Nitrate ..	Oct. 31	38,275	+ 8,475	†	640,140	+ 80,918
Paraguay Central ..	Nov. 3	2,790	+ 430	†	51,920	+ 6,960
Paulista ..	July 1	M3,330,000	+ M638,609	†	M150,806,000	+ M949,280
Peruvian Corp'n ..	Oct. 1	Si.047,220	+ Si.01,630	†	S3,952,390	+ S363,560
Salvador ..	Nov. 3	15,425	+ 375	†	825,576	+ 93,009
S. Paulo (Brazilian) ..	" 4	31,664	+ 4,837	†	1,282,376	+ 64,571
Sorocabana ..	Aug. 1	M2,676,000	+ M222,853	†	M1295,900	+ M144,577
Taitai ..	Sept. 1	19,958	+ 3,001	†	60,773	+ 4,508
United of Havana ..	Nov. 3	38,805	+ 6,787	†	67,980	+ 107,744
West'n of Havana ..	" 3	6,896	+ 1,951	†	123,403	+ 18,223
Zafra and Huelva ..	Sept. 1	11,221	+ 1,482	†	101,486	+ 2,722

* Months. † From Jan. 1. ‡ From July 1. c Net. b 15 days. a 10 days.

COLONIAL RAILWAYS.

NAME.	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.
Beira ..	Aug. 1	54,914	+ 12,257	10	706,175	+ 4,297
Canadian Northern ..	Oct. 31	1,350,200	+ 178,200	†	14,533,400	+ 1,006,600
Canadian Pacific ..	" 31	4,989,000	+ 819,000	†	123,987,000	+ 10,086,000
Gr. Trk. Main Line ..	" 31	321,887	+ 5,950	†	8,010,997	+ 876,650
Gr. Trk. Western ..	" 31	56,487	+ 11,315	†	1,643,723	+ 45,844
Detroit G. H. & M. ..	" 31	19,366	+ 2,168	†	572,504	+ 5,402
Gr Trk Pac Prairie Sc ..	" 31	52,398	+ 9,561	†	468,675	+ 135,488
Mashonaland ..	July 1	54,645	+ 7,933	10	651,261	+ 7,990
Mid. of Westn. Aus. ..	Aug. 1	5,756	+ 47	2	11,045	+ 311
New Cape Central ..	Sept. 8	1,693	+ 312	†	64,699	+ 8,608
Rhodesia ..	Aug. 1	92,229	+ 5,417	11	933,147	+ 38,185

* Months. † July 1. ‡ Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.
		Dols.	Dols.		Dols.	Dols.
Atchafalpa T. & S. Fé ..	Sep.	3,933,000	+ 850,000	9	37,525,000	+ 2,430,000
Atlantic Coast Line ..	Aug.	604,000	+ 88,000	8	7,593,000	+ 205,000
Baltimore & Ohio ..	"	3,067,000	+ 594,000	8	20,597,000	+ 295,000
Canadian Northern ..	Sept.	425,900	+ 306,700	3	1,924,100	+ 1,078,000
Canadian Pacific ..	"	3,747,000	+ 1,383,000	9	32,322,000	+ 1,894,000
Chesapeake & Ohio ..	Aug.	1,388,000	+ 165,000	8	9,165,000	+ 954,000
Chicago & N.W. ..	"	3,150,000	+ 398,000	8	16,874,000	+ 2,471,000
Chicago Burl. & Q. ..	July	2,689,000	+ 164,000	7	20,983,000	+ 2,182,000
Chicago G.W. ..	Aug.	301,000	+ 127,000	8	2,085,000	+ 574,000
Chicago Mil. & S.P. ..	"	2,222,000	+ 1,084,000	11	15,699,000	+ 3,026,000
Chicago, Rock I. & P. ..	"	1,643,000	+ 604,000	8	13,493,000	+ 1,618,000
Colorado & Southern ..	"	602,000	+ 96,000	8	3,863,000	+ 765,000
Cuba ..	"	276,895	+ 12,546	2	505,913	+ 16,739
Delaware & Hud. ..	"	1,005,000	+ 289,000	8	4,329,000	+ 895,000
Denver & Rio Gran. ..	"	613,000	+ 262,000	8	4,999,000	+ 696,000
Brie ..	"	1,176,000	+ 850,000	8	7,262,000	+ 5,152,000
Gr. Tr. Main Line ..	Sept.	6,179,600	+ 1,133,300	9	1,664,100	+ 1,379,300
Grand Trunk Westn ..	"	616,890	+ 433,330	9	4,236,000	+ 433,300
Detroit G.H. & Mil. ..	"	610,250	+ 65,950	9	4,637,000	+ 699,050
Gt. Northern ..	Aug.	2,731,000	+ 772,000	8	14,670,000	+ 1,422,000
Illinois Central ..	Sept.	1,703,000	+ 88,000	9	4,220,000	+ 1,864,000
Kansas City Southn. ..	"	452,000	+ 122,000	9	3,405,000	+ 657,000
Lehigh Valley ..	"	851,000	+ 231,000	8	7,875,000	+ 1,560,000
Louisville & Nashv. ..	Aug.	1,620,000	+ 196,000	8	12,598,000	+ 1,360,000
Minn. S.P. (So.) ..	"	836,000	+ 493,000	11	6,143,000	+ 2,447,000
Miss. K. & Texas ..	"	1,005,000	+ 384,000	8	4,743,000	+ 2,340,000
Missouri Pacific ..	"	2,020,000	+ 367,000	8	13,240,000	+ 6,600,000
New York Cent. & H. N. ..	"	5,155,000	+ 1,336	8	31,491,000	+ 10,557,000
N. Y. N. Haven & H. ..	July	1,586,000	+ 791,000	7	17,905,000	+ 603,000
New York Ont. & W. ..	Sept.	193,000	+ 6,000	9	1,869,000	+ 114,000
Norfolk & Western ..	"	1,861,000	+ 125,000	9	16,005,000	+ 1,820,000
Northern Pacific ..	Aug.	2,441,000	+ 331,000	8	19,046,000	+ 926,000
Pennsylvania East and West Lines ..	"	12,391,000	+ 142,000	8	61,441,000	+ 10,611,000
St. Louis & San F. ..	July	1,636,000	+ 690,000	12	16,661,000	+ 3,229,000
Seaboard Air Line ..	"	323,000	+ 126,000	7	4,319,000	+ 210,000
Southern ..	Sept.	2,280,000	+ 365,000	3	6,220,000	+ 1,078,000
Southern Pacific ..	"	3,127,000	+ 2,605,000	9	44,034,000	+ 7,131,000
Union Pacific ..	"	4,270,000	+ 801,000	9	30,325,000	+ 1,255,000
Wabash ..	"	1,159,000	+ 72,000	11	9,955,000	+ 32,000

The Investors' Review

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CONTENTS.

Passing Events:—Revenue — Debt and Waste — New Food Rations Scale — Italian Finance and Trade — English, Scottish, and Australian Bank — Western Telegraph — Brunner, Mond — Dorman, Long — Piccadilly Hotel — Maypole — Mr. C. Birch Crisp on Russia — Springs Mines (pp. 495-8).

Leading Articles:—Impulsive Creation of Offices — The Shipping Situation — Our Foreign Trade in October — By-the-Way War Notes (pp. 499-503).

Insurance News:—Horse, Carriage and General Becomes Warden Insurance Co. — Equity and Law Life War Bonds Scheme — Workmen's Compensation Figures — Government Life Annuities (p. 503).

Money and Credit Notes:—Steady Rates — Bank Return — Lower Deposit Rate Rumours — Foreign Exchange Fluctuations — War Loan Aggregates — Treasury Bills in India — Tata Industrial Bank — Silver (pp. 504-6).

American Business Notes:—War Revenue Bill — Exports in August (pp. 508-9).

The Week's Stock Markets (pp. 506-7).

London Produce Markets (pp. 507-8).

Oilfields Items (p. 508).

Tea, Oil, and Rubber:—Rubber Market — Tali Ayer Rubber Estates — Kali Glagah (Java) Rubber and Produce Co. — Victoria (Malaya) Rubber Estates — Batu Matang Rubber Plantation — Pahang Para Rubber Syndicate (p. 509).

Mining News:—Native Labour Returns — Transvaal Gold Production — Mount Lyell — Eileen Alannah — Broomhill Collieries — Mashonaland Agency — Broken Hill Proprietary Block Ten — Broken Hill Proprietary Block 14 Company (p. 510).

What Balance Sheets Tell:—Liverpool Nitrate Co. — Goode, Durrant and Co. — International Financial Society — Second Scottish Investment Trust Co. (p. 510).

Company Meetings:—Institute of Bankers — Rubber Plantations Investment Trust — Central Argentine Railway — S. Smith and Sons (Motor Accessories) — Associated Tea Estates of Ceylon (pp. 512-15).

Books Received (p. 508).

The Week in Mines (pp. 509-10).

Public Income and Expenditure (p. 511).

Answers to Correspondents (p. 511).

Dividends Announced (p. 515).

Traffic Returns (p. 516).

BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital ...	£3,894,980
Reserve Fund ...	2,800,000
Reserve Liability of Proprietors ...	3,894,980
	£10,589,960

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.

H. L. M. TRITTON, Esq.

WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager.

J. S. CAMPBELL, Secretary.

HALKERSTONE MELDEUX,
Assistant Manager.

DAVID GEDDIE,
Accountant.

The Bank has 337 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

SCOTTISH AMICABLE

LIFE ASSURANCE SOCIETY.

(Established 1826.)

A MUTUAL PROFIT-SHARING OFFICE.
COMPOUND BONUSES.

Bonus Declared at Latest Investigation £1 15s.
per cent. to £4 12s. per cent. according to duration.

Head Office:
London Office:

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1, THREADNEEDLE STREET, E.C. 2.

THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,980,000; together £3,980,000

Reserve Liability of Proprietors 4,000,000

Total Capital and Reserves £7,980,000

HEAD OFFICE - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made

BILLS are purchased or sent for Collection

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital	£4,000,000
Paid-up Capital	1,800,000
Reserve Fund	2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires) URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILE—Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	Yen 48,000,000
Capital Paid Up	Yen 36,000,000
Reserve Fund	Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Antung-Hsien.	Harbin.	Nagasaki.	Shanghai.
Bombay.	Honolulu.	Newchang.	Singapore.
Calcutta.	Hong Kong.	New York.	Sydney.
Changchun.	Kobe.	Osaka.	Tientsin.
Dairen (Dalny).	Liaoyang.	Peking.	Tokyo.
Fengtien (Mukden).	Los Angeles.	Ryojun (Port Arthur).	Tsinanfu.
Hankow.	Lyons.	San Francisco.	Tsingtau.
		Seattle.	

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

LONDON COUNTY & WESTMINSTER BANK LIMITED.

ESTABLISHED IN 1838.

AUTHORISED CAPITAL £17,000,000, in 850,000 Shares of £20 each.

Reserve exceeds £4,600,000.

Chairman: The Right Hon. The **VISCOUNT GOSCHEN.** **Deputy Chairman:** **WALTER LEAF, Esq.**

HEAD OFFICE: 41, **LOTHBURY, E.C. 2.**

Joint General Managers: **F. J. BARTHORPE.** **J. W. BUCKHURST.**

Foreign Branch Office: 82, **Cornhill, E.C. 3.**

The Bank is represented by Branches or Agents in all the Principal Cities and Towns of the United Kingdom and has Correspondents throughout the World.

Spanish Branches:—**Barcelona:** Paseo de Gracia 8 & 10. **Madrid:** Calle de Alcalá 43.

Affiliated in Ireland: **Ulster Bank Limited.**

Affiliated in France: **London County and Westminster Bank (Paris) Limited.**

Paris: 22, **Place Vendôme.** **Bordeaux:** 22/24, **Cours de l'Intendance.**

EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED
EXECUTOR AND TRUSTEE DUTIES UNDERTAKEN.

STANDARD BANK OF SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province, to the Imperial Government in South Africa, and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL	£6,194,100
PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

BOARD OF DIRECTORS.

Wm. Relferson Arbuthnot, Esq.	Horace Peel, Esq.
Sir David Miller Barbour, K.C.S.I.	William Smart, Esq.
K. W. G.	Right Hon. Lord Sydenham, G.C.S.I.,
Robert E. Dickinson, Esq.	G.C.M.G., G.C.I.E., G.B.E.
James Fairbairn Finlay, Esq., C.S.I.	H. L. M. Tritton, Esq.

HEAD OFFICE: 10, **CLEMENTS LANE, LOMBARD ST., LONDON, E.C. 4.**

New York Agency: 68, **WALL STREET.**

OVER 250 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, South-West Africa Protectorate and the Belgian Congo, and with the Bank's Agencies in New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED and **COLLECTED.**

MAIL and **TELEGRAPHIC REMITTANCES** made.

LETTERS OF CREDIT and **DRAFTS** granted on the Branches and Agencies of the Bank.

THE BANK issues **CIRCULAR LETTERS OF CREDIT** available in all parts of the world.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE and **SALE** of Stocks and Shares effected.

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EXECUTOR and **TRUSTEE** BUSINESS undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

FRANCIS SHIPTON, London Manager.

ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

CAPITAL PAID UP **£2,000,000**

REST & UNDIVIDED PROFITS .. **£800,986**

Head Office: **ST. ANDREW SQUARE, EDINBURGH.**

A. K. WRIGHT, Cashier and General Manager

J. B. ADSHEAD, Secretary.

London Office: 3, **BISHOPSGATE, E.C. 2.**

WILLIAM WALLACE, Manager.

166 Branch Offices throughout **Scotland.**

Banking Business of every description transacted. Accounts opened for Foreign and Colonial Correspondents. Bills, Cheques, and other documents collected.

Deposit received at interest repayable at call or at notice.

THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office:—71 **Old Broad Street, E.C. 2.**

Subscribed Capital **£1,276,747 10 0**

Paid up Capital **669,670 0 0**

Reserve Fund and Undivided Profits .. **375,680 11 8**

Reserve Liability of Proprietors **606,962 10 0**

REMITTANCES made by **CABLE.**

DRAFTS, LETTERS OF CREDIT and **CIRCULAR NOTES** issued upon Branches and Agents.

BILLS on Australasia **NEGOTIATED** or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

THE WESTERN AUSTRALIAN BANK.

Established 1847.

Paid-up Capital .. **£250,000 0 0** 25,000 Shares of £10 each.

Reserve Fund .. **£700,000 0 0** **Reserve Profits** .. **£16,088**

Reserve Liability of Shareholders **£250,000.**

Drafts issued **Remittances** cabled, **Bills** negotiated or collected, **Deposits** received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents **The Bank of Adelaide, 11, Leadenhall St., E.C. 3.**

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, **Gracechurch Street, London, E.C. 3.**

Capital Authorised	£1,500,000
Capital Issued	1,125,000
Capital Paid Up	562,500
Reserve Fund	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS, CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On **current accounts** interest is allowed at 2 per cent. per annum on daily balances.

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital	£1,000,000.	Subscribed Capital	£825,000
Paid-up Capital	£500,000		
Reserve Fund	540,000		
	£1,040,000		
Uncalled Capital	125,000		
Reserve Liability of Shareholders	625,000		
	£1,790,000		

London Office:—11, **Leadenhall Street, E.C. 3.**

BILLS on Australasia purchased or collected.

DRAFTS issued and **REMITTANCES** cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office:—38, **Lombard Street, E.C. 3.**

Subscribed Capital	£1,078,875 0 0
Paid-up Capital	539,437 10 0
Further Liability of Proprietors	539,437 10 0
Reserve Fund	503,000 0 0

LETTERS OF CREDIT and **DRAFTS** on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by **TELEGRAPHIC TRANSFER.**

BILLS NEGOTIATED or forwarded for **COLLECTION.**

BANKING and **EXCHANGE** Business of every description transacted with Australia.

E. M. JANION, Manager.

BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, **Queen Victoria Street, London, E.C. 4.**

AUTHORISED CAPITAL **£5,500,000**

SUBSCRIBED CAPITAL.

Four per Cent. Guaranteed Stock	£329,988
"A" Preference Shares issued to New Zealand Government	500,000
"B" Preference Shares issued to New Zealand Government	250,000
Ordinary Shares	1,500,000
	£2,779,988
Reserve Fund and Undivided Profits	£2,446,595

Negotiates and **collects** Bills of Exchange.

Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. **Remittances** made by telegraphic transfer.

ALEXANDER KAY, Manager.

The Investors' Review.

Vol. XL.—No. 1,037.
New Series.

SATURDAY, NOV. 17, 1917.

(Registered as a Newspaper.) Price 6d.

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Telegraphic Address:
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The Editor cannot undertake to return rejected communications.

Letters from correspondents must, in every case, be authenticated by the name and address of the writer.

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ANSWERS TO QUERIES.

One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

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Telegrams advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

Private Letters in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

Passing Events.

Spending seems to have been less profuse in the week ended November 10—total disbursements only came to £102,838,000. The week before they were £113,215,000, and still a week earlier £132,049,000. Nobody need let the imagination run away with the idea that now we are beginning to slow down in the outpouring of money, for that is by no means probable. Much more likely is it that the disbursements will increase. Not only have demands upon our fighting capacities enlarged, but the continual multiplication of offices adds heavily to current expenses. The actual revenue from taxation and monopolies last week was only £9,660,000, although that was £833,000 better than in the preceding week, and of that no less than £5,907,000 of the total was the product of the excess profits duty and munitions levy. Take away that, and the week's income from all other sources would have been no more than £4,753,000. This shows how prolific the excess profits tax and munitions levy are; but never forget that they are purely transitory and self-generating. Also, remember that from one very significant point of view the collection of the excess profits tax constitutes the Government a partner with "profiteers" of all descriptions. The more the tradesman and manufacturer exact for what they sell or produce, the more the Government is gratified, provided it secures its allotted share, and however great the revenue from this and other taxes may be, it must remain insignificant compared to the demands upon the Treasury even at the lowest. These came last week to almost £42,000,000, including £992,000 of war debt interest and £310,000 of miscellaneous disbursements. Supply services alone, however, took only £40,766,000, or £5,824,000 a day, and £13,327,000 less than in the previous week. The total expenditure of £41,998,000 was just under £6,000,000 a day. But the Government had to keep its floating debt machinery in smooth running, and consequently £65,631,000 of fresh Treasury bills were issued for supply, and against this only £51,609,000 fell due for repayment. The consequence was that the nett addition to the floating debt in this form was £13,952,000, and this, added to the previous aggregate, brought up the total of this kind of floating debt to £1,004,988,000. There was also £900,000 credited to War Savings certificates, £10,498,000 to

"other" war debt, and £13,061,000 came in from sales of the new National War bonds, a decline of £1,796,000 on the previous week's yield. The force of the advertising and oratory seems to be getting spent. However, the Government had to borrow only £3,500,000 in the open market on "temporary" loan last week, and it should be explained that the total National War bond sales credited did not include the sales effected through joint-stock and private banks not yet brought into account. Even so, the result is lamentable—only £80,158,000 in all to date—and some other means will have to be found to take the pressure off the credit market. To us it is a perpetual marvel to observe how splendidly this market stands up to the obligation put upon it.

What is the value of those exhibits of our debts which time after time inquisitive M.P.s extract from the Treasury? They never tell the whole truth, or bring the facts quite up to date, and therefore obscure rather than illuminate the position. A return, for instance, was obtained this week by a Labour Member from the Chancellor of the Exchequer from which it is to be inferred that the total of the more or less long-dated obligations of this country as at the end of September amounted to £3,835,000,000. That figure included £991,000,000 of Treasury bills, the amount outstanding on November 3, but it is not a complete return, and it is antiquated in being dated so far back as the end of September. Moreover, there is no mention in it of the amount of War Savings Certificates outstanding, which must now be approaching £150,000,000. Nor is the truth about our loans from the United States Government set forth. The Chancellor of the Exchequer's answer regarding these is that on September 30 we had received \$1,475,000,000 from the United States Treasury, and no useful purpose of any kind is served by these snippety extracts professing to supply "statistical" information. Nobody is in the least the wiser for such, and we think Treasury clerks might be much more usefully employed in looking after the outgoings than in counting up from time to time the total of the nation's owings under various heads. In one sense the habit does mischief, because its gratification habituates the public mind to look upon fabulous arrays of figures as a mere matter of course.

We now think and talk of millions as in pre-war days we should have done of thousands. Who, for example, has thought of raising any protest against the huge blunder involved in that potato transaction? In an impulsive moment the present Prime Minister "guaranteed" the farmers a minimum price of £6 a ton for their potato crop. The crop has been excellent, and has been effectively supplemented by the enterprise of allotment cultivators, diggers of waste land held off the market by speculative builders, and so forth, and farmers would be quite content, having an excellent profit, to sell their potatoes well below the £6 per ton minimum figure. Nay, some of them were ready to sell, or did sell, at £4 per ton, and the agreement became so scandalously obstructive to distribution that it had to be done away with. The farmers are now released from the obligation to charge more for their potatoes than they are worth, but their release does not apparently free the Government. It fixed £6 per ton, and it will have to make that figure good. "Oh," but the officials say, "it is a mere bagatelle; we reckon a matter of £5,000,000 will be enough to square things." £5,000,000! It is nothing nowadays, a mere "tip" to the waiter after a good dinner. No wonder this kind of finance leads many people to dread the reckoning day, and gives pretext and encouragement to those malignants among pacifists who are circulating leaflets counselling the public not to buy War Loan bonds. It is wonderful what patience there is in the British people. The waste now rampant on every hand is perfectly horrible. It means the ruin, and therefore the defeat, of the nation, of the Empire, of the Allies, unless stern measures are taken to stop it. Is Parliament capable of nothing beyond questions about the amount we owe?

In several respects the new food rations scale is better than the one attempted to be made fashionable by Lord Devonport. That estimable amateur allowed a "flat" ration of 4 lbs. of bread, or 3 lbs. of flour for bread-making, per head per week, $\frac{3}{4}$ lb. of sugar, afterwards brought down to $\frac{1}{2}$ lb., and $2\frac{1}{2}$ lbs. of meat. Sir Arthur Yapp, "Director of Food Economy," is much more liberal with bread, and has condescended to draw up a scale. Men on heavy industrial or agricultural work are to be allowed 8 lbs. of bread per week, or, say, 18½ ozs. per day; men on lighter manual labour 7 lbs., and idle or sedentary men $4\frac{1}{2}$ lbs., or a little over 10½ ozs. The highest bread ration suggested for women working in heavy industries, or in the fields, is 5 lbs. a week, or 11½ ozs. a day. For women's ordinary industrial work, or domestic service, 4 lbs., or rather more than 9 ozs., is allowed, and unoccupied or sedentary women are to get $3\frac{1}{2}$ lbs., or $\frac{1}{2}$ lb. a day. The meat allowance, however, is reduced to 2 lbs. a week, and the allowance—a welcome concession, that—of other cereals, beans, peas, lentils, rice, maize, barley, &c., is only 12 ozs. altogether. The allowance of butter, margarine, lard, oils and fats is lumped at 10 ozs., and the $\frac{1}{2}$ lb. allowance of sugar is retained, but no scale is fixed for children, and the scheme is not illiberal or arbitrarily fixed. We have tried to see how it squares with the actual consumption of a household of eight persons, and find that although there are obstacles and difficulties which will require adjustment it is quite possible to conform more or less closely to the suggested scale, with some margin over. Some members of a household eat more bread than others, some more meat, but none seems to consume more than 12 ozs. of bread, and the women certainly do not exceed the allowance of 4 lbs. a week. The chief difficulty seems to be with the etceteras, the other cereals, for instance, and the fats. Also the flour allowance of 3 lbs. per head per week is held to be insufficient where meat is little eaten or not consumed at all, but as far as we can gather there is no disposition to cavil at Sir Arthur Yapp's scale. On the contrary, it will, we feel sure, be loyally adhered to, and, if possible, improved upon by the bulk of the people. We have come to understand the necessity for self-denial. At any rate the educated classes—and in what category we include the majority of the working

classes—now understand that the war is to be won finally, in the Allied sense, not entirely or, at the finals, chiefly by fighting victorious battles, or by successfully blockading the enemy on the seas, but by the power to hold out. We are to-day in a much better position to do that than the populations of either the Austro-Hungarian or Prussian Empires, and that fact alone should brace us up to do our utmost to make the end of the war the triumph of humanity, and to make it that soon.

The real trouble will be encountered at the two ends of the social scale, the highest and the lowest; amongst the very wealthy or carelessly well-to-do and the very poor. One has only to observe what goes on still in hotels and restaurants frequented by those who have means and leisure to understand how hard it will be for multitudes of wealthy people to attempt self-denial. They seem to know nothing about it, and to care as little. Down at the lowest scale ignorance will be a great obstacle. The poor have not been taught how to buy food or how to prepare it. Their ideas of cookery are often of the most rudimentary description, and they have never understood anything about the respective "food values" of different articles of consumption. Many amongst them, too, especially the women, live almost entirely upon bread. Others, especially now, when multitudes are more flush of money than they ever were before in their lives, consume more meat in various forms than the allotted 2 lbs., and will certainly exceed that allowance if they can get at it. Ahead of us, therefore, lies not improbably compulsory rationing, and what will follow upon that no one can guess. Then the trouble will lie in the practical impossibility of making all share alike. We may have to assume control of all resources, and dole out to each household or each individual the allotted existence allowance.

Some particulars were given about the position of Italian finance in a speech delivered by the Finance Minister in the late Cabinet, Signor Carcano, and it may be interesting to make a note of a few of the figures here. The total revenue for the past year was £200,800,000, and the expenditure £705,600,000, of which £560,000,000 was for the war. During the current fiscal year receipts have yielded £165,640,000, or £86,280,000 more than in the preceding year. Deposits in Savings Banks have increased during the war by nearly £100,000,000. This does not agree with what is commonly said about the effects of war on the saving habits of the people, and the Minister affirmed that the general economic conditions of the country during the past two years have been and still are satisfactory. On September 30, 1917, the war debt amounted to £1,032,240,000, and the average interest thereon was 4.24 per cent. In saying that, Signor Carcano emphasised the gratitude of the country for the help offered to it by its Allies.

Regarding the trade of Italy, the following figures extracted from a report issued by the Board of Trade may be interesting. They cover the period from January 1 to May 31 last, and show that imports from France have amounted to £9,970,537, and were chiefly chemical and medicinal products and perfumes. Exports to France exceeded this sum by £80,000, and were also in chemical and medical products, cotton and woollen goods, silk and motor-cars. The difference between imports and exports in Italy's trade with England has been very considerable—imports from £25,760,000, exports to £5,800,000. Half the value of the imports is accounted for by coal; the remainder is due to skins, woollen manufactures, &c. Italy has sent to England silk, flax, hemp, tyres, &c. A similar disproportion is shown by Italy's trade with British India, where against an export of £1,000,000 she has imported £37,600,000, nearly half of it in cereals. She has also exported to Egypt more than £1,400,000 in cotton and silk goods, prints, oranges and lemons, while importing nearly £600,000, of which £440,000 represents raw cotton. From Argentina Italy has imported chiefly cereals and fresh meat, while exporting goods to the value of about

one-third of the value imported. Her largest imports came from the United States, and totalled £50,640,000, while the exports thither came to only £2,831,584. The production of lignite in Italy is always increasing, notwithstanding the difficulties of obtaining labour and transport facilities. During the last quarter in 1916 the total output did not exceed a monthly average of 100,000 tons, but in August last the output reached 160,000 tons, and this has been exceeded in the last two months. Many more seams have been discovered lately, and the same can be said in regard to peat fields. —*Italian correspondence.*

At the meeting of the English, Scottish, and Australian Bank, Ltd., Mr. C. J. Hegan pointed out some of the difficulties with which the management had to contend in the year to June 30 last. From the purely banking point of view, perhaps, the worst was the fact that the staple articles of Australian produce—wheat, wool, frozen meat, and butter—were commandeered by the Federal authorities acting on behalf of the British Government, and consequently the financing of the ordinary bills of exchange to a large extent passed out of the hands of the banks. While this was doubtless the best thing that could have happened from the industrial producer's point of view, the large disbursements in London naturally led to an exceptionally large accumulation of the funds of Australian banks on this side, where they could not get the same rate of interest as they usually reckoned on. In these circumstances, it is very gratifying to find that the trading profits of the bank were £29,000 higher at £360,800; but expenses rose £11,000 to £176,600, and taxes advanced £18,000 to £73,800. The latter represents 13½ per cent., whereas the nett profit of £110,400 allows of only the usual dividend of 8 per cent. being paid to the shareholders, after again placing £50,000 to reserve, £2,500 to the provident fund, and £14,385 to the purchase of deferred deposit stock. This last amount was sufficient to extinguish £18,000 stock, as compared with £17,000 last year. Changes in the balance-sheet indicate that under ordinary conditions the bank would have done still better. Deposits at interest rose £678,000 to £4,848,000, current accounts increased £816,000 to £4,311,000, and bills payable, &c., £374,000 to close on a million. Cash in hand and at short notice advanced £1,174,000 to £3,743,000, investments £180,000 to £628,000, and bills receivable £1,770,000 to £3,080,000. On the other hand, advances, &c., fell £1,160,000 to £6,087,000, and the balance-sheet total is £1,900,000 higher at £13,794,000. With regard to the future, Mr. Hegan stated that the harvest and pastoral prospects are good throughout Australia, and that general business was excellent at all their branches. Between 1911 and 1916 the losses of sheep were estimated at nearly 24,000,000, or more than 25 per cent., but with a continuance of good seasons that would be rapidly recovered. We hope it is so, but we are afraid that Australia must always be subject to cycles of adverse climatic conditions, which wipe out a large proportion of the progress made in good years.

A year ago the Western Telegraph Co., Limited, suffered a slight setback in its revenue, but this has been much more than made good in the twelve months to June 30. Trading receipts were £64,000 higher at £966,670, and £26,000 more, at £1,066,620, came from interest on reserve funds, so that the total revenue is £90,000 up at £1,073,300. Working expenses, however, increased £35,000 to £397,900, while income-tax and excess profits duty absorbed £11,000 more, and as £47,000 less was brought in, the available balance, after paying debenture interest, comes out £3,000 lower at £531,780. Appropriations to various reserves amounting to £330,000 are the same in the aggregate as last year, but they are somewhat differently distributed. The usual dividends of 6 per cent. are paid and the bonus of 2 per cent. is the same as last year, so that the carry forward is £3,000 smaller at £35,430. The company is in a

very strong position, with reserves aggregating 2½ millions, and in addition £450,000 has been written off investments, while liberal allowance has always been made for depreciation. It is interesting to note that the company borrowed £280,000 from the Bank of England for the purchase of 5 per cent. War stock, and has repaid £210,000 of the loan.

The directors of Brunner, Mond, and Co., Ltd., have under consideration a scheme to reorganise the share capital in such a way as to make it correspond more closely with the actual capital employed in the business. In case, however, there should be leakage of partial or incorrect information before the details are settled, and the approval of the Treasury obtained, they have wisely announced to the shareholders that a scheme is in preparation, so that none shall be prejudiced by what might prove to be misleading rumours. It is pointed out that the company has for many years paid a dividend of 27½ per cent., and there is a widespread impression that this is the rate of profit earned on the total capital invested, and consequently that the company is making an unfair profit out of its customers, and the labour it employs. This view would only be put forward by the most superficial of critics, but the directors are right in wishing to dispel it. In the first place, a large amount of the capital (£1,500,000 out of £4,598,000) has been subscribed in the form of preference shares, which in itself reduces the profit earned to a much lower percentage than 27½ per cent. Moreover, shares have been issued at considerable premiums from time to time, and in late years large investments have been made in other companies which the directors have thought it wise to enter in the books at extremely conservative figures. For instance, the last issue of shares was made at £2 premium, and the return on these is just over 9 per cent. instead of 27½ per cent. Another instance is the purchase of the ordinary shares of Joseph Crosfield and Sons and Wm. Gossage and Sons. The market value

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S.T.1.

A NOTE TO TRAVELLERS

TRAFFIC CONGESTION.

Consequent on the earlier closing of shops and offices in the evening, the present restricted services on the Underground Railways, Tramways and Omnibuses serving the London area are accompanied by congestion and delay.

Shoppers, Theatre goers, and all others who can do so, are particularly requested to assist in the efficient operation of the services during the time business workers travel to and from their homes, by endeavouring to travel at times other than between 5 and 6.30 p.m. on Weekdays, and 12.30 and 1.30 p.m. on Saturdays.



The London General Omnibus Co., Ltd.
Electric Railway House,
Broadway, Westminster, S.W.1.

of the shares issued for the purpose was £1,819,000, but they were entered at their par value of £465,000. Apart from this particular instance, the real value of the investments is now much greater than the value placed upon them in the company's books. The outcome of the scheme will be to increase very considerably the number of shares held by each ordinary shareholder, but the total value will be as near as practicable the same as at present. As a rule, we do not like these watering down plans, but there seems reason for it in this case.

Dorman, Long and Co., Ltd., announces a dividend of 4 per cent., making 8 per cent. for the past year, but instead of paying a cash bonus (last time it was 6 per cent.) it is proposed, subject to the consent of the Treasury, to capitalise £240,400, part of the general reserve representing accumulated profits, which will raise the total issued share capital to £1,500,000. This arrangement will give one new share for every $5\frac{1}{4}$ held, a rather troublesome sort of distribution we should think, but no doubt when the complete details are available it will be found that they have been worked out on a more practicable basis. In these times it is certainly desirable that industrial concerns of this kind should keep their resources as liquid as possible, because the transition from war work to the requirements of ordinary trade will inevitably necessitate considerable capital expenditure, at a time when new money is likely to be almost unprocurable. Where there are solid resources to justify such operations we are not disposed to cavil, although we believe that in the great majority of cases they had better be avoided.

Hotels generally have not had a very good time of late, but the Piccadilly Hotel, Ltd., seems to have been an exception. Receipts in the year to July 31 amounted to about £315,000, or £34,000 more than in the previous twelve months, and unquestionably this caravanserie has acquired a large amount of popularity with the officer-on-leave and other classes owing to the gaiety of atmosphere which has been cultivated. Expenses, however, were £29,000 up at £260,000, and the nett earnings were £5,500 to the good at £57,500. After paying debenture interest and placing £2,500 (new) to general reserve, the balance is £3,000 up at £25,270, which allows the 6 per cent. participating debentures to receive 2 per cent., against $1\frac{1}{2}$ per cent., extra, and the small amount of ordinary capital (£15,000 in 1s. shares) gets $\frac{1}{4}$, or 133 $\frac{1}{3}$ per cent., against 75 per cent. last year. On that occasion, however, £11,000 was written off preliminary expenses, reducing the amount carried forward by £4,000, and the balance remaining is now practically the same at £10,880. The capital account has a terribly invested pyramid appearance, with £490,000 of debentures on top of £15,000 shares; but the people who mostly hold the shares are also largely interested in the debentures, so that the inequality is not so great as might appear at first sight. Nothing in the balance-sheet calls for comment, but stocks are up £6,000 and cash has risen £8,600 to £35,100. Reserves, however, are very inadequate, and we are afraid the directors are too generous in their distribution of the profits.

For the year 1916 the deferred shares of the Maypole Dairy Co., Ltd., had to be content with a dividend of 25 per cent., but they had not to wait long for a solatium, and 100 per cent. was distributed in April. A second interim dividend of $58\frac{1}{3}$ per cent. is now declared, and at the same time it is announced that the directors intend to issue to the deferred shareholders one new share at par in respect of every two at present held. As the market price is about 30s., this represents a further very handsome bonus; but this method of raising capital has proved terribly expensive in the long run to many companies which have tried it. We suppose, however, the Treasury has sanctioned the issue?

At the meeting of the Anglo-Russian Trust, Ltd., Mr. C. Birch Crisp had some interesting remarks to

make on the position and prospects in Russia. He pointed out that for several years before the war there had been an immense growth of manufacturing enterprise, and a great stimulus had been given to the development of Russia's natural resources, which have as yet been barely scratched. Of course, all this had been arrested by the war, and it now looked as if the country were fated, in addition, to go through a period of internal strife; but the sharper the conflict the sooner the trouble would probably be surmounted. At any rate, there need be no anxiety about due provision for the external debt, as that will be the first care of any stable Government which emerges from the turmoil. So far we are quite in agreement with Mr. Crisp, but when he went on to extol German methods of "peaceful penetration" and the part played by the German Government in the campaign for commercial domination, we must enter a demurrer. Indeed, he was not very consistent on the subject, as he proceeded to say that the consequences would be disastrous if, through the acts of Government, the British people were deprived of their oldtime right to trade in the way that suited their genius best—"the way of freedom from official control and the blight of bureaucracy." At the same time, he has a grievance because "it is a remarkable fact that no branch of a British bank is to be found in Russia." That is rather funny, coming from one who has ambitions to be a banker himself. How many "branches" of British banks are there in the United States, or France, or Italy, or Argentina? But listen: "A London bank" recently approached the Foreign Office "for support" to enable it to open a branch in Russia, and the request was ignominiously turned down, to the great indignation of Mr. Birch Crisp, the apostle of the British people's genius for doing business in their own way without official coddling! When we say that he did not mention the name of the "London bank" or the nature of the "support" requested, further comment would appear to be superfluous.

The Springs Mines Co., which successfully tendered for the eastern portion of the de Rietfontein Farm, on the Far Eastern Rand, on the basis of amalgamation with the company's own property, has now completed arrangements for financing the exploitation of the new ground. About £450,000 is required to carry out the work, which includes the immediate sinking of one shaft, development, and extension of the existing plant. A second shaft will eventually be necessary, and for this financial provision has been made. The controlling concern, the Consolidated Mines Selection, has arranged to take up 200,000 new shares at £3 apiece, which was the market price of the shares when this agreement was made. Of the moneys to be forthcoming under this scheme, £300,000 will be applied to shaft-sinking and development, and an equal amount in redemption of debentures. The Consolidated company also undertakes to provide any additional sums required at one per cent. above Bank-rate, with a minimum of $6\frac{1}{2}$ per cent., repayment to be made in annual instalments as from December 31, 1923. It also undertakes to surrender not less than £70,000 of debentures at 96 per cent. In return for this arrangement, the Consolidated company is granted an option for five years on 300,000 shares at £3, the proceeds to be applied in reduction of moneys lent to the Springs Mines. Since the Rand Selection Corporation has the right to a 25 per cent. participation in this scheme under its agreement with the Consolidated company, there is no doubt that it will exercise it in view of the obvious attractions of the arrangement. The acquisition of the new area, it is stated, will not defer the dividend-paying stage of the Springs Mines.

Mr. George Henry Wright (secretary of the Birmingham Chamber of Commerce) has been elected president, Messrs. J. J. Bisgood, J.P. (London secretary of the Edinburgh Life Assurance Co.) and W. H. Stentiford (of 1, Broad Street Place, E.C.) have been elected vice-presidents; and Mr. E. L. Booty (secretary of Linotype and Machinery, Ltd.) has been elected treasurer of the Chartered Institute of Secretaries for the ensuing year.

Impulsive Creation of Offices.

It is not to be wondered at that Mr. Lloyd George's speech in Paris has stirred up and animated the French reading public to an extraordinary degree. The speech had an air of frankness, of confidential comradeship, and of conviction which was, perhaps, new to the French mind, and undeniably the mere reading of it carried one away for a moment, made one give unthinking assent to the assumptions on which it was based, and inclined to accept the latest save-us-all invention as something of original virtue, something calculated to avert blunders in time to come. When the froth had subsided, however, and one was able to clear the mind of phantasy and rant, the speech looked less enticing, the programme less charged with practical wisdom. Mr. Lloyd George has been in Italy consulting with the Italian authorities along with M. Painlevé, the all too transitory Premier in the French Government, and he has come back bursting with a new programme. His view now is that in the future the Allied side of the conflict is to be "one front," and, having ordered it to be one front, what is more natural than that there should be one head? Accordingly, a new supreme triumvirate has been constituted which is to take a consultative, or sub-dominative, or minatory, &c., &c., position in relation to the conduct of the war. Nothing is defined, nothing arranged, but the oration makes it all look very pretty, quite seductive—if you refuse to think. Nevertheless, it is essentially—we say it with all respect to the vivid meteoric politician now at the head of the Government—an absurdity.

Had we had this War Council, as Mr. George now says we should have had, would it have prevented the outbreak of revolution in Russia, or, still more pertinently, would it have forbidden our disastrous abandonment of the Gallipoli enterprise just on the eve of its success? No politician now makes any allusion to that fatal blunder. We have not, for example, seen in any newspaper allusion to a German journalist's statements about it. This is not surprising. We remember when the news first came to our ears from an officer intimately connected with war activities that General Monro had advised the Government to abandon Gallipoli, and that Lord Kitchener had endorsed his advice, our very heart seemed to melt. It seemed too ghastly to be believed. Would a War Council, a triumvirate such as has now been summoned—in haste, after the manner of Mr. Neville Chamberlain to a new department created *ad hoc*, "so that the Prime Minister might mention it in his speech"—have prevented that calamity? We do not believe it would, and yet there can be no doubt whatever that from the date of our abandonment of Gallipoli all manner of disasters have fallen upon the Allies. What does this German, Dr. Harry Stuermer say about it? This honest German—for there are a few still—was correspondent of the *Cologne Gazette* in Constantinople for the best part of two war years. He is a Badener, and had seen much of English colonies, is quite untainted with the leaven of Prussian savagery, and his soul revolted against the crimes, stupidities and hypocrisies of his countrymen, so in the end he abandoned his post, came to Switzerland, and delivered his soul in a little book called *Deux Ans de Guerre à Constantinople*. It is well worth reading, and we believe an English translation of it is now obtainable. This is what Dr. Stuermer says in it about the abandonment of Gallipoli:—"The Entente Powers are no longer ignorant of the fact that after the attempt of March 18, 1915, to force the Straits, a sacrifice of a few more vessels and a prolongation of the combat for a few more hours would have decided the fate of the Dardanelles. To their great astonishment the brave defenders of the forts along the shores of the Straits saw the attacks suddenly stop. Dozens of German marine artillery men who had served during this historic day the batteries of Chanak-Kale have since told me that they were already at the end of their power of resistance, and expected the immediate forcing of the Straits by the enemy, and in Constantinople itself people equally waited for the fatal event from hour to hour. Archives, treasure chests, gold, everything had already

been transferred to Konia in Anatolia, as trustworthy people have themselves told me." The author then proceeds to describe what had been effected by the heroic and bloody assault of the "Anzacs," and adds that "to this day in Constantinople they are ignorant of the reason why the British troops were not able to profit in a decisive fashion from the success so hardly won. At all events, it is a fact that on this occasion also the archives and the gold were sent in all haste to Anatolia, and even a German officer in Constantinople, endowed with good humour, told me that he was already thinking that day of hiring a window in the Grande Rue so that his family might see the solemn entry of the Allies. One might feel the comic side of such an episode if only the tragedy of it was less terrible."

Intelligent citizens should get the English version of this little book and study it. It is eloquently instructive on many things besides Gallipoli, on the horrors of the German-incited and superintended Armenian massacres, amongst others. But to return to our theme. Is it not true that, as Dr. Stuermer also says, our letting go at Gallipoli in the critical hour has led to an incalculable increase in the expense of the war, to a loss still going on of the lives of hundreds of thousands of our citizens? Did not our abandonment of Gallipoli release the Turkish troops to attack the Russians in Armenia, ourselves in Mesopotamia and Syria? Did it not encourage King Constantine—that miserable traitor weed who ought to have been summarily shot—to continue to befool our sycophantic Foreign Office officials and keep Turk and Bulgar fast on the side of Germany? Now, we want to know—would any Federal Council have prevented catastrophes like this, with its sequel? Assuredly not. And no "Council" in the world, supreme or other, could have averted the calamity now threatening Italy. That is the direct outcome of the Russian collapse, and, primarily, of the Gallipoli failure. No amount of rhetoric can disguise that fact, and all Italy's Western Allies can now do is to strain every nerve and enlist every available resource in order to assist the Italians to defeat the invader, an invader doubtless *in extremis*, but all the more abandoned a ruffian for that. What powers will this triumvirate possess? Will they guide the policy of the Allies in Cabinets and Chancelleries as well as strategy and tactics in the field?

We might ask a hundred questions for which there would be no satisfying answer. The mere definition of the new body's duties and powers given by the Prime Minister in the House shows that it is one more example of that duplication and overlapping of officials and departments which have flooded us with "staffs," "pocket-money helps," and mobs of supernumeraries who hinder instead of helping progress in all directions.

The Shipping Situation.

Certain aspects of the shipping situation give rise to doubts and perplexities. We suggest no need for despondent pessimism, but as the war proceeds new problems are arising, and old ones are becoming intensified. Sir Eric Geddes, the First Lord of the Admiralty, announces that since the opening days of the war our nett losses in ocean-going vessels of 1,600 tons and upwards amounted to two and a-half million tons, or 14 per cent. of the total. It is, happily, true that the intensity of the attack of the U-boats has been steadily decreasing since the "peak month" of April, and that the Navy in rising measure of success is sinking those unclean instruments of a ruthless creed. More have been sunk in the last quarter than in the whole of 1916. About half of those which have been in commission in the North Sea, the Atlantic, and the Arctic Ocean since the outset of the war have been destroyed. Germany continues to build submarines larger in size, and perhaps more formidable in armament. The information which Sir Eric Geddes has given to the House of Commons suggests that the maximum German production has not been reached. The evidence at the moment, therefore, is that, although Germany has failed conspicuously to strike the fatal blow at our

merchant service which in her wickedness she promised herself, the submarine menace is still a formidable factor in the situation. Not only is our tonnage down by two and a-half million tons, but a very considerable portion of the remainder has to be applied to serving the needs of the Army and Navy, and, what in its way is just as onerous, the needs of our Allies. We are carrying foodstuffs for France and Italy. How is this situation being met? Sinking the U-boats and protecting our merchant ships from attack is and must remain one of the paramount preoccupations of the Navy. But it is just as important in its way that all the available resources of the shipyards should be thrown into the output of merchant tonnage to make good our losses, and to minimise the margin of reduction which the war has brought about.

Looking back on events as we now see them, it becomes plain that the problem of merchant tonnage was not faced with foresight and intelligence during the earlier period of the war. Extravagant use was made of it in certain directions, and at the same time the whole resources of the shipyards were diverted to furnishing vessels of all sorts to meet naval demands. The first warning of the submarine as an agent of destruction of merchant tonnage was given in the early months of 1915. Sir Percy Scott in pre-war days had, indeed, anticipated the revolution which the submarine has made in sea warfare, and when Germany in proclaiming her so-called submarine blockade of these islands gave evidence that the U-boat was to be used against our merchant shipping, it was time to look to the future maintenance of our commercial tonnage. If we had been keeping up our peace production of merchant ships during the war period, we should now have had, after making allowance for the destructive energy of the submarines, some two or three million tons in excess of our total when war began. That is admitted by the First Lord of the Admiralty. The task was impossible even with our resources in war-time. The Navy had the first claim. Losses of ships, coupled with diversion of others to naval and military needs, however, brought the question of mercantile shipbuilding to the front. Mr. Runciman was pressing for the resumption of work on commercial vessels many months before he left the Board of Trade; but on the part of the Government of the day as a whole, there was evident reluctance to strike an intelligent balance of our future needs. Otherwise we should no doubt have advanced by a good many months the preparations and the organisation now being directed to the construction of merchant ships.

The Government has had to face a situation of growing urgency this year. We needed hundreds of thousands of tons of new shipping, and there could be no question of postponement until peace. If the shipbuilding programme which the Government is now pressing forward is executed with all possible promptitude, we may count on a substantial reduction in the margin between the amount of our pre-war tonnage and the amount we have now available. But this is conditioned by our ability to keep down the destructiveness of the submarine campaign. Some people are looking to the American shipyards for a large measure of relief. Yet it must not be lost sight of that the presence of the Army of the United States in Europe will make a tremendous claim on American tonnage. Sir Eric Geddes dealt with some aspects of our shipbuilding activity last week. The responsibility for the execution of both the mercantile and the naval programme is centred in a controller at the Admiralty. It is encouraging to learn that in 1917 we shall have produced naval and mercantile tonnage to an extent almost equal to the best year ever recorded in our history, and that in 1918 it will certainly be very much greater. The First Lord does not state what is the proportion of mercantile to naval tonnage leaving the yards, but he lays emphasis on the point that the former is being expedited. All this energy does not depend entirely on the yards. An adequate supply of steel is a vital factor, and on this matter Sir Eric has spoken with considerable confidence. He has reason to believe that not only will an adequate supply be forthcoming to meet the full de-

mands of the existing yards, but also later on for the new national shipyards which the Government has in hand. This immense effort implies a tremendous amount of preliminary organisation and preparation. The pity is that this extension of vital work was not undertaken earlier.

In looking at the present achievements in shipbuilding, there is one point on which the public is inclined to be disappointed—the output of standard ships. The inference that was drawn from some of the speeches of the Prime Minister was that by this time they would be taking the water in scores. Yet on the figures given by the Ministry of Shipping we are likely to have only about 22 or 23 of them in service by the end of the year. Certainly a more rapid rate of construction was expected by the public in the concluding months of this year. The early months of next year will show very rapid acceleration, because, as Sir Eric Geddes announces, more than five hundred thousand tons of the million gross tons of standard ships ordered are now under construction. Standardisation of ships is a very attractive idea, but it implies also a certain measure of equality of equipment in the yards. In order to obtain the fullest efficiency of output, it also requires familiarity with the design and handling of the standardised material. Had these matters been fully foreseen? Certain yards in this country have been accustomed to construct "repeat ships" of their own design, suitable for the requirements of particular trades. They execute these vessels with considerable celerity, and in certain quarters it is held that economy in time and material would have resulted from a more emphatic encouragement of this process of production. These are technical matters on which a divergence of view was perhaps inevitable.

Shipowners are looking forward to the period of reconstruction after the war with mixed feelings. An immense amount of leeway has to be made up in restoring the mercantile marine to its pre-war efficiency. Where is the capital to come from? During the earlier period of the war shipping earned large profits, but under the operation of the excess profits duty and the system of Government requisition these have to a great degree diminished. The building of new ships will be a tremendously expensive process. Neutral shipowners in the meantime have piled up tremendous reserves, and the announcement that they were placing large orders for cargo steamers in British yards has raised a storm of protests in shipping circles here. These protests have found an echo in the House of Commons, and the Ministry of Shipping has replied that it is clear that some form of control over the output of British yards must continue to be exercised after the termination of hostilities. One can quite understand the claim that British yards should in the main be devoted after the war to repairing the havoc which the war has caused in the British mercantile marine. There is, however, another side to the question. These neutral orders are highly profitable. Our shipbuilders have executed them with advantage to themselves in the past. If the neutrals are driven away from this country, they will seek to have their ships built, let us say, in America, where an immense extension of the shipbuilding industry is taking place. The problem is not one-sided. Like many others which will arise after the war, its successful solution will require infinite sagacity and foresight, if the difficulties are to be successfully surmounted.

Estimates of the sum required to bring British shipping up to its pre-war level of efficiency are at present speculative. So much depends on the duration of the war and on the cost of building and repairs afterwards. A memorandum issued by the Liverpool Steamship Owners' Association, a most responsible and well-informed body, deals with the war wastage of passenger and cargo liners, and the figures cited open up a vista of very formidable outlay. It proceeds on the basis that a loss of 2,300,000 tons gross of these categories of vessels will have to be made good. After examining the outlook in the yards and the probable

price of materials, the assumption is made that the average cost of construction will be about £45 per ton, or two and a-half times as high as under pre-war conditions. That would involve a total of £103,500,000. Where is the money to come from? It is estimated that £69,000,000 will have been recovered in respect of insurances, leaving a balance of £34,500,000. But this is not the full extent of the war ravages in regard to these particular classes of vessels. Extensive repairs are already overdue, and if the overhaul is to be thorough and complete it will cost something like £12,690,000. "In the result," says the memorandum, "provided the whole of the money collected in respect of war losses is re-invested in shipping, the lines will have to find out of earnings, out of further capital or on credit, in order to bring back their fleets to the state of efficiency in which they were when war was declared, about £47,190,000." As we have said, an element of hypothetical calculation must of necessity enter into such estimates at a time when so many factors of uncertainty exist. They do not cover the whole field of shipping, but in effect they present a picture of the magnitude of a task which shipowners are regarding with some anxiety.

Our Foreign Trade in October.

In considering the figures of our foreign commerce for the past month, as shown by the Board of Trade returns, it must be remembered that the record now includes certain transactions on behalf of the Government and Allies which were omitted a year ago, so that no exact comparison between the two periods can be made. Moreover, the tendency of prices has been steadily upwards, and the increases in value do not by any means represent a corresponding gain in the volume of business. On the other hand, when the losses caused by the "unrestricted" submarine outrages are taken into account and allowance is made for the increased naval and military requirements, the record must be regarded as amazingly satisfactory. Let us first look at the figures for the past four months, for which the returns have been compiled on the same basis as regards Government operations:—

	Imports.	Exports.
	£	£
July	90,182,000	49,834,000
August	100,567,000	49,804,000
September	86,300,000	43,244,000
October	94,261,000	50,757,000

It will be noticed that in September there was a nasty slump, which looked decidedly ominous, but last month's recovery puts a better complexion on matters, although it is impossible to estimate the effect produced by the inclusion of certain Government stores. Whatever allowance ought to be made for that, here is the encouraging comparison with the two previous years:—

	October, 1917.	Compared with 1916.	Compared with 1915.
	£	£	£
Imports	94,260,963	+13,101,090	+ 26,444,557
Exports	50,757,054	+ 6,041,806	+ 18,788,089
Re-exports	4,096,215	- 3,567,107	- 3,066,418

TEN MONTHS.

Imports	870,833,391	+85,904,477	+ 159,334,730
Exports	444,786,142	+20,741,956	+ 129,725,491
Re-exports	62,623,174	-21,915,227	- 20,159,345

Compared with October last year, imports are up 16 per cent., and exports 13½ per cent., while re-exports have fallen 46½ per cent. For the ten months imports have risen nearly 11 per cent. and exports over 4½ per cent., while re-exports are about 26 per cent. lower; but it is fair to assume that this decline in our valuable *entrepôt* trade is temporary, and mainly due to the shortage of shipping, prohibitive freights, &c. On the other hand, there is every reason to be satisfied with our regular import and export trade, and it will be seen that, as compared with 1915, the advance on both sides of the account is enormous, and we may fairly take the latter year as the commencement of a new era.

Imports of foodstuffs and tobacco last month showed

a decrease of £5,113,000. Grain and flour dropped £906,500, or 7.7 per cent., and other non-dutiable articles £3,055,000, or 37 per cent. Dutiable foods declined £848,500, or 11¼ per cent., and tobacco £803,000, or 72 per cent., but meat imports were half a million, or nearly 6 per cent., higher. Of course, the imports of tobacco have been forcibly restricted, but there is enough in stock to keep our pipes "reeking" for a long time to come, and the utterly insane muddle with regard to tea supplies is being gradually corrected. No particulars are furnished, but we should judge that the arrivals of sugar have been very satisfactory. Raw materials show an increase of £8,294,000, to which cotton contributes £5,021,000. This is an advance of 65½ per cent. in value, but the quantity was 14½ per cent. smaller, so the increased cost is painfully obvious. Wool, being "controlled," increased 31¼ per cent. in quantity and 60 per cent. in value, while flax dropped 45½ per cent. in amount but cost 2¼ per cent. more. Hemp increased 21 per cent. and cost 85 per cent. more, while jute imports fell practically to nothing. Leather dropped 72½ per cent. in quantity and 75½ per cent. in value, but hides cost 30 per cent. more for a slightly smaller quantity. Petroleum showed an increase of 184 per cent., while the cost was only 97 per cent. higher, but wood fell 48 per cent., while the value was 24 per cent. less. Iron and steel declined 25½ per cent. and cost nearly 16 per cent. more, and nearly everywhere the tale is one of smaller quantities and higher prices. Articles wholly or mainly manufactured show a nett increase of £9,460,000, almost wholly accounted for under the heading "miscellaneous." Metals, except iron and steel, increased £1,258,000, machinery £363,000, and motors, &c., £637,000, but most of the other items are lower.

Turning to exports, we find a decrease of £1,311,000 in food and drink, and of £165,000 in raw materials. Coal fell £413,000, or 8½ per cent., while the quantity was 14½ per cent. smaller, but oil seeds, &c., increased £343,000. Manufactured articles advanced £7,692,000, to which the miscellaneous list contributed £5,475,000. Cotton piece goods fell off a little in bulk, but fetched 36 per cent. more, while woollens increased 7 per cent. in volume and 54 per cent. in price. Iron and steel fell 26 per cent. in quantity and 20 per cent. in value. Machinery dropped 21 per cent. at £1,442,000, but apparel at £1,790,000 is 10 per cent. to the good.

In these distressful times it is natural that the public should take almost a morbid interest in the stocks of certain articles, and the bonded warehouse account throws a little light on some of the principal items. Here are the figures at the end of the last two months and a year ago:—

	Sept. 30, 1917.	Oct. 31, 1917.	Oct. 31, 1916.
Cocoa	1,131,000	1,062,000	857,000
Coffee	1,321,000	1,277,000	1,278,000
Sugar, unrefined	3,914,000	3,792,000	2,058,000
" refined	819,000	1,014,000	423,000
Tea	36,416,000	33,494,000	127,237,000
Tobacco	174,940,000	161,209,000	281,174,000
Spirits, home-made	129,603,000	127,316,000	140,710,000
" foreign	15,380,000	15,059,000	17,958,000
Wines	5,857,000	5,352,000	6,623,000

The damning item in this list is the position with regard to tea, which no amount of official palaver can make anything but utterly discreditable to the Department responsible. However, we have the assurance that the situation is rapidly improving and may leave it at that. It is satisfactory to see that the stocks of sugar have been largely augmented as compared with a year ago, when we were not blessed with queues and tickets, but it is very proper that substantial reserves should be accumulated before the fixed ration of ½ lb. per head comes into force; if there is any more bungling afterwards there will certainly be trouble. With imports of cocoa, coffee, and tobacco compulsorily restricted reserves are being gradually depleted, but they are large enough to free us from any anxiety, and the same remark applies to wines and spirits. In spite, however, of the perfectly adequate supplies prices continue to mount higher and higher. Why is that?

The bullion statement for the quarter ended September 30 shows that the imports of gold amounted to only £61,400 against £4,916,000 in the corresponding period, and silver imports were £1,466,720 against £3,159,950. On the other hand, exports of gold fell from £9,263,950 to £2,250,110, and silver exports from £3,159,120 to £1,858,270. For the past nine months gold imports were £3,607,520 against £11,284,690, but the exports have amounted to only £2,684,000 against £31,587,520 in 1916. Silver imports were £6,990,410 against £9,519,630, and exports were £7,618,300 against £7,082,570.

By-the-Way War Notes.

President Wilson delivered a most cogent and persuasive speech before the delegates to the Congress of the Federation of Labour assembled in Buffalo. So effective was it, that the workmen at once obeyed his mandate, as it may be called, called off all strikes, and ordered all the men within the influence of the Federation to go back to work. In the latter part of the speech the President gave a luminous *résumé* of Germany's purpose in originating this war, and wound up with these words: "Any body of free men that compounds with the present German Government is compounding for its own destruction. But that is not the whole story; any man in America or anywhere else who supposes that the free industry and enterprise of the world can continue if the Pan-German plan is achieved and German power fastened upon the world is as fatuous as the dreamers in Russia." These words ought to be dinned into the ear of malcontents in this country, and set in opposition to the insidious fatuities of our doctrinaire pacifists. But the United States will have to hurry up, else they will be too late to be in at the death. The war is being won now. People have been bemoaning the fate of Italy, and grumbling over the slowness of progress in the West, and holding the gloomiest ideas conceivable about the anarchy in Russia, so that the national mind has been overclouded by fears, for which there is no real ground. Nor is there, we venture to say, any real justification for the shrieks of alarm uttered by our Prime Minister in Paris.

What a pity it is that the average journalist is too busy to be independent, to study any subject so as to have his own mind clear upon it. Failing in that, he is obliged to fall back on catch phrases, the Autolycus wares of the equally hurried and opportunist politician, and is, therefore, continually giving the public a wrong impression about the meaning and drift of events. The position of Italy is a conspicuous illustration of the mischief this kind of hasty, uninstructed writing produces. Fleet Street and its purlieus at the present moment seethe with pessimism of the blackest type, and German prowess is almost worshipped there, worshipped in fear. It is impossible to keep that state of mind out of the journals. Accordingly the Italian disaster on the Isonzo has been magnified until many people are persuaded that after all it means the triumph of the beaten Germans, the dominance of Prussian absolutism in Europe.

This is the grossest possible exaggeration, and if our guides had only had the time to follow the course of the Italian campaign from the beginning of the war they would not have tumbled into such lunacy. They cannot have even read modern Italian history, else they would have understood that Austria has held Italy by the throat ever since the days of her partial deliverance. The whole of the passes from the mountains into the Venetian and Lombardy plains have been kept in her grip and fortified with the most ruthless care. It has been the effort of the Italian armies to win through these fortified passes into the Trentino on the north, in order to liberate their people and to protect their left flank. Also, they sought to pierce the hilly country east of the Isonzo in order to win back Trieste, where their fellow Latins are also oppressed, and the Italian armies were far on their way to success in these enter-

prises, so that had not the Austrian troops been set free by the collapse of the Russian offensive, there would probably never have been any such eruption as that of the last three weeks, over which minds everywhere have been so disturbed.

Please recollect that the Austrian armies are no better to-day than they were when the Italians continually thrashed them, or when they fled before the Russians or surrendered. Nor are the German troops sent by the Hohenzollerns to assist the despised Austrians of the quality of the men who fought France before Verdun last year, or who faced us at Ypres, at Neuve Chapelle, and Loos. There is nothing overpowering, therefore, in the character of this belated disparate onslaught except its artillery. We do not believe that the successful pounce through the insufficiently guarded passage, or passages, around Tolmino has resulted in such booty in Italian artillery, and in prisoners of war as the German bulletins assert. They lie emancipatedly always, and naturally, when in extremity, as they are now, the lying becomes stupendous when they get such opportunity as this inburst gives. But Italy has undoubtedly lost many troops, much material, and many guns, and is therefore for the moment at a disadvantage. But it will not be for long. British and French guns and ammunition are being hurried to her assistance, and also British and French troops.

That the enemy cannot be anywhere kept from penetrating the passes and spreading himself over the plains is probable because the Austrians, as we have said, have held these passes in their grip for 50 years; held and so fortified them as to make them almost impenetrable even by the heroic Alpini and others of Italy's choice warriors. The aim of the German command is to get behind the rivers where the Italians have made a stand and drive them into an *impasse* where they could be forced to lay down their arms. So far they have totally failed. They outflanked the armies of General Cadorna on the Tagliamento and on the Livenza, and are doing their utmost to get behind them on the Piave, having all the Trentino in their rear whence to draw supplies, but nowhere have they cut off any great force. It is not improbable that the Italian Army will have to draw further back and assume new positions behind which the enemy cannot now get. The more it concentrates in this way on the plains the harder becomes the Austrian task, the more perilous his position. We are of the opinion of an Italian soldier in hospital in this country who remarked to the nurse from whom he got the news that the passes were being forced by the Austrians, "Ah, that is good. They will never get back." They have forced their way in, having the keys of all the doors in their possession, but, as we said when first the news came, the stroke comes too late.

Why do not those who talk about campaigning of this sort pause to think or inquire? They move the armies about in their theorisings as they would pawns on a chessboard, yet already the Berlin braggarts have repeatedly given warning in their bulletins that the hazards increase, for the passes are filling with snow. How are provisions, guns, ammunition, reinforcements, the multitudinous requirements of an invading army, to be kept in adequate supply through these snow-clad, ice-bound gaps in the mountains during the next three months? Can human gun-fodder endure the strain and live?

The undertaking is a desperate one, and we are sincerely sorry that General Cadorna has been removed from his post at the head of the Italian armies just when, as it seems to us, the hour of victory is about to strike. His reluctance to accept a seat on that scare-invented Allied Supreme War Council of undefined powers and functions is understandable enough; it is little short of an insult to a great commander, and we hope he will not be left in an idleness, which may come to look like disgrace, much longer, for his management of the war since hostilities began has been most admirable. Impish German earthworms may have undermined the loyalty of some of his troops, but the nation stands true behind its leaders, and, led by men it trusts, will win its way to complete victory.

About what has taken place on the other seats of war we have scant room to speak this week. The British have consolidated their position on the Passchendaele heights, and have beaten back the long-delayed but formidable assaults on it when they did come. The French are continuing to waste the German troops in front of their positions, and all is quiescent on the Russian, Rumanian, and Salonika fronts; but in Palestine things have been moving with speed, and the defeated Turks do not seem in a position to do more than worry us in our advance upon Jerusalem or wherever further it may be our purpose to go. The symptoms, in fact, point on all these fronts to the exhaustion of the foe, and, therefore, to his approaching collapse. We must not build hopes on symptoms, however. It is our duty to persevere with vigour and with determination, as if inspired by a belief that the war is going to last for years. It cannot do that, because long before then half the population of the robber empires would be dead of famine, disease, and slaughter on the battlefield.

And, in spite of the defiant attitude towards the laws of finance and the insolent vaunting of their journals, their ostentatious displays of resources, and so forth, finance must ere long render the German Empire impotent, would do so for generations even if Germany were victorious on land. But meantime the Disconto-Gesellschaft of Berlin has increased its capital by £500,000 to £15,500,000. What is there to represent that capital? Hohenzollern debt, a ruined foreign trade. Is the Dresdner Bank richer because it has added £3,000,000 to its nominal capital, or the Deutsche better able to finish that Baghdad Railway by the additional £1,250,000 written on to its capital? No. It is paper, gauded but hollow as a Chinese lantern, merely the bluff of the defiant trickster.

Last week's return of shipping losses is the most cheering we have had since the submarine assassin piracy began. One British ship of over 1,600 tons is returned as having been sunk, five smaller vessels sent to the bottom, but this makes only six in all, against an average of 18.2 for October, 20 for September, 21.8 for August, and 44.6 for April, that being the highest average touched during the whole of this diabolical campaign, and Germans wonder why the world should hate them so. They may be assured they will be given a long time to find out why. The French lost two large ships of over 1,600 tons, and the Italians one sailing vessel. Five unsuccessful attacks were made on our shipping.

Insurance News.

It has been decided to change the name of the Horse, Carriage and General Insurance Co. to the Warden Insurance Co. The growth of the business has impressed both agents and staff with the fact that the company's title was not only cumbersome, but now somewhat misleading in that, although descriptive, it only very partially described the business the company has for some time been transacting. "Warden" is one of the oldest British titles known on both sides of the Border, and its distinction and the meaning of the word both seemed to suggest it as a most appropriate name for an insurance company. The directors are also taking this opportunity to increase the capital to £200,000 in 40,000 shares of £5 each, on which only £20,000 has been called up, leaving £180,000 at call, which with the invested funds gives a total security of considerably over a quarter of a million. The company, which now transacts practically all classes of insurance other than life insurance, was incorporated in 1877, and in June, 1913, all the shares of the company were acquired by the Royal Insurance Co.

In connection with the acquisition of the business of the Eagle office, the Eagle and British Dominions Insurance Co. has compiled an interesting little booklet entitled "Links With the Past," the text of which has been supplied by Mr. A. F. Shepherd, the company's organisation and publicity manager. The work is

liberally illustrated by reproductions of numerous old prints and photographs.

A scheme for the purchase of National War Bonds, repayable on October 1, 1927, at 105 has been devised by the Equity and Law Life Assurance Society. The subscriber provides £7 towards the purchase money and the society advances the remaining £93, the bond being deposited with the society. For each £100 a subscriber takes out a whole life or endowment assurance policy for a similar amount. At any time the loan may be reduced by sums of not less than £5. As long as the loan remains at £93 the interest on the bond exactly meets the interest on the loan; when the £93 has been reduced by payments to the society a proportionate part of the future interest on the bond will be paid to the subscriber. The balance of the policy money is handed over on death or maturity, together with the bond, after deducting the amount of the loan.

Special interest is attached to the figures relating to workmen's compensation insurance contained in the annual summary compiled by the *Post Magazine*. The figures show the results of transactions during the second year of the war, when conscription was in full force. Results are surprisingly good, the premiums received by 34 tariff offices having been increased by over £40,000, at £2,833,254. Claims were higher by some £50,000 to £1,280,808, the ratio being 45.2 per cent. against 44 per cent. in 1915. Commission absorbed 12.56 per cent. as contrasted with 12.8 per cent., and the percentage of profit was 20.14 per cent., or about 1½ per cent. less. The non-tariff offices, 18 in number, did better than in 1915 in both claim ratio and profit margin, the latter having increased from under 11 per cent. in 1915 to 17.84 per cent. in 1916. On a grand total of £3,827,881 received in premiums by the whole of the offices, tariff and non-tariff, the profit margin worked out at 19.55 per cent.

The suggestions that the Government should take steps to raise more money by increasing the sale of life annuities are receiving an increased amount of attention, and it is pointed out that a slight modification in the present method of assessing annuities for income-tax would have the effect of making annuities more attractive to a wealthier class, and in this way bring in substantial sums to the Treasury. If the Government were to levy tax only on the interest portion of an annuity, and not on the part that represents repayment of capital, the sale of Government annuities would, it is contended, appeal to a section of the community who do not now favour the purchase of a wasting security such as an annuity. At the present moment very rarely is the annuitant an income-tax payer to a large extent.

The numbers are published of 1,081 bonds of the total nominal value of £50,100 of the City of Rio de Janeiro 5 per cent. loan of 1909, which have been drawn for payment at par on December 1. The numbers are also announced of bonds drawn December, 1913, 1914, 1915, and 1916, which have not yet been presented for payment.

Coalite, Ltd., issues a statement that it has entered into an agreement with Low Temperature Carbonization, Ltd. (of which Mr. F. L. Davis, president of the Monmouth and South Wales Coal Owners' Conciliation Board, is chairman), under which the Carbonization Co. is appointed manager of the business of Coalite, Ltd., for a period of ten years, on the basis that Coalite, Ltd., is to receive £6,000 per annum for five years and the Carbonization Co. will be entitled to 50 per cent. of the nett profits.

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Funds, £37,000,000.

Annual Income £4,700,000.

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Incorporated A.D. 1720.

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GLASS. BURGLARY. ANNUITIES. FIDELITY GUARAN-
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DON'T CASH YOUR VICTORY LOAN DIVIDEND.

£2 10s. Dividend will double your holding of War Stock and produce £100 new money for the War.

Write for particulars to Prudential Assurance Co., Ltd, 142, Holborn Bars, E.C.1, or to any of its Agents.

The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from $5\frac{1}{2}$ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Fluctuations in money rates have been so insignificant that the Money Market has assumed no new aspect. Call loans have been easy enough, and the demand for December bills continues active, for the reason that money will be wanted in hand at the end of the year, but the discount rates continue as before, and although the margin between bankers' allowances and current market rates is often trifling, or replaced by an apparent loss, the margin on discount rates continues excellent.

Yesterday's Bank return showed declines in public and other deposits, and in Government and other securities, which, together with a decrease of £586,000 in the coin and bullion—or allowing for the return of £31,000 from the note circulation, of £554,000 in the reserve—just about accounts for the decline in public and other securities. The proportion of reserve to liabilities is down $\frac{1}{8}$ to $19\frac{1}{2}$ per cent., none of the movements having any importance.

There has been a revival this week of the reports current a little while ago that the banks will shortly

lower their deposit rates, with the object of reducing rates for Treasury bills, and thus making National War Bonds more attractive to the big investors. But opinion among bankers is still sharply divided upon the question, though the majority favour a reduction. The rate for deposits is still 4 per cent., which is $\frac{1}{2}$ per cent. higher than it would normally be with the Bank Rate at 5 per cent., and this is no doubt partly the reason why the deposits are larger now than they have ever been. It is suggested that depositors should themselves be urged to reduce their deposits and invest as much of them as possible in the War Bonds, but so long as the banks continue to offer a needlessly high rate, depositors will, perhaps, naturally, continue to take advantage of it. The need for much larger subscriptions to the War Bonds than those recently recorded is so urgent that nothing ought to be left undone which is calculated to increase the sales.

The dominant incident in the foreign exchange market has been the depreciation of the lira with the advance of the Germanic hordes into Northern Italy. The quotation is now 40lr. 22 $\frac{1}{2}$ c. per pound sterling, which compares with a par value of 25lr. 22 $\frac{1}{2}$ c. and 38lr. 10c. to 38lr. 43c. a week ago. Business, however, has been partly speculative. The Scandinavian exchanges have moved in our favour somewhat, owing to import restrictions. Roubles have been on offer, and are now quoted at 377 per £10, an advance of 21 points on the week. Thanks to the arrangements for improving the supply of dollars in Canada, the Montreal exchange has risen 1 point further to \$4.76 $\frac{1}{2}$, and is therefore now on a par with the New York exchange.

An interesting statement as to the amounts outstanding of the various war loans on September 30 has been issued by the Chancellor of the Exchequer. On the date mentioned, which was before the National War bonds were put on sale, the amounts were approximately as follows:—War Loans, $3\frac{1}{2}$ per cent., 1925-28, £62,700,000; $4\frac{1}{2}$ per cent., 1925-45, £20,000,000; 5 per cent., 1929-47, £2,056,300,000; Exchequer bonds, 5 per cent., 1919, 1920, 1921, and 1922, £237,600,000; 6 per cent., 1920, £141,700,000. The amount of Treasury bills outstanding on November 3 was £991,000,000, and the total loans from the United States Government were \$1,475,000,000 (£295,000,000). It may be added that in addition there were outstanding at the same date about £200,000,000 of ways and means advances.

The first results of the experiment of issuing Treasury bills in India have been very satisfactory. From October 16, when the notes began, down to October 31, the applications amounted to Rs. 7,75,09,000, equal at 1s. 5d. per rupee to £5,490,200. The prices for the bills were 97 $\frac{1}{8}$ per cent. for six months' bills, 96 per cent. for nine months' bills, and 95 per cent. for yearling bills. The Sixes proved the most popular, sales of these bills amounting to Rs. 7,60,74,000. To sell $5\frac{1}{2}$ millions of a security, wholly new to the Indian market, in a fortnight is no small achievement, for it must be borne in mind that a yield of about 5 per cent. is not attractive in a country where no difficulty is experienced in earning 10 per cent., and even more.

There is in course of formation a trade bank for India. It is to be called the Tata Industrial Bank, and, as its name suggests, the well-known Indian merchants, Tata, Sons and Co., which have branches in this country, France, and elsewhere, are the promoters of the enterprise. It is understood, however, that a group of influential London bankers are associated with the enterprise. The capital has been fixed at six crores of rupees (£4,000,000), of which over 2 $\frac{1}{2}$ crores have already been subscribed. The Tata firm has promoted a number of important industries in India, including iron and steel manufacture and hydro-electric power generation, and is very wealthy. Some of the important London banks have for a long time been anxious to establish themselves in India, and but for the difficulty of undertaking such an extension, owing

to the peculiar conditions of the Indian market, would have done so ere this. Messrs. Cox and Co., the Army bankers, are the only London bankers established in India, apart, of course, from the well-known Exchange banks, as they are called. A French bank which endeavoured to get established there gave up the attempt after a time, but the International Banking Corporation, an American house, has succeeded in obtaining a footing in India. There should be ample scope for such a bank as it is now proposed to form, for it will work on entirely new lines for the purpose of encouraging Indian enterprise.

SILVER.

The cash price of bar silver declined 1d. yesterday, and it is now quoted at 43½d., or a farthing down on the week, the business being insignificant. The last Indian currency returns, say Messrs. Mocatta, show a reduction of about a crore in the holding of rupees, but the weekly offerings of Council bills have been reduced to 60 lakhs, indicating that there is not much pressure at the moment to finance exports of national importance from India.

Applications for the Rs. 90,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,13,55,000. Of these Rs. 83,05,000 were allotted in deferred transfers, and Rs. 6,95,000 in immediate transfers. Tenders for bills and deferred transfers at 18. 40. 32d. and for immediate transfers at 19. 5d. received about 42 per cent. Since April last Rs. 3,10,00,000 have been sold, realising £23,143,667. Next week the amount to be offered will be reduced to 60 lakhs.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, November 14, 1917.

ISSUE DEPARTMENT.

Notes Issued	£	Government Debt	£
72,267,720		11,015,100	
		Other Securities	7,434,900
		Gold Coin and Bullion ..	53,817,720
		Silver Bullion	—
£72,267,720		£72,267,720	

BANKING DEPARTMENT.

Proprietors' Capital ..	£	Government Securities ..	£
14,533,000		58,721,370	
Reserve	3,218,537	Other Securities	90,102,972
Public Deposits (including		Notes	29,909,135
Riches, Savings		Gold and Silver Coin ..	1,787,623
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	42,224,527		
Other Deposits	120,511,316		
Seven Day and other Bills	13,710		
£180,521,100		£180,521,100	

Dated November 15, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year, Nov. 15.	Nov. 7, 1917.	Nov. 14, 1917.	Increase.	Decrease.
£	£	£	£	£
3,217,001	3,190,573	3,218,537	27,954	—
53,738,394	43,198,699	42,224,527	—	1,274,172
14,924,843	121,037,083	120,511,326	—	525,757
20,431	10,451	13,710	3,269	—
42,188,405	58,883,370	58,721,370	162,0	—
106,233,903	91,155,402	90,102,972	1,052,430	—
38,031,451	32,251,034	31,696,758	554,276	—
			1,799,929	1,799,929
£	£	£	Increase.	Decrease.
36,894,970	42,390,020	42,358,585	—	31,435
56,476,421	56,191,054	55,605,343	—	585,711
22.2 p.c.	19.6 p.c.	19.5 p.c.	—	1 p.c.
6 "	5 "	5 "	—	—

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,445,416,000	333,290,000	—
June	1,486,612,000	1,147,630,000	338,982,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August	1,628,368,000	1,364,782,000	263,586,000	—
September	1,348,317,000	1,136,590,000	211,727,000	—
October	1,877,534,000	1,619,967,000	257,567,000	—
November 7	366,737,000	312,043,000	54,694,000	—
" 14	378,994,000	322,327,000	55,667,000	—
Total ..	16,861,610,000	13,334,457,000	3,527,153,000	—

PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended Nov. 10.)

REVENUE.	EXPENDITURE.
£	£
Customs	National Debt Service ..
Excise	Interest, etc., on War Debt ..
Estate, &c., Duties ..	Development & Road Imp't ..
Stamps	Payments to Local Taxation ..
Land Tax and House Duty ..	Other Consolidated Fund ..
Property and Income Tax ..	Charges
Excess Profits Tax ..	Supply Services
Land Values	Bullion Advances
Post Office	For Advance for Interest ..
Crown Lands	on Exchequer Bonds under ..
Sundry Loans	Capital Expenditure ..
Miscellaneous	(Money) Act, 1904
Bullion advances repaid ..	For Treasury Bills
For Treasury Bills for Supply ..	Expenditure
5% Exchequer Bonds, 1922 ..	under War Loan Act, 1916 ..
6% Exchequer Bonds, 1920 ..	Other Debt under War Loan ..
Nation's War Bonds	Acts, 1914-16
War Expenditure Certificates ..	For Exchequer Bonds under ..
War Savings Certificates ..	Section 61 of Finance Act, ..
4% War Loan, 1929-1942 ..	1916, and Section 34, 1917 ..
5% War Loan, 1929-1947 ..	Under Telegraph (Money) ..
Other Debts created under ..	Act, 1913
War Loan Act, 1915, and ..	Under Post Office (Lon-
Finance Act, 1916	don) Railway Act, 1913 ..
Telegraph Money Act, 1913 ..	Under Military Works Acts ..
Under Post Office Rly. Act, ..	Under Housing Act, 1914 ..
1913	Public Buildings Expendi-
Under Military Works Act, ..	ture Act, 1903
1897-1903	Old Sinking Fund, 1907 & ..
Under Public Buildings ..	Sinking Fund, 1914
Under Housing Act	China Indemnity
Repayment of Advance for ..	Depreciation Fund
Interest on Exchequer ..	Suez Canal Drawn Shares ..
Bonds	Temporary Advances repaid ..
China Indemnity	Increase in Exchequer ..
East African Protectorate ..	balances
Loan repayment	
Suez Canal Drawn Shares ..	
Ways and Means Advances ..	
Decrease in Exchequer ..	
balances	
£103,300,427	£103,300,427

* Excluding sales through banks which have not yet been brought to account.

CURRENCY NOTES.

Return of Currency Notes for the week ended November 14, 1917.

	Issued.	Cancelled.	Outstanding.
£	£	£	£
£1 notes	3,521,430	2,589,104	136,885,103
10s. notes	1,714,478	1,138,525	33,787,425
Note certificates	970,000	530,000	20,680,000
Previous total	744,480,690	554,536,360	—
	750,146,607	558,794,079	191,352,528

Ratio of gold held against notes, this week, 16.6 p.c.; last week, 16.79 p.c.

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Oct. 12, 1917.	Oct. 5, 1917.	Oct. 13, 1916.
£	£	£	£
Gold coin and certificates ..	96,543,200	96,329,800	53,480,000
Gold Settlement Fund ..	64,553,600	66,917,400	25,053,200
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks ..	171,596,800	173,747,200	78,532,200
Gold with Federal Res. Agent ..	116,146,800	112,022,200	42,017,600
Gold Redemption Fund ..	1,043,400	1,893,000	37,400
Total gold reserves ..	288,786,000	287,702,400	120,587,200
Legal tender notes, silver, &c. ..	6,622,600	6,640,600	2,275,400
Total reserves	295,408,600	294,343,000	122,862,600
Bills discounted—Members' ..	58,632,800	53,050,200	4,391,800
Bills bought in open market ..	37,155,000	37,124,000	15,005,400
Total bills on hand	95,787,800	90,174,200	19,097,200
U.S. Gov. long-term sec. ..	10,975,600	11,454,000	8,584,000
U.S. Gov. short-term sec. ..	9,703,400	14,726,400	2,088,800
Municipal warrants	20,200	15,800	6,308,400
Loans on gold coin and bullion ..	—	—	—
Total earning assets	110,487,000	110,170,200	30,822,800
Due from other Fed. Res. banks ..	3,429,400	5,140,000	6,917,800
Uncollected items	61,410,000	46,864,600	—
Total deducts. fm gross dep. ..	67,048,400	47,534,800	1,917,800
5% Red. Fund ag Fed. Res. bknts ..	1,000,000	100,000	74,000
All other resources	200,000	114,800	5,000
Total resources	483,560,000	460,326,600	60,612,200
Capital paid in	12,200,800	12,205,400	11,136,400
Government deposits	14,833,400	17,257,000	5,393,000
Due to members—Res. account ..	253,061,800	249,777,400	—
Due to non-mbrs—clearing ac. ..	19,275,400	18,805,800	—
Members' bank deposits—nett ..	—	—	108,448,600
Collection items	34,765,000	31,856,600	—
Total gross deposits	312,935,600	297,696,800	113,751,000
F.R. notes in actual circulation ..	155,977,000	148,183,200	41,484,800
F.R. bknts in circn—nett liab. ..	1,600,000	1,600,000	206,600
All other liab. in for Gov. ordts ..	835,600	611,200	92,800
Total liabilities	483,569,000	460,366,000	160,512,200
Gold res. ag nett deposit liab ..	69.8%	69.2%	74.3%
Gold & lawful money reserve ..	73.7%	—	75.0%
against nett deposit liabilities ..	73.0%	—	—
Gold res ag F.R. nts in act circ ..	75.7%	76.0%	102.2%

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Nov. 10, 1917.	Nov. 3, 1917.	Oct. 27, 1917.	Nov. 11, 1916.
£	£	£	£	£
Loans	911,212,000	902,073,000	834,806,000	684,378,000
Reserve held in own Vaults ..	7,740,000	7,600,000	10,406,000	93,032,000
Reserve held in Fed. Res. Bk. ..	100,324,000	95,222,000	90,258,000	34,634,000
Cash in own Vaults	20,508,000	20,318,000	19,406,000	—
Reserve held in Other Depos. ..	6,356,000	6,360,000	10,586,000	10,830,000
Net Demand Deposits	919,148,000	715,570,000	715,864,000	678,988,000
Net Time Deposits	43,633,000	43,396,000	43,948,000	33,751,000
Circulation	6,576,000	6,558,000	6,542,000	6,248,000
Excess lawful Reserve	16,916,000	12,412,000	11,482,000	21,946,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Nov. 10, 1917.	Nov. 3, 1917.	Oct. 27, 1917.	Nov. 11, 1916.
Loans	£ 187,284,000	£ 183,572,000	£ 171,776,000	£ 147,274,000
Specie	8,164,000	8,864,000	9,192,000	12,074,000
Deposits	175,491,000	179,030,000	177,280,000	157,610,000
Legal Tenders ..	12,000,000	10,100,000	8,584,000	2,018,000

BANK OF FRANCE (25 francs to the £).

	Nov. 15, 1917.	Nov. 8, 1917.	Nov. 1, 1917.	Nov. 16, 1916.
Gold in hand ..	£ 131,727,440	£ 131,659,880	£ 131,615,080	£ 203,920,160
Silver in hand ..	9,424,320	10,009,700	10,139,240	12,767,430
Bills discounted ..	29,412,149	27,723,560	29,454,320	24,734,240
Advances	45,124,200	45,397,720	45,044,840	54,164,400
Note circulation ..	893,833,800	889,291,160	880,732,840	635,771,280
Public deposits ..	1,321,160	1,410,440	1,570,240	2,895,600
Private deposits ..	110,718,040	112,193,480	107,162,680	69,204,900
Foreign Bills ..	198,720	146,080	94,920	111,520

Proportion between bullion and circulation 24.72 per cent., against 25.10 per cent. last week. Advances to the State £494,000,000, unchanged. The adjourned payments of drafts in Paris on account of the moratorium, £20,476,360, decrease £40,680, and at the branches £25,554,600, decrease £28,200.

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Oct. 31, 1917.	Oct. 23, 1917.	Oct. 15, 1917.	Oct. 31, 1916.
Total Coin & Bullion ..	£ 125,932,050	£ 125,691,300	£ 125,373,800	£ 126,113,000
Treasury Notes	51,196,750	49,620,200	50,106,050	11,472,300
Bills discounted	586,852,600	577,154,650	600,246,600	393,880,350
Advances	67,700	500,950	639,650	698,400
Note circulation	520,013,000	506,914,900	514,776,500	363,018,350
Deposits	284,301,800	286,771,700	297,149,550	172,918,000

Clearing House return during October £505,402,450, against £404,766,500 in September.

STATE BANK OF RUSSIA (10 roubles to the £).

	Oct. 29, 1917.	Oct. 20, 1917.	Oct. 13, 1917.	Oct. 29, 1916.
Notes in reserve ..	£ 15,780,000	£ 10,410,000	£ 11,600,000	£ 10,510,000
Gold	129,520,000	129,560,000	129,650,000	155,880,000
Gold in reserve abroad ..	230,860,000	230,860,000	230,860,000	203,500,000
Loans and Discounts, including Treasury Bonds	1,771,120,000	1,761,770,000	1,607,840,000	600,350,000
Circulation note issue ..	1,836,210,000	1,785,850,000	1,729,010,000	784,490,000
Deposits, including Treasury deposit ..	345,550,000	344,910,000	344,270,000	22,373,000

NETHERLANDS BANK (12 Florins to the £).

	Nov. 10, 1917.	Nov. 3, 1917.	Oct. 20, 1917.	Nov. 11, 1916.
Gold and Silver ..	£ 57,568,583	£ 57,584,416	£ 57,718,000	£ 49,217,166
Bills and Advances ..	15,192,250	15,588,583	12,925,333	13,047,750
Note circulation ..	71,451,166	72,187,333	68,919,000	61,931,250
Deposits	4,774,750	4,699,083	5,219,823	3,957,750

* Statement of October 27 not yet to hand.

BANK OF SPAIN (25 pesetas to the £).

	Nov. 3, 1917.	Oct. 27, 1917.	Oct. 20, 1917.	Nov. 4, 1916.
Gold	£ 78,133,985	£ 77,976,730	£ 77,943,390	£ 47,532,110
Silver	28,845,236	28,976,771	28,921,267	29,648,902
Foreign Bills	1,577,121	3,622,145	3,661,717	3,897,489
Treasury and Short Bills ..	29,320,678	29,212,859	24,104,961	25,707,127
Treasury Account, &c. ..	25,099,135	25,264,855	25,174,692	30,337,564
Notes in Circulation ..	169,929,513	168,703,725	168,508,209	93,715,496
Current Accounts, Deposits ..	37,105,897	37,842,161	38,237,219	28,362,397
Dividends, Interests, &c. ..	1,898,176	2,007,369	1,970,497	1,610,406
Government Securities ..	4,242,411	4,104,379	4,184,488	3,939,027

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Nov. 13, 1917.		Nov. 15, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	10.68	10.73	10.68	10.73
"	Three months' bills ..	10.80	10.90	10.80	10.90
Paris	Cable transfers ..	27.31	27.36	27.31	27.38
"	Three months' bills ..	27.70	27.80	27.73	27.78
Switzerland ..	Cable transfers ..	21.10	21.25	20.75	20.85
"	Three months' bills ..	21.45	21.60	21.10	21.20
Petrograd ..	Cable transfers ..	37.0	37.5	36.2	36.7
Genoa, &c. ..	Cable transfers ..	40.10	40.30	40.15	40.25
Spain	Cable transfers ..	20.38	20.48	20.25	20.35
"	Three months' bills ..	55.3	56.3	55.3	56.3
Lisbon and Oporto ..	Cable transfers ..	30.2	31.2	30.4	31.2
Copenhagen ..	Cable transfers ..	13.50	13.60	13.48	13.58
Christiania ..	Cable transfers ..	13.40	13.50	13.15	13.25
Stockholm ..	Cable transfers ..	11.30	11.45	11.23	11.33

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	2.22½	27.39	27.35
Amsterdam, cheques ..	Florins to £1 ..	12.107	10.62½	10.70½
Italy, sight	Lire to £1 ..	25.22½	8.75	40.35
Madrid, sight ..	Pesetas to £1 ..	25.22½	20.20½	20.27½
Lisbon, sight ..	Pence to milreis ..	53½d.	30½d.	30½d.
Switzerland, sight ..	Francs to £1 ..	25.22½	20.97½	20.82½
Christiania, sight ..	Kroner to £1 ..	18.159	13.30½	13.47½
Stockholm, sight ..	Kroner to £1 ..	18.159	11.07½	11.57½
Copenhagen, sight ..	Kroner to £1 ..	18.159	13.34	13.72½
Petrograd, sight ..	Roubles to £10 ..	94.57	376	362
Alexandria, sight ..	Piastres to £1 ..	97½	97½	97½
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Hong Kong, T.T. ..	Sterling to tael ..	—	2/10½	2/11½
Shanghai, T.T. ..	Sterling to tael ..	—	4/0½	4/1½
Singapore, T.T. ..	Sterling to dollar ..	—	2/4½	2/4½
Yokohama, T.T. ..	Sterling to yen ..	2.58d.	2/1½	2/1½
New York, cable ..	Dollars to £1 ..	4.86½	4.76½	4.70½
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	51d.	52½d.
Valparaiso, 90 days ..	Pence to peso ..	—	14½d.	14½d.
Montevideo, T.T. ..	Pence to dollar ..	51d.	57½d.	58½d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13.3d.	13.3d.

OPEN MARKET DISCOUNT. Last week. This week.

	Per cent.	Per cent.
Thirty and sixty day remitted ..	4½-1½	4½
Three months	4½-1½	4½
Four months	4½-1½	4½
Six months	4½-1½	4½
Three months fine inland bills ..	5-1½	5-1½
Four months	5½	5½
Six months	5½-1½	5½-1½

BANK AND DEPOSIT RATES. Last week. This week.

	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
short loan rates	—	—
Bankers' rate on deposits	4	4
Bill brokers' deposit rate (call) ..	4	4
" 7 and 14 days' notice	4½	4½
Current rates for 7 day loans	4½	4½
" for call loans	4	3½-4

The Week's Stock Markets.

There has been nothing of a sufficiently encouraging nature even in the fine news from Palestine, the improved situation in northern Italy, and the steady pressure maintained on the Western front to counteract the anxiety created by Mr. Lloyd George's extraordinary post-prandial oration in Paris, the fall of the French Ministry and the state of chaos which evidently exists in Russia. Consequently, Stock Markets have had a very unsettled appearance, and dealings have become terribly attenuated, because there is nothing so inimical to business as uncertainty, and no one can foresee what may be the outcome of the storm in domestic politics that appears to be brewing. Fortunately, there has been little selling pressure even in such sections as Argentine Railways, where the outbreak of fresh labour troubles is extremely disappointing, and although the tone generally has been dull, prices have not given way to any serious extent. A reform has been introduced in the Consol market in the shape of a new rule requiring that British Government securities transferable by deed must be paid for on the delivery of the transfer unless a special bargain has been made to the contrary. It usually takes ten days or more to get a transfer completed, and the delay has compelled dealers to quote a slightly worse price for registered than for inscribed stock, and the working of the new arrangement will be watched with considerable interest.

Business generally has been very quiet on the Stock Exchange this week, and although on the whole the news has been more favourably read, there have been unsettling factors, such as the fall of the French Ministry and the strained political situation at home. It is almost impossible to form a reliable opinion about the position in Petrograd, but it certainly looks as if the troubles there would last for some considerable time. Consols and the 5 per cent. War Loans opened well, and Irish stock also gained a fraction, but prices afterwards were inclined to droop. Scarcely anything was done in Colonial issues, and except for a fractional improvement in New South Wales 4 per cents., the rest of the list was neglected. In the Foreign market a sharp break in Scandinavian bonds occurred owing to the recovery in the exchange, but they recovered to some extent before the close. French issues were affected by the fall of the Government, and Greeks, Brazilians, Mexicans, Guatemalas, Uruguays, and Peruvians all lost ground, but Chileans showed some strength. Russians at one time were very demoralised, and did not receive much support even at the lower levels established.

Home Railways have been a weak market, and North-Western, South-Western deferred, Midland deferred, and Great Eastern among others gave way to some extent, but the movements generally were not of much importance. Americans have moved very irregularly, and, for the most part, within narrow limits. Chesapeake at one time advanced 1½, but they reacted along with the rest of the market. International Marines gave way a point or two. Canadas and Grand Trunks were hardly dealt in at any time, and Mexicans were neglected until towards the end, when they dropped ½ to 2 points. Argentine Railways suffered a sharp setback owing to the outbreak of fresh labour troubles, and all the leading issues gave way rather sharply. San Paulo, Leopoldina, United of Havana, and Antofagasta were also weak.

Bank shares were very little dealt in, and where prices moved it was usually in the wrong direction. Breweries also were for the most part neglected, but Watney, Combe and Allsopp lost ground. The Egyptian section was very firm. Egyptian Salt and Soda being extremely well supported, although the price does not close quite at the top. Among Catering firms, Aerated Bread recovered a part of the sharp fall which occurred on the disappointing report. Among Iron and Steel shares, Dorman, Long made considerable progress on the proposal to capitalise part of the reserve, and British Westinghouse, Workington Iron, Weardale, and Guest Keen also showed strength. Otis Steel slumped heavily on the application for permission to deal in the deposit certificates, the recent advance having been due to the shortage of floating

	Last Week	This Week		Last Week	This Week
Consols.....	55 1/2	55 1/2	N.S.W. 4 1/2 % 5 yr. bds.....	97	97
War Loan 3 1/2 %.....	85	85	" 4 1/2 % 1922-7.....	9 1/2	9 1/2
" 4 1/2 %.....	90 1/2	90 1/2	" 5 % 1921-3.....	9 1/2	9 1/2
" 5 % 1920-47.....	93 1/2	93 1/2	" 5 1/2 % 1920-2.....	9 1/2	9 1/2
" 4 % 1919-42.....	90 1/2	90 1/2	Queensland 4 % 1929.....	84 1/2	84 1/2
India 3 %.....	55	55	New Zealand 4 %.....	80 1/2	80 1/2
" 3 1/2 %.....	64 1/2	64 1/2	Union of S. Africa 4 1/2 %.....	92	92
Australian 5 1/2 % 1920-22.....	99 1/2	99 1/2	1920-5.....	92	92
Canada 4 % 1910-60.....	81	81 1/2	Victoria 4 1/2 % 1920-5.....	92	92
" 4 1/2 % 1920-5.....	93 1/2	93 1/2	Westn. Aus. 4 %.....	81	81
N.S.W. 4 % 1933.....	92 1/2	92 1/2	French War Loan, 5 %.....	78 1/2	78 1/2
Argentina 4 % 1900.....	65	65	Japan 4 1/2 % (1st), 1905.....	97	97
Belgian 3 %.....	60	60	" 5 % 1907.....	92 1/2	92 1/2
Brazil, 1913.....	60	60 1/2	Mexican 5 % 1899.....	64	63 1/2
" 5 % 1914.....	78	78	Russia 4 %.....	50	50
Chinese 1896.....	92	92	" 4 1/2 % 1909.....	56	53 1/2
" 1912.....	82 1/2	82 1/2	" 5 % 1906.....	62 1/2	60
Egypt Unified 4 %.....	83	83	London and N.-W.....	91 1/2	91 1/2
Caledonian defd.....	8 1/2	8 1/2	London and S.-W. dfd.....	23 1/2	23 1/2
Gt. Central pf.....	13 1/2	13	Do red. pf. 1914.....	92	92
" dfd.....	6 1/2	6 1/2	Metropolitan.....	22 1/2	23
Gt. Eastern.....	35 1/2	35 1/2	Do 5 % pf.....	77	77
Gt. Northern dfd.....	30 1/2	30 1/2	Met. District.....	16	16
Gt. Western.....	85 1/2	85	Midland dfd.....	56 1/2	56 1/2
Lanes. and Yorks.....	65	66 1/2	Nth. British dfd.....	13 1/2	13 1/2
London Brighton defd.....	52	59	Nth.-Eastern.....	97 1/2	97 1/2
London Chatham ord.....	8 1/2	8 1/2	Sth.-Eastern dfd.....	20 1/2	20 1/2
Canadian Pacific.....	162 1/2	161	Chesapeake.....	49 1/2	50
E. Indian Guar. 4 1/2 % debs.....	86	86	Erie.....	23 1/2	23 1/2
Grand Trunk ord.....	9 1/2	9 1/2	Southern.....	25	27
Do. 1st pf.....	5 1/2	5 1/2			
Do. 3rd pf.....	20 1/2	20 1/2			
Antofagasta dfd.....	130 1/2	130	Cent. Argentine ord.....	60 1/2	58 1/2
Brazil Common.....	5	5	Leopoldina.....	37 1/2	35 1/2
B. A. Pacific.....	40	38 1/2	Mexican ord.....	18 1/2	18
B. A. Gt. Southern.....	77 1/2	72 1/2	San Paulo (Brazilian).....	18 1/2	18 1/2
B. A. Western.....	74 1/2	70 1/2	United of Havana.....	82	79
Anglo-South American.....	7 1/2	7 1/2	London & S.W.....	12 1/2	12
Bank of Australasia.....	115	115	London City & Midland.....	7 1/2	7 1/2
Bank of N.S. Wales.....	35	35	London County & Wesw.....	15	15
Barclay & Co. "A".....	7 1/2	7 1/2	London Joint Stock.....	23 1/2	22 1/2
Do. "B".....	11 1/2	11 1/2	Nat. Prov. of Eng. (1914 pf).....	27 1/2	27 1/2
Capital & Counties.....	22 1/2	22 1/2	Do. (12 pf).....	32	32
Chartered of India.....	68	68	Parr's.....	29	29
Hongkong & Shanghai.....	84	83	Standard of S.A.....	1 1/2	10 1/2
Lloyds.....	24	24	Union Discount.....	10 1/2	10 1/2
London & Provincial.....	164	162	Union & Smiths.....	23 1/2	23 1/2
London & Brazilian.....	23 1/2	23 1/2			
Armstrong, Whitworth.....	47 1/2	40 1/2	Kynochs.....	37 1/2	38 1/2
Birmingham Small Arms.....	53 1/2	53 1/2	Mond Nickel ord.....	3 1/2	3 1/2
Cammell-Laird.....	6 1/2	6 1/2	South Durham Steel.....	40 1/2	40 1/2
Cargo Fleet.....	23 1/2	2 1/2	Thornycroft.....	2	2
Dorman, Long.....	43 1/2	46 1/2	Vickers.....	39 1/2	39 1/2
Associated Cement.....	3 1/2	3 1/2	Pine Cotton Spinners.....	32 1/2	35 1/2
Borax dfd.....	40 1/2	40 1/2	Forestal Land.....	47 1/2	47 1/2
Boveri.....	19 1/2	19 1/2	Furness, Withy.....	54 1/2	54 1/2
Brazil Traction.....	43 1/2	42 1/2	Harro's Stores.....	7	2 1/2
British Amer. Tobacco pf.....	18 1/2	18 1/2	Hudson's Bay.....	7	7
British Aluminium.....	31 1/2	32 1/2	Imperial Tobacco 'C' pf.....	34 1/2	34 1/2
British Oil & Cake.....	30 1/2	30 1/2	Lever Bros. "C" pf.....	20 1/2	20 1/2
Brunner, Mond.....	4 1/2	4 1/2	Lyons, J.....	4 1/2	4 1/2
Casner-Kellner.....	3 1/2	3 1/2	Marconi.....	3 1/2	3 1/2
Coats.....	6 1/2	6 1/2	Maypole Dairy dfd.....	26 1/2	30 1/2
Courtaulds.....	6 1/2	6 1/2	National Steam Car.....	20 1/2	20 1/2
Cunard.....	34	34	Pears, A. & F.....	1 1/2	1 1/2
Dennis Bros.....	37 1/2	38 1/2	P. & O. dfd.....	32 1/2	32 1/2
Eastern Telegraph.....	149 1/2	149 1/2	Royal Mail.....	112 1/2	112 1/2
Eastmans.....	11 1/2	11 1/2	Underground Inc. Bds.....	82	82
English Sewing Cotton.....	52 1/2	53 1/2			
Anglo-Egyptian "B".....	29 1/2	27 1/2	North Caucasian.....	1 1/2	1 1/2
Baku (10s).....	2 1/2	2 1/2	Romanian Cons.....	11 1/2	10 1/2
Burmah.....	68 1/2	68 1/2	Royal Dutch (100 gulden).....	50	49 1/2
Lobitos.....	42 1/2	42 1/2	Shell.....	54 1/2	58
Maikop Pipeline.....	3 1/2	3 1/2	Spies (10/-).....	9 1/2	9 1/2
Mexican Eagle pf.....	3 1/2	63 1/2	Ural Caspian.....	1 1/2	1 1/2
Allagar 2/-.....	3 1/2	3 1/2	Perak 2/-.....	8 1/2	8 1/2
Anglo-Java Rub. 2/-.....	7 1/2	7 1/2	Port Dickson 2/-.....	41 1/2	41 1/2
Anglo-Malay 2/-.....	15 1/2	15 1/2	Rub. Estates Johore £1.....	45 1/2	51
Ayer Kuning £1.....	52 1/2	52 1/2	Rub. Estates Krian 2/-.....	45 1/2	45 1/2
Batang Malaka 2/-.....	5 1/2	5 1/2	Rubber Trust £1.....	32 1/2	32 1/2
Bekoh 2/-.....	5 1/2	5 1/2	Sampang (Java) 2/-.....	21 1/2	21 1/2
Brit. N. Borneo Trust £1.....	19 1/2	19 1/2	Sapumakande £1.....	28 1/2	27 1/2
Bukit Clob 2/-.....	5 1/2	5 1/2	Seaport £1.....	32 1/2	30 1/2
Bukit Kajang £1.....	82 1/2	82 1/2	Selangor.....	37 1/2	38 1/2
Bukit Mertajam 2/-.....	5 1/2	5 1/2	Sengat 2/-.....	38 1/2	3 1/2
Bukit Sembawang 2/-.....	3 1/2	3 1/2	Seremban £1.....	47 1/2	48 1/2
Carey United £1.....	49 1/2	50 1/2	Shelford £1.....	45 1/2	44 1/2
Ceylon Para 2/-.....	11 1/2	11 1/2	Sialang £1.....	70 1/2	79 1/2
Chersonese.....	3 1/2	3 1/2	Singapore Para 2/-.....	41 1/2	51
Chevi 2/-.....	6 1/2	7 1/2	Singapore United 2/-.....	3 1/2	3 1/2
Dalkeith 2/-.....	3 1/2	3 1/2	Soembar Ajoie 2/-.....	31 1/2	31 1/2
Eastern Invest. Trust £1.....	28 1/2	28 1/2	Stagbrook £1.....	33 1/2	37 1/2
Grand Central £1.....	28 1/2	28 1/2	Straits Bertam 2/-.....	7 1/2	7 1/2
Gula Kalumpung £1.....	37 1/2	36 1/2	Sumatra Para 2/-.....	10 1/2	10 1/2
Highlands £1.....	64 1/2	64 1/2	Sungei Bahru £1.....	46 1/2	46 1/2
Java Investment £1.....	31 1/2	31 1/2	Sungei Kepar 2/-.....	12 1/2	12 1/2
Java Para £1.....	35 1/2	35 1/2	Sungei Krui £1.....	5 1/2	59 1/2
Johore Rubber Lands £1.....	39 1/2	39 1/2	Taipung 2/-.....	4 1/2	4 1/2
Kamunin 2/-.....	4 1/2	4 1/2	Tali Ayer £1.....	43 1/2	44 1/2
Kinta Kellas 2/-.....	4 1/2	4 1/2	Tanjong £1.....	98 1/2	99 1/2
Kuala K. bu 2/-.....	3 1/2	3 1/2	Tanjong Malim £1.....	37 1/2	35 1/2
Labu 2/-.....	11 1/2	11 1/2	Tebrau £1.....	74 1/2	74 1/2
Langkat Java £1.....	4 1/2	4 1/2	Telagorejo £1.....	5 1/2	5 1/2
Linggi 2/-.....	31 1/2	30 1/2	Tempoh 2/-.....	2 1/2	3 1/2
London Asiatic 2/-.....	9 1/2	9 1/2	United Serdang 2/-.....	12 1/2	12 1/2
Malacca £1.....	58 1/2	58 1/2	United Sumatra 2/-.....	9 1/2	9 1/2
Malayalam £1.....	43 1/2	43 1/2	Val d'Or 2/-.....	4 1/2	4 1/2
Merlimau 2/-.....	6 1/2	6 1/2	Vallambrosa 2/-.....	25 1/2	25 1/2
Padang Jawa 2/-.....	3 1/2	3 1/2	Way Halim 1/8 pd.....	2 1/2	2 1/2
Pataing 2/-.....	44 1/2	45 1/2			
Abbottakoon (10/-).....	4 1/2	4 1/2	Gt. Boulder (2/-).....	13 1/2	13 1/2
Bechuanaaland Exp.....	7 1/2	7 1/2	Kyshtim.....	1 1/2	1 1/2
Brakpan.....	5 1/2	5 1/2	Mashonaland Agency.....	6 1/2	6 1/2
Broken Hill Prop. (8/-).....	51 1/2	51 1/2	Meyer & Charlton.....	5 1/2	5 1/2
Cam & Motor.....	11 1/2	11 1/2	Modder "B".....	8 1/2	8 1/2
Central Mining (£12).....	6 1/2	6 1/2	Do. Deep.....	7 1/2	7 1/2
Chartered.....	15 1/2	14 1/2	Mysore.....	3 1/2	3 1/2
City Deep.....	3 1/2	3 1/2	Rand Mines (5/-).....	3 1/2	3 1/2
Cons. Gold Fields.....	14 1/2	14 1/2	Rio Tinto (£5).....	65 1/2	64 1/2
Cons. Langlaagte.....	22 1/2	22 1/2	Russo-Asiatic.....	3 1/2	3 1/2
Crown Mines (10/-).....	2 1/2	2 1/2	Spring Mines.....	3 1/2	3 1/2
De Beers dfd. (£2 10s).....	12 1/2	12 1/2	Tanganyika.....	3 1/2	3 1/2
East Rand.....	15 1/2	15 1/2	Tanayik.....	1 1/2	1 1/2
Geduld.....	2 1/2	2 1/2	Van Ryn Deep.....	3 1/2	3 1/2
Gov. Areas Mod.....	3 1/2	3 1/2			

stock which this would correct. Except for small advances in Nigers and Foresta's, there is nothing in the Land group worth mentioning. Shipping shares have been very much in favour, the most prominent being Indo-China, Clan Line and Prince Line, while P. and O. and Royal Mail also improved. Among Textiles, Bradford Dyers, Calico Printers, Sewing Cotton, and Fine Cotton Spinners were in moderate demand, but Courtaulds gave way a fraction. Miscellaneous Industrials were very patchy. Associated Cement, however, showed some strength, and Salt Unions also received a certain amount of support. Brunner, Mond advanced on the directors' circular referred to elsewhere, but afterwards gave way. Maypole deferred shares went up steadily in anticipation of the handsome bonus which the new issue will give the fortunate shareholders.

Oil shares have been on the whole an extremely dull and disappointing market, although Burmahs, Mexican Eagles, and Lobitos marked trifling gains. On the other hand, the majority of the shares usually dealt in were decidedly weak. Rubber shares have been very irregular, and the market has been much quieter than was the case until quite recently. A few shares marked substantial improvements, but, on the whole, the changes have been mostly adverse.

LONDON PRODUCE MARKETS.

SUGAR.—Market unchanged

COFFEE.—With a sustained demand, business proceeded actively this week, and recent level of prices was well maintained. In auction some fine bold East India realised 106s. For future delivery the market proved quiet but firm. March, sold, 68s.

COCOA.—Business made steady progress again, and recent values were maintained without difficulty. Fair to good red Ceylon, sold, 84s. 6d. to 88s. 6d.; and West Coast African, 72s. to 73s.

TEA.—Ma ket active and firm, while increased offerings this week were soon disposed of. During the week 27,000 packages Indian and 19,000 packages Ceylon were in print.

SPICE.—Pepper met with good attention at full to dearer prices. Fair black Singapore, spot, sold, 1s. 3d., and Muntok, 1s. 8d. to 1s. 9d. Zanzibar cloves quiet. Fir, on spot, quoted 1s. 10d. Tapioca firm. Fair flake, sp. t. sold, 7d.; fair Penang seed pearl, 68s.; fair small sago, 65s.; and sago flour for shipment, 62s.

RICE in steady request at fixed prices, while a moderate business was reported in beans and peas at late rates.

JUTE quiet. Native first marks, January-March, quoted £18 15s., f.o.b., Calcutta.

HEMP.—East India kinds moved in sellers' favour. Itari, spot, sold, £81; and Sewnee, £79; No. 1, Yuchow, £150. Manila and New Zealand grades in moderate request at fixed prices.

SHELLAC quieter, and market somewhat unsettled. Fair T.N., spot, sold, at 307s. to 308s.; December delivery, 310s., 307s., and 308s.; and March, 312s., 307s., and 310s.

GAMBER firm. Block, spot, sold at 62s. 6d., London, and to arrive at 60s., c.f. and i., London, and 62s., ex quay, Liverpool.

RUBBER quiet, and with more selling desire, prices disclosed slight weakness. Plantation crepe, spot, sold, 2s. 7 1/2d. to 2s. 6 1/2d.; December, 2s. 8d. to 2s. 7 1/2d.; January-March, 2s. 9d. to 2s. 8d.; smoked ribbed sheet, spot, 2s. 6d., 2s. 5 1/2d., and 2s. 6d.; December, 2s. 6 1/2d. to 2s. 6 1/2d.; and January-June, 2s. 7 1/2d. to 2s. 7d. Fine hard Para, spot, sellers, 2s. 10d.; soft fine, spot, sold, 2s. 3 1/2d.; and ball, spot, at 1s. 6 1/2d. per lb.

COPRA sparingly offered, and values largely nominal.

TALLOW.—No auctions held, owing to scarcity.

CORN (Mark Lane).—Nothing occurred to alter market conditions, the tone remaining steady since last Monday, with business on a quiet scale. Wheat—Native grain continues in short supply, at 73s. 6d. per qr. (504 lbs.). Of imported descriptions, No. 1 Northern Manitoba, quoted at 79s. 6d. to 80s. 3d.; No. 2, 78s. to 78s. 9d.; and No. 3, 76s. to 76s. 9d., landed. Australian, ex store, 81s. 6d. to 82s. 3d. Flour—Country straight runs, 44s. 3d. per sack, ex mill. Barley—English, 62s. 9d. per qr. Maize remains practically out of offer at present, and nominal. Oat—American white clipped, No. 2, 60s. 3d. to 62s. 6d.; Canadian Western, No. 2, 63s. 3d. to 64s. 6d., both landed. English, 44s. 3d. per qr.

COTTON (from our Manchester correspondent).—There have been increasing difficulties in arranging business in the market during the past week, and in certain quarters traders have practically reached a deadlock. The most serious problem which has now to be faced by our industry is that relating to American cotton supplies. On certain days this week it has been practically impossible to purchase on the spot in Liverpool. The Cotton Control Board has decided that from next Monday users of American descriptions, except those engaged on Government contracts, shall not run more than 60 per cent. of their machinery. It is rumoured that from the beginning of January this will be reduced to 50 per cent. A similar curtailment of production is expected in weaving. Everything points to a large amount of unemployment in Lancashire during the next few months. The operatives in all sections have applied for wages advances varying from 25 to 40 per cent. It is understood that within the next day or two a deputation is to wait upon the President of the Board of Trade to press upon him the urgent necessity of providing more tonnage for raw cotton from the United States. A considerable cloth inquiry has come through, but numerous manufacturers have decided not to sell further ahead, and progress has been blocked. Some fair sales, however, have been mentioned in light fabrics and printing cloths for India. China has done very little. Scattered sales for the minor outlets East and West in the aggregate have totalled to fair dimensions, but the turnover as a whole has been smaller than in recent previous weeks. Buyers for the British and French Governments have again been in the market for strong and heavy materials. In

American yarns it has been difficult for buyers to place orders, as numerous spinners are now refusing to book contracts on any

CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING NOVEMBER 16, 1917.

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt., duty 14/1, 98% polarisation			Wool —per lb.		
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granu			Greasy Crossbred	nom.	nom.
lated, first mark			New Zealand	nom.	nom.
f.o.b., spot	nom.	nom.	Scoured M'tine	nom.	nom.
German Cubes	nom.	nom.	Greasy Crossbred	nom.	nom.
French Cubes	nom.	nom.	Cape snow white	nom.	nom.
Crystallised, Wes			India-rubber p. lb.		
India ..	2 6 9	2 6 9	Plantation, Spot		
Beet, 88% f.o.b.	nom.	nom.	Crepe ..	0 2 7½	0 2 6½
Tea —per lb., dut.			Coal —per ton		
1/1 lb.			Durham, best ..	nom.	nom.
Indian Pekoe ..	1 0-2 0½	1 0 1 6	Seconds ..	nom.	nom.
Broken ..	1 0-2 8	1 0-2 8½	East Hartlepool	nom.	nom.
Orange ..	1 0-2 8	1 0-2 6½	Seconds ..	nom.	nom.
Broken ..	1 0-2 9	1 0-2 9	Steamers, best ..	32 6	32 6
Pekoe Souchong	11-1 3	1 0 1 3	Seconds ..	29 6	29 6
Ceylon Pekoe ..	1 0-1 6	1 0-2 4½	Lead —per ton.		
Broken ..	1 0-2 5½	1 0-2 6½	English Pig ..	nom.	nom.
Orange ..	1 0-1 6	1 0-2 4	Foreign soft ..	£30½-£29½	£30½-£29½
Broken ..	1 3-2 8	1 0-2 9	Quicksilver —per		
Pekoe Souchong	11-1 0	1 0	bottle first hand	nom.	nom.
Cocoa —per cwt.			Tin —per ton		
duty 6d. per lb.			English Ingots	£2 6½-26½	£2 7½-27½
Trinidad—per cwt.	90 0-97 0	90 0-97 0	Do. bars	£26½-68½	£27½-27½
Grenada ..	95 0-91 0	95 0-91 0	Standard cash	£267	£276 10
West Africa ..	61 0-71 0	60 0-76 0	Tin Plates, per box	nom.	nom.
Ceylon Plantation	75 0-60 0	75 0-60 0	Copper —per ton.		
Guayaquil Ariba ..	100/-102/-	110/-102/-	English, Tough		
Coffee —per cwt.			per ton ..	nom.	nom.
duty 42/- per cwt.			Best Selected	£119-£123	£119-£123
East India ..	82 0-1-4 0	87 0-106 0	Sheets ..	£150	£150
Jamaica ..	69 0-120 0	72 0-120 0	Standard ..	£110-110½	£110-110½
Costa Rica ..	80 0-103 0	82 0-105 0	Jute —per ton.		
Provisions			Native firsts for		
Butter , per cwt.			shipment	£18 15	£18 15
Australian finest	220/-223/-	220/-223/-	Oils		
Argentine ..	220/-223/-	220/-223/-	Linseed, per ton ..	£58-£63	£58-£63
Irish Creameries	224/-229/-	224/-229/-	Rape, refined ..	£71	£71
Dutch do. ..	nom.	nom.	crude ..	£66	£66
Russian finest ..	nom.	nom.	Cott'n Seed, crude	£60	£60
Paris baskets ..	25½/8	25½/8	Ditto, refined ..	£67-£95	£67-£95
Danish finest ..	nom.	nom.	Petroleum Oil, per		
Brittany rolls ..			8 lbs.	1/7½	1/7½
doz. lb. ..	27/6-28/	27/6-28/	War White ..	1/8½	1/8½
Bacon —per cwt.			Oil Seeds, Linseed		
Irish ..	161/-162/-	162/-	Calcutta—per ton		
Continental ..	162/-	162/-	Spot	29 10 0	29 15 0
Canadian ..	162/-	162/-	Rape ..	30 0 0	30 0 0
American ..	157/-	157/-	Iron —per ton		
Hams —per cwt.			Cleveland Cash ..	nom.	nom.
Irish ..	184/-	184/-	Tobacco —duty		
Canadian ..	160/-	160/-	unmanufactured		
American ..	110/-137/-	110/-137/-	7/4 to 8/6 per lb.		
Cheese —per cwt.			Maryland & Co.		
Dutch ..	120/-156/-	120/-156/-	per lb. bond	nom.	nom.
Canadian ..	nom.	nom.	Virginia leaf ..	0 8-2 1	0 8-2 1
English Cheddar	142/-	142/-	Kentucky leaf	0 7-0 11	0 7-0 11
Wilt's loaf ..	nom.	nom.	Latakia ..	2 1-5 0	2 0-5 0
New Zealand ..	nom.	nom.	Havana ..	1 6 6 6	1 6 6 6
Rice —per cwt.			Mania ..	nom.	nom.
Japan ..	29 6	29 6	Cigars, duty 10/1		
Rangoon 2 stars ..	26 3	26 3	per lb. ..	2/ upds.	2/ upds.
Eggs —per 120.			Timber —Wood.		
English ..	39 0-41 0	40 0-42 6	Pitch pine ..	300/-400/-	300/-400/-
Irish ..	30 0-34 0	30 0-34 0	Indian Teak ..	380/-700/-	380/-700/-
Danish ..	32 0-35 0	33 6-34 6	Turpentine		
Spalter			American Spot ..	4 10 0	4 15 6
G.O.B. as to posi-			Copra —per ton	46 0 0	46 0 0
tion ..	£54-£50	£54-£50			
Flour —per sack.					
Country Straight					
Runs ex Mill ..	44/3	44/3			

terms whatever. Some re-sales have occurred at extraordinary figures. There has not been much life in shipping yarns. Bolton spinnings have been in healthy request at hardening rates.

OILFIELDS ITEMS.

Baku Russian.—Production week ended Nov. 3, 72,300 poods.
Bibi Eibat.—Production week ended Oct. 21, 712 tons.
British Maikop.—Production week ended Nov. 3, 28 tons.
Maikop Orient.—Production week ended Oct. 27, 12,250 poods.
Spies Petroleum.—Production week ended Nov. 4, 3,914 tons.
Total for the year from Jan. 14, 122,745 tons, against 114,089 tons for the corresponding period last year.
United British of Trinidad.—Production week ended Nov. 7, 564 tons.

BOOKS RECEIVED.

Transvaal Chamber of Mines. Twenty-Seventh Annual Report. For the year 1916. Argus Printing and Publishing Co., Ltd., Johannesburg.

The Rothband Employment Scheme for Sailors and Soldiers Disabled in the War. Official Objections Examined.

American Business Notes.

The War Revenue Bill of the United States became law on October 3, by the signature of the President. It is a very remarkable enactment. Not only does it impose the largest amount of taxation ever levied by the Republic, but it is a remarkably fair measure. There is no attempt to help or to bribe industries by manipulating a protective tariff in their favour; in fact, there is nothing at all about tariffs in the Bill. Yet the amount sought to be raised is £507,000,000 in the first year. The Senate Bill was drafted, as we stated at the time, to produce £483,000,000 odd—the original Bill as proposed by the House of Representatives being estimated to provide only £374,000,000 or thereby—but the Bill ultimately passed by agreement between the two Houses makes the largest demands of all. The whole of the money, moreover, is to be raised on lines which betray the utmost solicitude to avoid injury to any class or interest amongst the taxpayers. The new income-tax, for example, begins on incomes of £200 for single persons and £400 for married persons, whereas the tax hitherto levied fell first on bachelor incomes of £600 and incomes on married persons of £800. Up to the former minimum of £600 and £800 the incomes now brought within the scope of the tax will be only 2 per cent. When incomes reach and pass the higher minimum now abolished the tax will rise to 4 per cent., and it goes up by 1 per cent. on incomes between £1,000 and £1,200, the highest levy of all being 50 per cent. on incomes exceeding £200,000 a year. The excess profits tax, too, touches only a minimum of 20 per cent. on excess profits not exceeding 15 per cent. on the invested capital for the tax of the year. The maximum of the excess profits that can be swept up by the tax-gatherer is 60 per cent. on profits which exceed 33 per cent. of the capital employed, but there are allowances for capital which include both tangible and intangible assets and exemptions ranging from 7 to 10 per cent., whose working we do not quite follow. Mail rates are raised, advertising matter pays increased postal charges, manufacturers' taxes embrace a wide range, and include automobiles, musical instruments, jewellery and sporting goods, perfumes, patent medicines, cosmetics and chewing gum, films, and so forth. The inheritance tax is also raised, and ranges from 1 per cent. on estates of £10,000 to 10 per cent. on estates of £200,000. Drinks, "hard and soft," and tobacco are all levied upon, but outside these no change is made, or necessitated, in the general tariff. From the simple income-tax £170,000,000 odd per annum is expected, and from the excess profits £200,000,000. It follows, from all other sources, the contributions will be comparatively insignificant, although distilled spirits, fermented spirits, wines and syrups, and "soft" drinks are expected to return £40,000,000, and from tobacco in all forms upwards of £12,000,000 is expected. The tax on freight rates is reckoned to give £15,500,000, and nearly as much is expected from the tax on passenger fares and express packages taken together. Automobiles and motor cycles are taxed to produce £8,000,000, and amusement taxes, theatres, cinemas, and so forth, are looked to for £10,000,000; stamp taxes, including playing cards and parcel post, are reckoned to give nearly £6,000,000; and "first and second class mail matter," as it is called, upwards of £15,000,000. The tax on munition manufacturers is also relied upon for £5,000,000.

Although the exports for August were the smallest of this year in the United States, the total for the eight months since January 1 was £831,000,000, which contrasts with £687,000,000 for 1916. The total, in fact, was nearly £400,000,000 more than for the first eight months of 1915, and £120,000,000 more in excess of the total exports for the whole of 1915. Higher prices no doubt have a powerful influence in making up these formidable values, and it is worth noting that the official list of export prices quotes wheat at \$2.72 per bushel, as compared with \$1.27 a year earlier, maize at \$1.66 against \$0.83, and cotton at 223 cents

against 132 cents.; structural iron and steel at \$84.48 per ton, against \$46.50, and so on. The rise, for example, in meat and dairy produce ranges from 9 to upwards of 90 per cent. Imports which have always been smaller than exports in the United States, for reasons our readers do not need nowadays to have explained to them, came to about £410,000,000, which compares with £333,450,000 for the first eight months of 1916, and with £230,000,000 odd over the same section of 1915. These figures give what the American economists usually call a "favourable balance" of £421,000,000 or so for the eight months elapsed of this year, and part of this indebtedness of foreign countries to the Republic has been as usual provided by shipments of gold, the nett import of which have amounted to £41,305,000. A year ago for the same eight months it was £40,550,000, and two years ago £42,600,000. The balance must be made up by our expanding debt to the Americans.

Tea, Oil and Rubber.

There has been a sad lack of animation both in the Rubber share and commodity markets. On the whole the tendency has been dull, and although there was a moderate inquiry for shares that seem to have good prospects of capital appreciation, buyers appear to be pretty well "fed up" for the time being. Standard crêpe has fallen back to 2s. 7d., in spite of the comparatively small supplies offering, and it is evident that the trade at any rate do not anticipate any serious shortage, although such a contingency is constantly predicted in certain quarters. According to the Board of Trade returns the imports in October were 95,900 centals, or 22,390 centals less than last year, while exports were 82,860 centals, an increase of 15,386 centals. Apparently, therefore, the month's operations were some 37,800 centals worse for our stocks than October last year, but manufacturers evidently are not in the least disturbed, and the restriction of imports would no doubt be immediately removed if there were any danger of a real scarcity. In the past ten months imports have amounted to 1,558,520 centals, an increase of 202,160 centals, and exports have reached 1,095,300 centals, an increase of 214,500 centals. That means that we have retained 463,200 centals for home consumption, which is doubtless amply sufficient for our requirements.

TALI AYER RUBBER ESTATES, LTD.—Year to April 30. Issued capital, £300,000 in £1 shares. Estate account, £271,500. Reserve of development, £5,000.

	1915.	1916.	1917.
Net profit	£26,840	£46,300	£78,830
Dividend	10 p.c.	12½ p.c.	15 p.c.
Carried forward	£5,200	£14,000	£41,850
Output.....lbs.	462,050	640,780	1,025,380
Average price	2s. 1.50d.	2s. 6.59d.	2s. 6.62d.
All-in cost.....	1s. 0.46d.	1s. 1.82d.	1s. 0.85d.
Planted area	3,815	3,817	3,817
Yield per acre	121	168	270

Carry forward is subject to excess duty, which for 1915-16 amounted to £986. During the year 1,340 acres were purchased, raising the total area of the estate to 6,086 acres. The steady increase in the yield is noteworthy, and as 2,130 acres were planted as recently as 1910-12, a further large increase should be seen soon, but for the current year the output is estimated at only 1,080,000 lbs.

KALI GLAGAH (JAVA) RUBBER AND PRODUCE CO., LTD.—Year to March 31. Issued capital, £65,000 in £1 shares. Estate account, £65,160.

	1915.	1916.	1917.
Net profit	£2,510	£12,730	£18,280
Dividend	5 p.c.	15 p.c.	17½ p.c.
Carried forward	£930	£2,400	£7,080
Output, rubber	50,380	136,700	192,500
Do. coffee.....cwt.	2,014	1,034	2,924
Average price, rubber	2s. 1.10d.	2s. 7.69d.	2s. 5.34d.
Do. coffee	36s. 8½d.	49s.	21s. 8d.
Planted area	896	900	1,035
Rubber yield per acre	56	152	186

Crop proceeds last year amounted to £23,300 from rubber and £9,610 from coffee, increases of £5,300 and £7,000 respectively, but the coffee is being gradually cut out as the trees become unproductive. It is only the extraordinarily high price that made the crop profitable. No statement of costs is given, as

they are doubtless difficult to analyse. The large carry forward on this occasion is subject to excess profits duty.

VICTORIA (MALAYA) RUBBER ESTATES, LTD.—Year to June 30. Capital, £75,000 in 6d. shares, of which 807,800 issued, fully paid. Also 8 per cent. convertible debentures of £30,000. Estate account, £47,200.

	1915.	1916.	1917.
Net profit	£2,230	£2,520	£8,350
Dividend	nil	5 p.c.	25 p.c.
Carried forward	—	£120	£2,420
Output	19,050	71,500	182,000
Average price	2s. 2.92d.	2s. 8.11d.	2s. 5.87d.
All-in cost.....	—	1s. 5.28d.	1s. 4.49d.
Planted area	1,290	1,322	1,382
Yield per acre	15	55	132

Practically speaking, the estate dates only from 1911, when 1,067 acres were planted, and since then 90 acres have been laid down. There are 96 acres of coconuts, but as the nett sales from this source were only £53, they may be ignored. Practically all the debentures have been converted, and will rank for dividend as from July 1. Output for the current year is estimated at 250,000 lbs., but the trees are still young, so that the small yield per acre is not surprising, and there ought to be a substantial increase next year, when the 1,911 trees are more mature. Reserve and waste area amounts to 1,535 acres.

BATU MATANG RUBBER PLANTATION, LTD.—Year to June 30. Issued capital, £39,880 in £1 shares and £45,000 in 6 per cent. convertible debentures. Estate account, £87,020.

	1915.	1916.	1917.
Net profit	£3,426	£7,900	£7,830
Dividend	nil	5 p.c.	10 p.c.
Carried forward	£746	£1,410	£1,690
Output	113,080	137,710	166,120
Average price	2s. 2.66d.	2s. 8.46d.	2s. 8.10d.
Cost, f.o.b.	9.30d.	9.67d.	11.83d.
Planted area	1,032	1,032	1,020
Yield per acre	100	134	143

Options to convert debentures have now been exercised to the extent of £27,350, and the time limit for the balance expires at the end of this year. Nett profits shown above are after deduction of debenture interest. Last year £2,600, against £4,200, was written off estate development, and in each of the past two years £1,000 has been charged for depreciation of buildings and machinery. No details are furnished as to the age of the trees, and the all-in cost is not stated.

PAHANG PARA RUBBER SYNDICATE, LTD.—Year to April 30. Issued capital, £30,500 in 2s. shares. Estate account, £31,030. Cultivated area, 1,024 acres, of which 106 were planted in 1916 and 100 acres are in course of planting. Output, 117,000 lbs., an increase of 76,300 lbs., but 13,000 lbs. below the estimate, owing to unfavourable weather. Area in bearing was 385 acres, and the average yield 304 lbs. per acre, which may be regarded as encouraging. Gross price, 2s. 6.44d., against 2s. 8.84d., but the all-in cost is not stated, which seems rather a pity. Revenue amounted to £13,450, an increase of £5,000, and the nett profit was £2,000 higher at £6,530, after charging 75 per cent., against 50 per cent., of estate general expenditure. Dividend of 10 per cent., tax free is repeated, and £3,000, against £1,500, is placed to reserve for development, leaving £500 more at £1,230 to be carried forward. Output for the current year is estimated at 180,000 lbs. The capital is moderate, and there ought to be a substantial increase in the production in the course of two or three years.

The Week in Mines.

Political conditions have been against the Mining, as against other markets, this week, but prices have been fairly well maintained, despite the small volume of business transacted. Eastern Rand shares have relapsed in places, but in the Rhodesian market Rezendes have been hoisted up a full point to 4½. Tin shales have been exceptionally firm on the new record established for the price of the metal, which is now quoted at £278 per ton.

SOUTH AND WEST AFRICANS.

Profit-taking has caused a reaction in Eastern Rand shares, which have been lately prominent. New Modders have relapsed ½ to 23½, Modder Leases ½ to 3½, and Springs 3-32 to 3-23-32, but Modder B's, on Johannesburg buying, have risen to 8½, while Brakpans at 5½, Rand Selections at 4½, and Welgedachts at 13½ are also better. In Johannesburg, Lace Proprietaries have risen sharply to 11s. on a market report that negotiations are proceeding with the Anglo-American Corporation for a combine of the Western Rietfontein Government area and the adjoining Vlakfontein Farm belonging to the Lace Co. Here, however, no dealings have been reported in the shares. Crown Mines have fallen ¼ to 2-¾ on the poor return for last month, and Geldenhuis Deepes have fallen ½ to 27-32, Village Deepes 3-32 to 1-½, and Wit. Deepes, on the poor prospects for the future, 9d. further to 6s. 3d. Among Rhodesian shares, Rezendes have risen sharply to 4½, and Lonely Reefs, on good development results, 1s. to 3s., but Shamvas are ½ lower at 1½. Diamond shares have been weak on international advices. De Beers deferreds have declined ¼ to 12½. In the West African section, Fanti Consols have been actively supported at 7s. 3d., in anticipation of a scheme for facilitating the payment of dividends.

COPPER AND MISCELLANEOUS.

The feature in the copper share market has been the strength of Poderosas, which have been actively bought, and are $\frac{1}{2}$ higher at 24 $\frac{1}{2}$. Mount Lyells improved to 26s. 3d. on the large increase in profits for the past half-year, but Rio Tintos have declined $\frac{1}{2}$ to 64 $\frac{1}{2}$. Broken Hill shares have moved irregularly, but within narrow limits. Amalgamated Zincs at 32s. 9d., Sulphides at 28s. 9d., and Zinc Corporations at 19s. 3d. are slightly higher on the resumption of operations. Tin shares show a general advance on the rise in the metal. Renongs have advanced $\frac{1}{8}$ to 2 $\frac{1}{8}$ s, Anglo-Continentials 9d. to 12s. 6d., Jos Tins 9d. to 5s. 6d., and Bauchi prefs. 1s. to 11s. 9d. Mexicans are easier, and Russians have weakened further, Kyshtims being no better than 1 $\frac{1}{2}$. Indian gold shares have been sold, including Nundydroogs, which have fallen 1s. to 26s. The only movement of interest in the Westralian section has been a rise of $\frac{3}{8}$ to 2 $\frac{1}{2}$ in Ivanhoes.

MINING NEWS.

TRANSVAAL GOLD PRODUCTION.—The production of gold in October amounted to £3,191,279, a decrease of £174,363 on the same month of last year. The following table shows the monthly production since January, 1912:—

Month.	1912.	1913.	1914.	1915.	1916.	1917.
January ..	£ 3,130,830	£ 3,353,116	£ 2,708,470	£ 3,037,058	£ 3,114,948	£ 3,324,418
February ..	2,980,832	3,118,325	2,660,186	2,872,406	3,201,113	3,063,976
March	3,528,688	3,358,050	2,917,346	3,262,514	3,384,121	3,343,363
April	3,133,383	3,334,348	2,904,924	3,160,51	3,205,643	3,155,121
May	3,311,794	3,373,991	3,059,310	3,243,347	3,303,377	3,310,618
June	3,202,517	3,173,302	3,049,558	3,208,224	3,235,67	3,227,101
July	3,255,198	2,783,917	3,111,398	3,272,58	3,232,891	3,219,094
August	3,248,195	3,094,754	3,024,937	3,307,975	3,318,116	3,214,079
September ..	3,176,46	2,999,686	2,982,630	3,299,423	3,277,408	3,135,837
October	3,265,150	3,051,701	3,167,534	3,188,122	3,365,642	3,191,279
November ..	3,216,955	2,860,788	3,040,677	3,317,534	3,326,253	—
December ..	3,297,962	2,857,938	2,952,755	3,317,949	3,289,705	—
Total	38,757,560	37,358,040	35,588,075	38,627,461	39,484,934	32,184,856

For the ten months to date the total shows a decrease of £684,120.

NATIVE LABOUR RETURNS.—A fresh set-back in the labour supply is shown in the return. The total shows a decrease of 934 boys, the gold mines losing over a thousand;—

Month.	Natives on Gold mines.	Natives on Coal mines.	Natives on Diamond Mines.	Total natives.
October 1916	199,330	10,907	6,358	216,595
November	196,132	11,118	5,928	213,178
December	19,547	11,487	5,194	208,218
January, 1917	188,624	11,61	5,591	205,826
February	191,095	11,98	6,268	208,931
March	190,028	11,494	6,620	208,142
April	185,975	11,435	6,314	203,724
May	180,168	11,432	5,805	197,405
June	175,727	11,58	5,360	192,354
July	171,053	11,381	5,223	188,257
August	170,817	11,401	5,028	187,246
September	171,334	11,601	4,701	187,726
October	170,331	11,841	4,620	186,792

MOUNT LVELL.—The net profits of this company for the half-year ended September 30 amounted to £268,611, after writing off £32,435 for mine prospecting, £49,722 for depreciation, and £180,634 for taxes. For the corresponding period the profit was £128,443, after writing off £21,557 for depreciation, £18,261 for mine prospecting, and £102,712 for taxes. The dividend is raised from 1s. 3d. per share to 2s. per share, less tax, but further particulars of the results will not be available until the report reaches this country.

EILEEN ALANNAH.—The accounts for 1916 show a profit of £21,060, as compared with £52,833, of which £40,000 was transferred to a machinery reserve account. A dividend of 5 per cent. has been paid, and the balance carried forward is raised from £12,833 to £13,994.

BROOMHILL COLLIERIES.—A further expansion in profits is recorded by this company. After providing for income-tax and excess profits duty, the profits amounted to £95,389, against £89,764. A final dividend of 15 per cent. is proposed, making 20 per cent. for the year, which compares with 10 per cent.; the reserve is increased to £100,000 by the appropriation of £18,989, against £10,721 last year, and £54,044, against £35,271, is carried forward.

MASHONALAND AGENCY.—The report of this company, reconstructed last year, for the seven months ended September 30, 1916, states that operations resulted in a profit of £6,055, out of which a dividend of 3 per cent., less tax, is proposed. On account of the year ended September 30 last a dividend of 6 per cent., less tax, has already been paid. In the liquidation of the old company a distribution was made among the shareholders of 132,992 10s. shares of the Wankie Colliery Company, and from February 28, 1916, to the present date that company has paid dividends amounting to 22 $\frac{1}{2}$ per cent., representing £14,062, equivalent to a dividend of 10 per cent. on the reduced capital of the new Mashonaland Agency. The total investments are valued at over £130,000.

BROKEN HILL PROPRIETARY BLOCK TEN.—Operations in the half-year ended September 30 resulted in a nett profit of £28,613

(after writing off £3,257 for depreciation), as compared with £21,137 for the preceding half-year. After paying £10,000 in dividends, or 2s. per share, there remains at the credit of profit and loss account £83,190. Liquid assets exceed liabilities by £93,428. The company has resumed work underground after the recent strike, and the mill is expected to start continuous working in a few days.

BROKEN HILL PROPRIETARY BLOCK 14 COMPANY.—In the half year ended September 30 the nett profit declined from £2,329 to £1,340, but the liquid assets in excess of liabilities amount to £50,000. Operations, which were suspended during the recent strike will shortly be resumed, so that much better results are expected in the current six months.

What Balance Sheets Tell.

LIVERPOOL NITRATE CO., LTD.

Only a comparatively small increase took place in the profits of this Liverpool Nitrate Co. during the financial year ended June 30 last. Still they are substantial enough, and if the increased distribution announced is any criterion, operations during the last four and a-half months have been attended with very remunerative results. Gross revenue increased £10,680 to £141,265, but income-tax called for £10,560 more at £22,250, so that profit is only £117 higher at £119,020. This time, however, there is no charge corresponding to the stoppage expenses, £5,065, of a year ago, and as amounts written off are £7,840 smaller, there is £12,260 more at £65,660 available for the ordinary shareholders. The dividend of 6s. per share, free of tax, as against 5s. per share, less tax, is equivalent to a distribution of 120 per cent. on the 5s. ordinary shares; it requires £68,160, and leaves the carry forward £2,500 down at £10,550. Considerable expansion has taken place in most of the balance-sheet items. Trading assets, apart from stores, £109,600, total £201,220, against £174,890, and current liabilities, including proposed disbursement, £293,400, as compared with £204,900. The new oficina mapocho has now been written down to £22,000, and the Calichira Railway to £4,000. In April last the company secured a portion of the Peña Grande grounds, and these are included among the assets at £57,865.

GOODE, DURRANT AND CO., LTD.

Although the trade of this London and Australian firm of wholesale merchants was well maintained during the year ended July 20, the nett profit, after making provision for income-tax and excess profits tax, showed a diminution of £3,000 at £30,765. The explanation is doubtless to be found in the increased excess profits tax. The ordinary dividend is again made up to 10 per cent., and £5,000 carried to reserve. This leaves £3,000 less at £190 to go over to the next account. Stock is £46,470 up at £438,900, and £13,620 more at £190,050 is outstanding under the head of sundry debtors. Bills payable are down £17,560 at £25,350, but £4,500 more at £111,970 is owing on open accounts, and cash creditors are up £60,060 at £157,600. On the whole, the liquid position exhibits an appreciable improvement on that of a year ago. The reserve funds, with the latest allocations, aggregate £153,720, against an issued capital of £330,000.

INTERNATIONAL FINANCIAL SOCIETY, LTD.

With the Treasury ban upon new issues, these are difficult times for financial houses, and the accounts of this company for the year to September 30 make as good a showing as could be expected. Dividends, commission, and profit on sales brought in £13,500, a decrease of £1,900, but as expenses and debenture interest absorbed £100 less at £13,130, the decrease in the profit on the year's operations was reduced to £1,800. From the previous year, however, £31,550, or £2,170 more, was brought in, so that the carry forward is left £375 up at £31,920. The position as disclosed by an analysis of the balance-sheet exhibits a considerable improvement. Loans due to the society have been reduced £4,225 to £7,300, sundry debtors owe £4,290 less, cash shows a shortage of £5,680 at £4,060, and deposits are £3,310 up at £23,000, but loan against security, which figured in the previous year's balance-sheet for £51,000, has been wiped out, and sundry creditors are £4,530 smaller at £8,490. Needless to say, the society has not paid a dividend for some considerable time, the last distribution made being in 1914, when a dividend of 3 per cent. was paid. Before the war, however, the dividend record was a progressive one, and for the financial year 1913 the shareholders received 8 per cent.

SECOND SCOTTISH INVESTMENT TRUST CO., LTD.

A slight contraction took place in the revenue of this company in the 12 months to October last, dividends and interest being £1,350 down at £43,450. Expenses were slightly higher, and nett revenue exhibits a reduction of £1,910 at £31,640. A year ago £3,000 was applied in reduction of book cost of investments, but this time £5,000 is instead allocated to reserve, so that, after providing for debenture interest, the amount available comes out at £16,600, compared with £19,690. However, the dividend on the ordinary is maintained at 8 per cent, and there remains practically the same amount to go forward at £4,625 as a year ago. In the balance-sheet, investments are up £108,290 at £782,030, and £11,000 is out on temporary loan, movements more than explained by the disappearance of the item, British Treasury bills, which appeared in last year's balance-sheet at £121,590. The reserve fund now amounts to £74,000, and a gradual reduction is being effected in the outstanding debentures, which have been reduced £6,750 to £75,510.

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and November 10, 1917:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Nov. 10, 1917.	Total Receipts into the Exchequer from April 1, 1916, to Nov. 11, 1916.
Balances in Exchequer on April 1—	£	£	£
Bank of England	—	25,209,947	25,111,665
Bank of Ireland	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs	70,750,000	43,152,000	40,610,000
Excise	34,950,000	22,215,000	31,925,000
Estate, &c., Duties	20,000,000	17,676,000	18,269,000
Stamps	8,000,000	4,562,000	4,519,000
Land Tax	2,600,000	340,000	330,000
House Duty	—	—	—
Property and Income Tax and Super Tax	224,000,000	58,705,000	41,316,000
Excess Profits Duty (including Munitions L. y.)	200,000,000	116,032,000	52,146,000
Land Value Duties	400,000	247,000	131,000
Post Office	33,700,000	19,750,000	19,559,000
Crown Lands	600,000	320,000	320,000
Receipts from Sundry Loans, &c.	7,500,000	1,409,917	4,815,767
Miscellaneous	27,100,000	37,590,342	10,988,968
REVENUE	638,600,000	322,059,259	224,920,735
Total, including Balance		348,495,118	250,495,741
OTHER RECEIPTS.			
Repayment of Advances for Bullion	—	1,200,000	2,540,000
Repayment of Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	—	169,818	—
Under Telegraph (Money) Act, 1913	—	55,000	180,000
Under Post Office (London) Railway Act, 1913	—	68,000	160,000
Under Housing Act, 1914	—	229,000	45,200
For Treasury Bills (for supply)	—	1,552,363,000	1,383,209,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	—	—	3,087,600
For 4 per Cent. War Loan, 1915-1945	—	—	424
For 5 per Cent. Exchequer Bonds, 1919	—	—	34,222,000
For 5 per Cent. Exchequer Bonds, 1920	—	—	84,140,469
For 5 per Cent. Exchequer Bonds, 1921	—	—	62,464,000
For 5 per Cent. Exchequer Bonds, 1922	—	82,110,000	—
For 6 per Cent. Exchequer Bonds, 1920	—	—	89,342,000
For War Expenditure Certificates	—	—	27,999,500
For War Savings Certificates	—	23,300,000	34,550,000
For other Debt created under the War Loan Acts, 1914-1917	—	439,312,563	86,106,208
For 4 per Cent. War Loan, 1919-1942, and 5 per Cent. War Loan, 1929-1947	—	66,550,000	—
For National War Bonds	—	80,158,000	—
Temporary Advances—	—	—	—
Ways and Means (including Treasury Bills £345,000,000 in 1916-1917)	—	615,696,000	457,896,500
Total		3,100,706,000	2,516,348,642

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

* Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Nov. 10, 1917.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Nov. 11, 1916.
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	17,000,000	11,791,333	14,428,874
Interest, &c., on War Debt ..	194,500,000	81,122,105	66,458,545
Payments to Local Taxation Accounts, &c.	9,700,000	5,156,290	5,164,135
Other Consolidated Fund Services	1,695,000	1,096,551	1,282,986
Supply Services	2,068,826,000	1,523,926,155	1,119,199,382
Expenditure	2,291,721,000	1,623,172,434	1,206,533,922
OTHER ISSUES.			
For Advances for Bullion	—	1,320,000	2,680,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	—	169,818	91,370
Under Telegraph (Money) Act, 1913	—	55,000	190,000
Under Post Office (London) Railway Act, 1913	—	68,000	160,000
Under Public Buildings Expenses Act, 1903 ..	—	—	8,000
Under Housing Act, 1914	—	382,000	44,500
For Treasury Bills for Supply	—	1,011,420,000	899,929,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	—	—	3,087,600
For Exchequer Bonds, etc., under Section 61 of the Finance Act, 1916, and Section 34 of the Finance Act, 1917	—	2,424,295	79,150
For other Debt under the War Loan Acts, 1914 to 1917	—	14,650,039	—
For Depreciation Fund under the Finance Act, 1917	—	21,192,160	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908	—	10,000	69,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	20,000	43,160
Old Sinking Funds, 1911-12 and 1913-14, issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914	—	949,000	250,000
Temporary Advances repaid—	—	—	—
Ways and Means (including Treasury Bills £291,726,000 in 1916-17)	—	612,058,000	367,622,500
Total		3,287,922,746	2,480,788,202
Balances in Exchequer—	1917. Nov. 10.	1916. Nov. 11.	
Bank of England	£ 20,673,521	£ 34,271,619	
Bank of Ireland	1,110,233	1,283,821	
Total			35,560,440
Total		3,309,706,409	2,516,348,642

MEMO.—Treasury Bills outstanding on Nov. 10, 1917, £1,004,988,000.

* Include £30,000, the proceeds of which were not carried to the Exchequer within the period of the account.

Answers to Correspondents.

* A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.

Deposits against future queries may be lodged with the Publisher.

Timothy.—(1) This should be good, and it would be a pity to sell now. The Province in question seems likely to be the first to recover, and redemption begins two years hence. (2) Here also this is not the moment to sell. What is going to happen to South America we cannot forecast, but probabilities are in favour of improvement when peace comes back, and the security should be ample. Why make a sacrifice? (3) The guarantee for this stock looks weak at present, but we think it amply covered, and, therefore, would rather counsel buying than selling, so as to be able to make good the loss sooner. (4) Here, too, we cannot advise you to part with the stock. The company has always met its interest, and runs through the best districts of the Province. Also it has shaken clear of the octopus concern which got hold of it. The weak thing about it is its debt to a German bank, but against that there will be many offsets. (5) At one time things looked very bad for this company owing to the impossibility of getting sufficient fuel. It has got over that, however, and you should stick to the stock. (6) These shares are a poor security just now, but the company's business ought to improve, and you should hold on. (7) No other advice can be given about this concern either. No doubt the whole system of which it is part has been much overcapitalised, but now is not the time to escape. Rather average a little, especially in the case of Nos. 3, 4, and 5.

L. D. A.—The profit is good. Take some of it at all events.

Roberts.—(1) The company's career has been varied enough to prompt you to take a good profit when you see it. (2) At present the company is full of work and doing first-rate.

T. S. B.—The company must be doing an enormous business. You should take the shares and then watch the market. If the rise continues sell part at any rate.

Spinster.—Take the new. It can be converted into the old if you wish to do so later on on quite fair terms.

M. B. O.—(1) Sell: you can do better with National War Bonds. (2) We cannot advise a sale now, but we fear it will be some time before there can be any great recovery, although the country should be about the first in that part of Europe to pull itself round.

C. D. S.—It is encouraging, but we see nothing in it to justify any big rise. Do not forget sixpence represents a big percentage.

Thorn.—We do not see how there can be any important recovery in stocks of this class bearing a fixed rate of interest. With the Government paying over 5 per cent. your other proposal is more patriotic, and we think you should follow it.

The Yokohama Specie Bank, Ltd., announce that they have opened a branch at Seattle, U.S.A.

The British, Foreign and Colonial Corporation, Ltd., announce that letters of acceptance in respect of the recent offer at 21s. of 250,000 7 per cent. cumulative and participating "B" preference shares in the Aircraft Manufacturing Co., Ltd., have been posted.

WESTERN AUSTRALIA

the largest State in the Commonwealth, has made remarkable progress in Agricultural and Industrial Development.

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COMPANY MEETINGS.

INSTITUTE OF BANKERS.

INAUGURAL ADDRESS BY THE PRESIDENT, SIR RICHARD V. VASSAR-SMITH, BART., CHAIRMAN OF LLOYDS BANK LIMITED.

Presiding at a meeting of the Institute on Wednesday, November 7, at the Skinners' Hall, Dowgate Hill, Sir Richard Vassar-Smith, after dealing with a number of matters concerning the Institute's work, said: One of the features of recent banking developments has been the greater and more immediate control which many of our leading banks have assumed over our financial relations with other countries, the creation of foreign departments, the opening of branches or subsidiary banks in foreign countries. It is a branch of the business of banking which has for long been too largely in foreign hands, and I have every hope that this new development will promote increased trading relations with other countries and be of real assistance to our manufacturing and commercial classes in extending our foreign trade.

THE EDUCATIONAL PROGRAMME.

One of the immediate needs which has arisen from this development of international banking is to obtain the requisite number of young Englishmen, who have the qualifications necessary for this specialised work—knowledge of foreign languages, of foreign exchange, and of the commercial and financial conditions in those countries with which we hope to do increased business.

As regards foreign languages, you are aware that the Institute grants diplomas in commercial French, Spanish, and German, and that a scholarship, tenable abroad, is offered annually in each of these languages. The work of teaching foreign languages has, of course, suffered during the war, but we have continued to award these scholarships, although the holders will not be able to take advantage of them until after the war. In the annual examinations of the Institute, examinations in French and German, less difficult than the diploma examination, to which they form a stepping-stone, have hitherto been included in the syllabus. To these languages has now been added Spanish.

The council have recently taken a new and important step by admitting women clerks to its examinations, but the larger question of the admission of women to membership of the Institute cannot be decided without an amendment of the constitution, which can only be undertaken after the war.

DECIMAL COINAGE.

Another subject to which your council have devoted serious attention is the introduction of a decimal coinage system into this country, accompanied by the metric system of weights and measures. Our report has already been published, and has aroused widespread interest, and produced a plentiful crop of correspondence in the Press. Some of our critics do not seem to realise the point of view from which we have approached this question. In recommending the adoption of a decimal coinage system, your council were not actuated by the desire to provide a more convenient currency for everyday retail transactions. Probably for such a purpose our existing currency is the most perfect in the world. Neither was our recommendation made with the object in view of providing a universal currency, which, in my opinion, is neither possible nor, in present conditions, desirable. What we had in view was that the decimalisation of our currency should go hand in hand with a view to removing possible obstacles to the extension of our foreign trade. Our merchants and traders are freely accused of want of consideration for the needs of our foreign customers. There is too much "take it or leave it," it is said. How far this is true it is not for me to say, but I can understand that if foreigners are expected to understand the intricacies and anomalies of our system of weights and measures, they have ground for complaint. But a decimal system of weights and measures will not go with a duodecimal currency system. To gain the advantage which undoubtedly accrues in all but the simplest transactions, you must decimalise both and do away with the "compound multiplication" which the foreigner has probably never been taught.

Our report is a statement of our views of the best way in which this may be done. Obviously, as the existing penny is a duodecimal fraction of the existing pound, either the penny or the pound must be abandoned or altered in value. We are in no doubt between these two alternatives, and I think I can say that in no circumstances which I can foresee would the bankers of this country willingly consent to scrap or change the pound sterling. It is the international currency throughout the world, and we should be unwise in the extreme to take any steps which might involve the risk of a change in the general estimation in which it is held. I am very glad to say that the Association of Chambers of Commerce of the United Kingdom and the Decimal Association are in agreement with us on this subject.

RECONSTRUCTION AFTER THE WAR.

And now to turn to matters of wider importance. Whether the end of the war is near or far, it is clear that attention is being riveted more and more on the conditions which are likely to exist after the war. We cannot do much at present, it is true, to meet those conditions because the efforts of the nation are, and must continue to be, focused on the defeat of our enemies; but much can and is being done to obtain, if possible, a clearer insight into the future which we shall have to face. Some view that future with dread and dismay, others with an optimism which overlooks all difficulties. Personally, I see no

reason for dejection or discouragement. We shall have to shoulder a heavy financial burden, but it will depend entirely on the way we set about our task if this burden is to cripple our efforts. The work of reconstruction will be long and arduous, but we shall have the opportunity of building on firmer and fairer foundations than the old. One thing is certain. We cannot go back to the conditions which existed before the war. Even if we wished it, the thing is manifestly impossible. In what spirit, then, are we going to face the work of rebuilding? Not, I hope, in the spirit of mutual hostility, suspicion, and distrust, which was before the war so lamentably evident. We must remove, as far as possible, all friction from the machinery of progress, and it is one of the first requisites of success that we all approach the problem in a spirit of goodwill.

What the form will be which the new edifice will take is not easy to foresee, and I am not rash enough to wish to assume the rôle of prophet. There are some aspects of the problems that face us which are, however, of particular interest to me, and I will ask your attention for a few minutes while I endeavour to lay my point of view before you.

We shall be faced with a huge debt upon which we shall have to provide annually the amount required for interest and sinking fund. On September 30 last the amount was:—

Gross cost of the war	£5,000,000,000
This sum includes loans to the Allies, the Dominions, and India, amounting to	1,321,000,000
Cash advances to Allies and Dominions for 18 months	765,000,000
Estimated nett addition to the National Debt for each succeeding six months of the war	750,000,000

In spite of the entry of the United States into the war, and the large advances made by them to our Allies as well as to ourselves, our own advances do not show any tendency to diminish.

In addition to this, there will also be the cost of repairing the wastage caused by the war, an enormous amount, which must be made good, and money found for enlarged works and machinery to provide the means for increased industrial production. It can only be by greater industry and production we can meet our difficulties.

CAPITAL AND LABOUR.

In my opinion, the first and most serious question is the relations of Capital and Labour, as it is only by harmonious working between these two forces that the required result can be obtained. Then British trade is capable of vast expansion. I believe by this expansion means may be found for a better remuneration of labour, sufficient to provide a higher standard of living, with shorter hours of work and better housing, and, in addition, a share of the profit, after providing a proper return upon the capital employed, with reserves for depreciation and betterment. We must disabuse our minds of the old fallacy that low-paid labour is necessarily economical, and that a high rate of wages is a handicap to a nation in competition for the markets of the world. More than one country, the United States of America in particular, has had to face this question of high-paid labour, and has faced it successfully. But to do this it will be necessary to economise labour, and in this task we should have the loyal co-operation of the working man. Some English employers have learned these lessons—have reduced their working hours with beneficial results. Reasonable holidays should also be allowed, with pay. Why should the conditions of manual service be different from clerical service. Why, when works must be closed for a periodical overhauled of machinery, should the men be compelled to give up their occupation without recompense?

I am glad to be able to state to you this evening that efforts are being made to bring about better relations between employers and employed. The conferences which have been held have left upon my mind a very favourable impression, and I believe good results will follow. The real representatives of men in the Labour world have shown themselves to be broad and liberal-minded, and recognise that there is no essential antagonism between Capital and Labour. So, I hope, the general body will not be misled by the few agitators who are advising an extreme policy, which, if adopted, would lead to the destruction of the industry and commerce of the country.

I have been speaking of the ordinary channels of industry, but I should add that all who are able should assist in meeting the country's difficulties.

The very serious question of demobilisation is being considered, by the Government and by employers and labour organisations, with the view of the provision of methods for the return to industry. There ought to be no fear of unemployment if we are all of one mind with regard to the increased output.

THE EXTENSION OF OUR MARKETS ABROAD.

Production, however, without markets will not be sufficient. It is to be hoped that we may be in a better position to supply our home demands, but we shall have to seek wider fields in the Empire and in foreign countries. Men will be required to go abroad. A great deal of our difficulty in the past has arisen through the want of British representation, and a knowledge of foreign languages and customs must be a necessary qualification. I have already alluded to the recognition by the Institute of this by the increase in the facilities given for learning languages, and it is also recognised by our public and other schools.

For many years it has been felt that a larger knowledge of markets and general information abroad was desired, and I should like to point out that the new Commercial Department for the development of foreign trade, now conducted by the

Foreign Office and the Board of Trade, will supply this want. It is intended that the new department shall consist of the present Intelligence Department of the Board of Trade with representation of the Foreign Office. It will have control of the Trade Commissioners in the Dominions—now appointed by the Board of Trade—as well as of the Consuls and commercial agents abroad, who will remain servants of the Foreign Office. With a proper system of registration most important information will be obtainable, and must be of great value.

THE ORGANISATION OF INDUSTRY.

One of the outstanding features of our productive industries during the war has been their organisation on a large scale and their control by the State. Both organisation and control have been unavoidable necessities forced upon us by war. As regards the latter—State control—I hope and believe that the necessity is only temporary. As regards the former, I firmly believe that the necessity will remain with us after the war. It is no new thing this tendency to production and organisation on a large scale, though it has not shown itself so much in this country as in some others. But I believe the tendency will be found to have become irresistible after the war. The day of small industries on individual lines is gone. Our manufacturers and traders must organise for united effort. Without such organisation many of the obstacles which will face us will not be overcome. The advantages which industry on a large scale can command are many, besides the more obvious ones with which you are all familiar, such as reduction of working costs and management expenses. Organisation means increased stability, and an industry which is on a stable basis can ride through a storm which would wreck the small producer.

The question of financing our industries will be immensely facilitated by organisation. An unstable, unorganised industry is the despair of bankers. I feel some confidence in stating that an industry organised on large lines has seldom lacked the necessary financial support in this country, and, in spite of the financial stringency which we shall doubtless have to face, is not likely to suffer in the future.

Still further financial assistance may be required. Overseas trade demands generally long credits, and advances are needed for longer terms than are usually given by deposit bankers. There is, too, the investigation, and, if approved, development of new ideas, often requiring money besides patience and experiment. This should be worth attention, for we have found to our great cost how much we have lost by not doing this. Some steps have already been taken in these directions by the formation of the British Italian Corporation, with a corresponding company in Milan, to foster and support closer commercial associations between this country and Italy, and the British Trade Corporation whose objects are to assist British overseas trade and to encourage new enterprises.

THE FUTURE OF BRITISH AGRICULTURE.

It also seems evident, if we bear in mind the lessons we are now learning, that the conditions of agriculture must receive serious attention if we are to have greater food production from the land, if this country is to be more self-supporting. I am now quoting from an admirable memorandum by Mr. J. H. Middleton, C.B., of the Board of Agriculture and Fisheries, who states, "The criterion of good farming in this country at the end of the eighteenth century was a success in food production. During the nineteenth century, since we were not dependent upon the products of our own soil, the agriculturist's ideas have been modified, and if it be agreed that our claim that British farming is the best means, that at the present time we can show very fine cultivation and a high yield per acre of certain crops, that we can produce the best specimens of a large assortment of breeds of live stock and secure for them higher prices than any other country, and that the ordinary machines and implements which we employ are, as a rule, better constructed than those used by farmers in other countries, then British farming undoubtedly still takes a very high place, and is probably second to none; but if we return to the criterion of success accepted by our own old improvers of husbandry—the amount of the production of food from our soil—then it must be admitted that our position is no longer satisfactory." After giving most conclusive statistics, Mr. Middleton's summary is, the difference in production is chiefly due to the circumstances that in Great Britain more than two-thirds of the cultivated land is in grass, while in Germany less than one-third of the cultivated land is in grass. It seems to me that in the national interest agricultural policy will have to revert to the older system, and that means must be adopted to protect and support the farmer, one being extended facilities for credit, which bankers generally have shown their willingness to allow.

I feel I owe an apology to you all this evening for breaking away from the traditions of the Institute. Usually your presidents have dealt with questions of current finance. This evening I have thought it better to draw your attention to subjects which I think are of vital importance if this country is to bear successfully the burden of the war debt and to return to conditions of prosperity. I cannot help thinking that we shall all be better and more useful—without departing from prudent courses—if we study the incidence of industry and production and consider the financial support necessary. I have no doubt that the same spirit and effort which prevailed at the commencement of the war, and enabled the bankers to meet the changed conditions, to support the Government in its financial requirements, at the same time finding the necessary accommodation for trade and commerce, will also cause them not to be lacking in the future.

RUBBER PLANTATIONS INVESTMENT TRUST, LTD.

The eighth ordinary general meeting of the Rubber Plantations Investment Trust, Ltd., was held on Friday at the Cannon Street Hotel, Cannon Street, E.C., Mr. George Croll, the chairman, presiding.

Mr. J. S. Woodward, A.C.A., representing the secretaries, Harrisons and Crosfield, Ltd., having read the notice convening the meeting and the auditors' report,

The Chairman said, in the course of his speech, the issued capital is increased by 6,487 shares, allotted in respect of options exercised at March 31, 1916; 1,061 options were exercised at March 31 this year, and £1,008 had been received on account of these. The number of options outstanding is 85,402, all of which expire on March 31, 1919. The reserve account is a new account, to which has been transferred the sum of £395,355 2s. 6d. from premium reserve account, a further sum of £3 15s. received for the extension of options, and £104,641 2s. 6d. from the amount standing to the credit of profit and loss account. These together make the reserve account £500,000. On the assets side investments in shares, debentures and options stand at £621,986 17s., being a nett reduction of £201,229 18s. 7d. The decrease is accounted for by realisations less calls paid and new investments made. In the past the nett surplus from realisations over cost has been credited to profit and loss account, but we have decided to treat such transactions as on capital account, and this has been done for the past year. The profit and loss account, after the transfer of £104,641 2s. 6d. to reserve account, shows a credit balance of £128,934 4s. 10d., and we propose to pay a dividend of 6 per cent., less income-tax, and to carry forward £57,124 19s. 4d. At March 31 last a valuation of our investments and options was made by the company's brokers, Messrs. Laurence, Sons and Gardner, and this valuation shows a surplus over the amount in the balance-sheet of £327,986, being an increase of £193,549 on the surplus shown at the same date a year ago. The position taken out yesterday showed a surplus of £464,776, showing an increase over the March 31 valuation of £136,790. As we have large holdings in and options over shares in companies whose estates are still far from maturity, and some of which are hard hit by the excess profits duty, our policy of investing in development propositions is being amply justified. I will now deal with the properties owned exclusively by the trust. At the date of the balance-sheet the amount invested in such properties was £1,212,062 6s. 4d., represented, approximately, by 9,890 acres of tea planted and in course of planting, 3,567½ acres of rubber planted, and 41,119½ acres of reserve land. Our South Indian property is small compared with our Sumatra properties, but it has made satisfactory progress, and promises to yield satisfactory returns in due course. During 1916 we harvested our first tea and rubber crops, and the tea gave us a profit of nearly £1,000. With regard to our large Sumatra properties, the progress made justifies the sanguine views I expressed last year. During the year January-December we harvested 3,084,000 lbs. of tea against an estimate of 3,000,000 lbs. The all-in cost was 8.58d. per lb., and the average price realised was 1s. 1.26d. The all-in cost showed a reduction of .70d. per lb. on the previous year. Based on a pre-war rate of freight and insurance, the all-in cost, at maturity, is still estimated at 6½d. The estates have been kept clean weeded, and an efficient system of draining has been introduced which both preserves and aerates the soil. No disease of any kind has established itself. At March 31 we had in operation three factories on different estates. Two more will be erected during this and next year, and we shall then have five factories, each capable of turning out a crop of over 2,000,000 lbs. of made tea per annum. We have sanctioned the planting up of a further area on the Siantar group of estates. In 1915 approximately 1,847 acres were in partial bearing, which gave a yield of 710 lbs. per acre, and in 1916 from approximately 3,000 acres in partial bearing we obtained about 1,000 lbs. of made tea per acre. We have had considerable difficulties to contend with, the most serious being the obtaining of necessary building material and machinery for our factories, the cost of which and of packing materials has increased considerably. Labour has been sufficient for our requirements. Our general manager's provisional estimate for 1917 was 5,250,000 lbs. This estimate was made before the Government's proclamation of February last prohibiting the import into the United Kingdom of tea grown in territory other than British. This was naturally a serious blow to us, and the provisional estimate for the current year was accordingly reduced to 4,100,000 lbs., and so far we have been able to market our crops at satisfactory prices. With regard to our rubber estates in Sumatra we have a planted area of 3,013½ acres, which continues to make very satisfactory progress. The crop for 1916 was 270,355 lbs. against an estimate of 217,000 lbs. The estimate for the current year is 380,000 lbs., and as 370,051 lbs. have been harvested for the 10 months ending October the estimate will be considerably exceeded. Compared with last year, the all-in cost was 1s. 6.10d. per lb. against 1s. 7.02d., and the gross price realised was 2s. 6.82d. London equivalent, against 2s. 8.02d. per lb. Our visiting agent, Mr. Ris, assures us that when our rubber is mature it will yield as well and be produced at as low a cost as any in Sumatra. Thinning out will be continued until the trees are reduced to 100 or less per acre. Both estates are equipped with modern factories, and have turned out rubber of a high quality. Last year I referred to the development of the Siantar District generally, and the bearing it has upon our properties there. This development has continued, and there has been very considerable activity in the acquisition of land and in preparation

for its development. Consequently our large area of reserve land has become a much more valuable asset, and easy of realisation if we desired to sell it. This reserve land, however, is a protection for our existing properties, and as it is capable of growing exceptionally fine tea and very good rubber its value should still further increase.

Last year I dealt with the general position of the two industries in which we are mainly interested. The tea position has become complicated owing to war conditions and Government restrictions. During 1916 the exports from India, Ceylon, and the Dutch Indies totalled 609,000,000 lbs., of which 359,000,000 lbs. were exported to the United Kingdom, against exports of 637,000,000 lbs. in 1915, of which 379,000,000 lbs. came to the United Kingdom. Owing to the shortage of freight there were large accumulations in India, Ceylon, and Java during 1916, and at the end of March last the Indian Tea Association estimated that 55,000,000 lbs. of the 1916 Northern Indian crop were still unshipped. In February last the Government prohibited the importation of foreign grown tea into the United Kingdom, and at the same time restricted the shipments of British grown tea to this country to approximately 270,000,000 lbs. per annum. Of this amount about 70,000,000 lbs. were required for the War Office, so that only about 200,000,000 lbs. were to be available for civil consumption. During the months April and July the amount of freight provided was not sufficient even for the restricted quantity allowed, and as home consumption—as shown by duty payments, during the years 1914, 1915, and 1916 averaged approximately 312,000,000 lbs., it is not surprising that the stock in bond at the end of October was only 33,494,000 lbs., as compared with 127,237,000 lbs. at the same date in 1916. Coincident with the restrictions on imports the then Food Controller devised a scheme for controlling the price of tea both to the producer and to the consumer. The scheme was imperfect, but worked comparatively satisfactorily so long as there was a reasonable amount of tea in the country. However, with the great depletion of stocks it broke down. The present Food Controller has under consideration a new scheme, by which he is to become the buyer of all tea imported into this country, and has, we understand, made arrangements with the Shipping Controller for the provision of the freight approximately necessary to carry the country's requirements. If a very much larger proportion of the tea produced in India and Ceylon is going to be brought to this country, it ought to have the effect of reducing the pressure from these markets upon the American, Canadian, and other outside markets, and incidentally of improving the prospects for the realisation of our Sumatra teas. If one takes a long and broad view of the tea industry the position is full of strength and promise.

With regard to rubber, the plantation industry continues to prosper. The investing public seems to have satisfied itself that the plantation rubber industry has a great future before it, and I think rightly. The industry is still young, but every year brings further proof that it is a permanent one. The acreage planted throughout what is termed the Middle East is approximately 2,000,000 acres. These figures have been arrived at after the most careful inquiry, but, unfortunately, many of them at present can only be estimated. After making allowances for varying conditions of climate, soil and management, it now seems reasonable to estimate an ultimate average yield of 400 lbs. per acre, and upon that basis the ultimate output from 2,000,000 acres would be 357,000 tons. Now, the ascertained export of plantation rubber from the Middle East for the year 1916 was 150,000 tons, all of which was readily consumed. The increase in consumption over 1916 required to meet the ultimate increase in production on the basis of the figures I have quoted will be 207,000 tons. Without a detailed census of the years of planting, however, only a very rough estimate of the annual increases in production is possible. There is considerable uncertainty as to how far the increased consumption, which has so far kept pace with the production, has been due in recent years to war requirements. It must be admitted that the war demands are very great, but, on the other hand, peace demands have been very considerably curtailed. How far the one counteracts the other it is impossible to say, but, in my opinion, the after-war requirements will ultimately easily absorb all the rubber that the present acreage is likely to produce. It would, however, be unreasonable to expect the production and consumption will keep pace each year in exact ratio; we have also to bear in mind the large acreages planted up during 1910, 1911, and 1912, which will be producing considerable crops during 1918, 1919, and 1920—years in which there may be a certain amount of unsettlement in changing from war to peace conditions. On the other hand, one of the most important factors in speeding up reconstruction will be the extent to which land transport is available. It has been clearly demonstrated during the last few years that the plantation rubber industry has become a great national asset, and incidentally has proved of untold value to the Allies in this war. Notwithstanding our very prevalent habit of depreciating our national qualities, we may justly claim that it is due to British foresight and enterprise that over 80 per cent. of the planted areas is British owned or on British territory, and if this 80 per cent. is taken at £100 per acre it represents a British asset of the value of £160,000,000 sterling. Altogether, the shareholders of the Trust are to be congratulated on having their money invested in two such important industries, the products of which are practically of universal necessity and utility, and with our large interests in tea and rubber plantations, and the great potential value of our reserve lands, in my opinion the shareholders may look forward to the future with equanimity.

Mr. E. L. Hamilton seconded the motion, which was unanimously adopted.

CENTRAL ARGENTINE RAILWAY.

The ordinary general meeting of the Central Argentine Railway Co., Ltd., was held on Wednesday at River Plate House, Sir Archibald Williamson, Bart., M.P., presiding.

The Chairman, in moving the adoption of the report and accounts, expressed regret that the directors had not been able to recommend any further dividend upon the ordinary stock. The main reasons were the crop failure, higher working expenditure, and the labour troubles which had supervened since the opening of the current financial year—all circumstances over which they had no control. The stockholders were prepared for damage to crops from drought by the cable which was read at the last general meeting. As time went on, not only did the situation grow worse from adverse climatic conditions, but a heavy plague of locusts ensued, with disastrous consequences, in the districts served by their railway. Referring to the accounts, the Chairman said that by reduced contribution to reserve and renewal funds, and reduced working expenditure, there had been an economy of £305,000, as compared with the preceding year. On the other hand, the cost of fuel absorbed £214,000 more and general stores £45,000 more. The gross revenue was £490,000 less than in the preceding year. Added to other adverse factors, the directors had been obliged to set aside an increased sum, amounting to £258,000, for income-tax. They carried forward £228,000, as against £142,000 brought in at July 1, 1916. Capital expenditure had been materially reduced. As had been previously explained, some capital expenditure in the case of a railway was always unavoidable, and in their case there were also certain works in hand at the outbreak of war which had to be completed, or partially completed, in order to render them serviceable. Capital expenditure in the current year would be still further reduced. It was satisfactory to observe that, although the main line passenger traffic showed decreases, they had increases in suburban traffic, wholly due to that part of the line where electric traction was in use. In the report reference was made to the transformation of their outstanding notes into an issue of \$15,000,000 ten-year 6 per cent. convertible gold notes. He need only say that, while serving the national interest, they also eased the company's financial position, for the £1,000,000 6 per cent. notes which now disappeared would have been repayable now and the £2,000,000 in 1920. Their short-time debt was now consolidated and repayment postponed for ten years, with the right to the company to redeem it after five years. Owing to the option to convert part or the whole of the \$15,000,000 into consolidated ordinary stock at par, it was proposed to increase the capital by the small sum of £100,000. With regard to the strikes on their railway, he was sorry to say that the trouble did not appear to be at an end, for they learned that labour conditions continued to be unsettled. He regretted to have to record the board's opinion that the Government had not afforded the assistance and protection to which the railways and their loyal employees were entitled. There were indications that the whole attitude of the Argentine Government towards foreign capital invested in the country, and especially towards the railways, had undergone a change which caused considerable anxiety. It was to be hoped that any latent feeling of hostility would be dispelled. Nothing would, in his opinion, interfere more seriously with the progress of Argentina than an impression that foreign capital was regarded there as unwelcome, or that measures might be taken to deprive it, and the enterprises which it represented, of due return. Another disconcerting matter had been the action of the Government in regard to railway employees' pensions. The first proposals of the Government would seem to have been dictated with more regard to political objects than to sound finance. The project involved either the creation of a capital fund of 50 millions sterling or an annual contribution of four millions sterling, a burden which, of course, would be intolerable. The proposal proved unworkable, and a new scheme was now being prepared. There was also under consideration a Bill for regulating labour conditions, and there was reason to fear that in effect it might hand over the internal administration of railways to the labour leaders, through their influence on the Government Department of Railways. The prospects of the coming crops in the districts of the line were good, and the directors trusted that there would be a bountiful harvest. That, if realised, must be a matter for sincere satisfaction, although they were not without real anxiety on account of the insufficiency of shipping for moving the crops to consuming markets. While the misfortunes which had befallen Argentine railways had not come singly, they were, he thought, entitled to look to the more distant future with undiminished confidence. The traffic return for last week, just to hand, was £120,000, as compared with £114,000 last year.

Mr. J. Wilson Theobald seconded the motion, which was carried unanimously, and the proposed increase of capital was agreed to.

S. SMITH AND SONS (MOTOR ACCESSORIES).

The third ordinary general meeting of S. Smith and Sons (Motor Accessories), Ltd., was held on Wednesday at Winchester House, Old Broad Street, Mr. Samuel Smith (the chairman) presiding.

The Secretary (Mr. F. A. Cotterell) read the notice convening the meeting.

The Chairman said that it was not possible to submit the accounts for the year under review, owing to the difficulties which presented themselves in regard to the allowances and adjustments to be made under the provisions of the Munitions

Acts and the Finance Acts. The board were in negotiation with the authorities with a view to getting various allowances made and the figures adjusted at the earliest moment. He was able, however, to give the shareholders some particulars of the company's activities for the past year, and to include in them one or two figures, from which, he thought, they would feel satisfied that the anticipations he expressed a year ago had been fulfilled. For the year ended July, 1916, the turnover was £396,412, and for the period under review it was increased to £746,899. He was unable to say that the ratio of profit on the turnover had been maintained, since the Government, recognising that, by the standardisation of work, the cost of manufacture was less, had automatically reduced the prices paid for munitions, but he thought, when the accounts came before them, they would be satisfied that, owing to the largely increased turnover, the company had had a satisfactory year's trading. He and his family were large shareholders in the company, and it was the future even more than the present in which he had faith. This large business had been built up out of a long-established concern originally engaged in the production of scientific instruments. When the motor industry became a sound commercial enterprise, the motor accessories department was formed, and made rapid strides. Since the beginning of the war the board, besides considering the present, had had an eye to the future, and it was thought that no business was better placed or had a better experience than this company to produce certain accessories. He was a firm believer that in future this department had as large possibilities, if not larger, than the department for motor accessories, and accordingly they had acquired some exceedingly valuable inventions. The orders for instruments and accessories were increasing by leaps and bounds, and the board looked on this department as one which had come to stay. They had secured the services of engineers of proved ability, and had already acquired the important business and goodwill of one inventor and manufacturer, besides securing the services of the inventor as consulting engineer to the company. With regard to the output of what he might term ordinary munitions, the manufacture had proceeded on satisfactory lines, as would be gathered from the largely increased turnover. The company's premises had been considerably enlarged, and the plant now installed was capable of producing a larger output than in the past year. They had acquired the business and patents of a dynamo, for which they held previously the sole selling rights; a complete range of electric lighting dynamos and starters had been produced and tested with most satisfactory results; a new carburetter had been introduced, which had proved itself superior to the original and highly successful model; and a new patent motor watch of extremely simple construction at a low manufacturing cost had also been introduced. With the special consent of the Ministry of Munitions, they had also been able to produce models of improved design of all their leading accessories, so that their factories might be in a position to supply new and up-to-date products with as little delay as possible after the cessation of hostilities. After mentioning that they had been consolidating their branches and agencies abroad, he said that the board anticipated still further to increase last year's turnover during the present year, and they looked forward to a record year.

Mr. Allan Gordon Smith (managing director) seconded the resolution, which was carried unanimously.

ASSOCIATED TEA ESTATES OF CEYLON.

The 22nd annual ordinary general meeting of the Associated Tea Estates of Ceylon, Ltd., was held on Monday at 4, Lloyd's Avenue, Fenchurch Street, E.C., Mr. T. C. Owen (chairman of the company) presiding.

Mr. E. Langley, representing the secretaries (Messrs. Rowe, White and Co., Ltd.), having read the notice convening the meeting and the report of the auditors,

The Chairman said: The trading account shows a balance of profit of £28,716, as against £25,179 for the previous year. We have paid an interim dividend of 7½ per cent., free of income-tax, and we now propose to pay a final 10 per cent., free of income-tax, which is equivalent altogether to 23½ per cent., less tax. That compares with 25 per cent., less tax, paid last year. The slight falling off in the dividend is, of course, due to the heavier incidence of the excess profits tax and to the increased rate at which it is now charged. Our tea cost us last year 6½d. per lb. to put f.o.b., and the charges for bringing it to London, chiefly freight and heavy war insurance, amounted to 4d., making a cost sold in London of 10½d., against 6d. f.o.b. and 2½d. freight and charges—8½d. altogether—for the previous season. Therefore, there has been an increase of 2½d. in the cost of our tea sold in London as compared with the previous year. Our rubber cost us 9d. per lb. f.o.b., and the cost of freight and charges amounted to 4½d., bringing the cost of our rubber laid down and sold in London up to 13½d. per lb. Last year our f.o.b. cost was 8½d., and the freight and charges amounted to 3d., making a total of 11½d. per lb. Therefore, there has been an increased cost this year of 1½d. per lb., chiefly due to increased freight and charges. After dealing with the different estates which the company owns, the Chairman continued:—You may be interested to hear the position as regards the export of tea from Ceylon. Government are going to purchase in Colombo the whole of the requirements for the military and civil population of the United Kingdom and for the armies serving abroad. The terms on which that tea is to be purchased have not as yet been settled. However, the amount which will be taken is equivalent to about 55 per cent. of the normal pro-

duction of tea in the island, and the balance of the tea will have to be sold to market outside the United Kingdom, for the shipment of all tea on private account to this country will be vetoed as soon as the Government effect their purchase. How far we shall be able to get rid of that tea it is difficult to say. I do not think there will be any difficulty in getting rid of a high-class tea like that of Silverkandy, but there may be some difficulty in selling our Doragalla and Chesterford teas, which are classed as medium and common teas, at a remunerative price. Now, as regards the excess profits duty, we have a profit standard in this company—not a percentage standard—consequently the present steps which are being taken to bring our case before the assessors with a view to getting an increase on the present statutory percentage will only affect this company in regard to capital put into the business since the outbreak of war. That will not amount to anything very much, and we, therefore, know pretty accurately the liability which we have to incur. Our excess profits standard is £13,480, and it may be that the 13 per cent. which is now the legal rate upon capital put into the business since the war started may bring our standard to somewhere in the neighbourhood of £14,000. Every sovereign that we earn above that amount has to be divided with the Government in the proportion of 17s. and 3s.—that is, 16s. excess profits tax and 1s. income-tax on the balance. Therefore you may take it, roughly speaking, that our profits are limited to the amount I have just indicated, which will about allow a dividend of 20 per cent. on the ordinary shares. We should have liked, of course, to have the power to pay bigger dividends, but when you compare our position with that of many other companies whose rubber has been coming into bearing during the war period, I do not think that we have any great cause for complaint. When the war comes to an end and the excess profits duty no longer operates, there is no reason why this company should not pay very substantial dividends indeed.

Mr. S. R. Earle seconded the resolution, which was carried unanimously.

DIVIDENDS ANNOUNCED.

Alabama Great Southern Railroad Co.—2½ per cent. and 1 per cent. extra on ordinary stock, payable Dec. 28.

Alliance Assurance Co.—Interim at the rate of 5s. per share, less tax, payable on Jan. 5, the same as a year ago.

Aramayo Francke Mines.—1s. per share for year 1917-18, payable on Nov. 13, less tax.

Bagan Serai Co.—Interim of 7½ per cent. (actual), less tax, for year to Dec. 31, against 10 per cent. a year ago.

British Ever Ready Co.—At the rate of 10 per cent. per annum on preference and ordinary shares for half-year ended Sept. 30, payable Dec. 1, the same as a year ago.

Buenos Aires and Pacific Railway.—£1 15s. per cent., less tax, for year to June 30 last on the second preference.

Bank of British West Africa.—Interim at the rate of 3½ per cent., less tax, for half-year ended September 30, payable on Dec. 1, the same as last year.

Dorman, Long, and Co.—4 per cent., free of tax, making 8 per cent. for year ended Sept. 30. In addition, subject to the consent of the Treasury, instead of a cash bonus, the directors propose to capitalise £240,406, part of the general reserve, or approximately one share for every 5½ shares now held. For the preceding year 8 per cent. and a bonus of 6 per cent., both tax free, were paid.

Dominion Bank (Canada).—Usual quarterly of 3 per cent., payable Jan. 1.

Dennistown (Krian, F.M.S.) Rubber Estates.—Interim of 5 per cent., less tax, against 6 per cent. a year ago.

Electric Construction.—6 per cent. on the ordinary shares, less tax, for year ending March 31 next, the same as a year ago.

Federated (Selangor) Rubber Co.—First interim of 20 per cent., less tax, for year ending March 31, 1918, against 35 per cent. a year ago.

Haig and Haig.—For year ended June 30 of 20 per cent. on ordinary shares, free of income-tax, carrying forward £2,237.

India General Navigation and Railway.—Interim of 4 per cent. on the ordinary shares, free of tax, payable on the 27th inst., same as a year ago.

John Hunter, Morris, and Elkan.—Interim on preference shares at the rate of 7 per cent. per annum for the six months ended Sept. 30.

J. Lyons and Co.—Interim for half-year ended Sept. 30 at the rate of 2s. per share, the same as a year ago, payable on Dec. 1.

Klanang Produce Co.—Second interim of 25 per cent. (6d. per share), less tax, making a total of 50 per cent. for this year to date, payable on Dec. 11.

Maypole Dairy Co.—Interim 1s. 4d. per share, less tax, on the existing deferred ordinary shares in respect of the current year.

Mongu (Nigeria) Tin Mines.—Interim 10 per cent., or 1s. per share, less tax, against 5 per cent. a year ago.

Rambutan, Ltd.—8d. per share, less tax, payable on Nov. 24, the same as a year ago.

Sungei Krian Rubber Estate.—Interim for 1917 of 7½ per cent., less tax, payable on Nov. 21, same as a year ago.

Trustees Corporation.—At the rate of 4½ per cent. per annum, less tax, on pref. stock, for the half-year to Nov. 30, payable on Dec. 1.

Travancore Tea Estates.—Interim 10 per cent., less tax, against 15 per cent. a year ago.

United Insurance Co.—Dividend of 10 per cent. per annum, £23,000 to reserve.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE		
	Week ending	Amount	In. or Dec. on last year.	Amount	In. or Dec. on last year.	
Assam Bengal	Sept. 22	Rs. 1,17,011	—	Rs. 50,524	—	32,90,818 + 29,840
Barel	" 30*	19,000	—	4,000	—	4,64,000 + 72,700
Bengal & N.W.	" 22	2,91,700	—	13,435	—	1,00,37,095 + 1,07,074
Bengal Nagpur	" 30	10,80,000	—	1,14,000	—	2,66,35,069 + 18,46,762
Bombay, Baroda	Nov. 3	12,77,000	—	14,000	—	59,31,000 + 1,70,000
Burma	Sept. 22	3,39,570	—	28,434	—	96,16,393 + 1,07,691
Delhi Umballa	Nov. 10	1,11,000	—	16,375	—	5,87,186 + 1,41,349
East Indian	" 10	25,07,000	—	3,02,000	—	1,35,35,000 + 9,19,000
Gr. Indian Penin.	" 10	21,59,900	—	2,99,200	—	1,09,96,200 + 9,29,982
Lucknow-Bareilly	Sept. 22	58,231	—	25,964	—	12,27,134 + 1,46,578
Madras and S.	" 30	10,75,000	—	22,371	—	2,79,67,388 + 19,78,068
Mahratta	" 30	1,29,393	—	13,654	—	34,97,209 + 38,054
Nizam's Gd. (Broad)	" 30	68,300	—	18,843	—	18,10,511 + 24,601
Rehliund and	" 22	29,481	—	2,684	—	11,42,682 + 78,657
Kumron	" 22	6,63,637	—	85,657	—	1,70,54,590 + 15,40,331
South Indian	" 22	6,63,637	—	85,657	—	1,70,54,590 + 15,40,331

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COLONIAL RAILWAYS.

Belra ..	Aug. 7	£ 54,914	—	12,277	—	£ 766,175	—	£ 4,297
Canadian Northern	Nov. 7	\$ 895,400	—	\$ 81,400	—	\$ 13,428,800	—	\$ 120,000
Canadian Pacific ..	" 7	\$ 3,204	—	\$ 816,000	—	\$ 127,191,000	—	\$ 10,254,000
Gr. Trk. Main Line	" 7	210,095	—	3,764	—	9,211,095	—	880,414
Gr. Trk. Western	" 7	40,048	—	3,021	—	1,683,771	—	48,865
Detroit G. H. & M.	" 7	14,344	—	1,892	—	586,848	—	7,294
Gr. Trk. Prairie Se.	" 7	34,491	—	8,484	—	593,169	—	143,972
Mashonaland	Aug. 7	54,914	—	12,287	—	666,175	—	7,825
Mid. of West. Aus.	Sept. 7	6,507	—	42	—	17,546	—	376
New Cape Central	Oct. 6	1,716	—	184	—	72,152	—	9,971
Rhodesia	Aug. 7	92,209	—	5,417	—	933,147	—	38,185

* Months. † July 1. ‡ Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME	NETT EARNINGS FOR MONTH.			No. of Mths.	NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.		Amount.	In. or Dec. on last year.	
Atchafalpa T. & S. Fé	Sep.	Dols. 3,933,000	—	9	Dols. 37,525,000	—	2,430,000
Atlantic Coast Line	"	757,000	—	9	8,260,000	—	337,000
Baltimore & Ohio ..	"	3,441,000	—	9	24,037,000	—	679,000
Canadian Northern	"	425,900	—	3	1,924,100	—	1,078,000
Canadian Pacific ..	"	3,747,000	—	9	32,322,000	—	1,894,000
Chesapeake & Ohio	"	1,164,000	—	9	10,329,000	—	1,172,000
Chicago & N.W. ..	"	2,634,000	—	9	19,483,000	—	2,498,000
Chicago Burl. & Q.	Aug.	3,439,000	—	8	24,412,000	—	1,507,000
Chicago G.W. ..	Sep.	188,000	—	9	4,273,000	—	746,000
Chicago Mil. & S.P.	"	1,599,000	—	9	17,298,000	—	4,559,000
Chicago, Rock I. & P.	"	1,664,000	—	9	15,157,000	—	1,977,000
Colorado & Southern	"	476,000	—	9	9,339,000	—	719,000
Cuba ..	Aug.	277,000	—	3	506,000	—	17,000
Delaware & Hud. ..	Sep.	673,000	—	9	5,002,000	—	893,000
Denver & Rio Gran.	"	742,000	—	9	5,741,000	—	878,000
Brie ..	"	832,000	—	9	8,094,000	—	5,877,000
Gr. Tr. Main Line ..	"	£ 179,600	—	9	£ 1,664,100	—	£ 379,300
Grand Trunk Westn	"	£ 6,850	—	9	£ 23,600	—	£ 334,500
Detroit G. H. & Mil.	"	£ 10,235	—	9	£ 63,700	—	£ 99,050
Gr. Northern ..	"	2,626,000	—	9	17,196,000	—	2,282,000
Illinois Central ..	"	1,703,000	—	9	4,220,000	—	1,864,000
Kansas City Southn.	"	452,000	—	9	3,405,000	—	657,000
Lehigh Valley ..	"	851,000	—	9	7,875,000	—	1,560,000
Louisville & Nashv.	"	1,472,000	—	9	14,070,000	—	2,500,000
Minn. S.P. (Soo) ..	"	911,000	—	9	7,054,000	—	2,763,000
Miss. K. & Texas ..	"	76,000	—	9	5,503,000	—	2,344,000
Missouri Pacific ..	"	1,630,000	—	9	15,523,000	—	1,111,000
New York Cent. & H.	"	4,955,000	—	9	36,447,000	—	1,157,000
N.Y. N. Haven & H.	Aug.	2,061,000	—	8	13,960,000	—	970,000
New York Ont. & W.	Sep.	193,000	—	9	1,869,000	—	114,000
Norfolk & Western.	"	1,861,000	—	9	16,005,000	—	1,820,000
Northern Pacific ..	"	2,388,000	—	9	21,435,000	—	31,000
Pennsylvania East	"	1,630,000	—	9	15,523,000	—	1,111,000
and West Lines ..	Aug.	12,391,000	—	8	61,447,000	—	10,611,000
St. Louis & San F.	"	1,939,000	—	8	3,576,000	—	1,151,000
Seaboard Air Line ..	"	487,000	—	8	4,806,000	—	1,766,000
Southern ..	Sep.	2,280,000	—	3	6,220,000	—	1,078,000
Southern Pacific ..	"	3,127,000	—	9	44,034,000	—	7,131,000
Union Pacific ..	"	4,276,000	—	9	30,325,000	—	1,255,000
Wabash ..	"	1,159,000	—	9	9,955,000	—	32,000

§ Includes Wisconsin Central. * Gross earnings. † Surplus. b Deficit.

TRAMWAY AND OMNIBUS.—HOME.

Bristol ..	Nov. 9	£ 11,974	—	£ 1,850	—	£ 494,171	—	£ 38,288
Dublin United	" 9	6,801	—	761	—	30,144	—	28,737
Hastings and Dist.	" 11	1,091	—	262	—	56,684	—	8,925
Isle of Thanet	Oct. 13	195	—	141	—	350	—	324
Lancashire United.	Nov. 7	2,466	—	645	—	105,670	—	23,177
Provincial ..	Oct. 27	2,335	—	201	—	9,138	—	507
Yorks. (Wst. Rdng.)	Nov. 11	2,311	—	425	—	95,675	—	16,206

* From Oct. 1. † From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

		£		£		Ms.		£		£	
Alabama Power ..	Sept. 11	105,607	+	17,457	9	1,319,161	+	400,553			
Anglo-Argentine ..	Nov. 11	55,395	—	2,935	7	2,329,964	+	33,841			
Auckland Electric ..	Oct. 26	22,308	—	880	a	92,115	—	7,832			
Brazilian Traction ..	Sept. 1	M7,925,000	+	M787,000	9	M684,300,000	+	M527,900,000			
Brisbane Elec. Inv. ..	Oct. 1	33,580	—	820	10	328,420	—	2,000			
British Columbia ..	Sept. 1	76,118	—	13,067	2	1,92,699	—	27,686			
B. A. Lazroze ..	Oct. 1	39,057	—	603	4	149,879	—	1,737			
Burmah Electric ..	" b	Rs. 28,955	—	Rs. 813	2	55,123	+	Rs. 3,907			
Calcutta ..	Nov. 10	Rs. 65,348	—	Rs. 2,186	*	Rs. 291,514	+	Rs. 13,394			
Cardagena and											
Herrerias ..	Oct. b	2,805	+	266	*	41,210	+	16,071			
Cordoba Light											
P. & T. ..	Sept. 15	12,463	—	850	6	82,895	—	1,588			
Hongkong ..	Oct. b	13,317	—	2,708	6	4,999,566	—	41,661			
La Plata ..	Oct. 1	4,069	—	365	10	40,615	—	1,441			
Lima ..	Sept. 1	13,700	—	522	9	142,44	—	1,335			
Madra .. Electric	Oct. 31c	Rs. 35,418	+	Rs. 3,599	9	1,266,215	+	Rs. 62,305			
Manila Electric ..	Aug. 8	65,467	—	4,667	8	547,492	+	70,625			
Mexico ..	Nov. 1	215,236	—	108,669	*	3,193,106	—	197,227			
Rangoon ..	Oct. 1	5,667	—	624	3	43,955	+	1,650			
Singapore Electric	Sept. 22	12,384	—	820	*	490,886	+	13,355			
Toronto ..	"	463,927	—	2,371	9	4,175,807	+	240,690			
United of Monte V. ..	Oct. 3	30,153	—	1,424	12	359,832	+	12,006			
Vera Cruz ..	Aug. 3	52,200	—	—	7	408,000	—	—			
Winnipeg ..	Sept. 3	63,426	—	24,427	9	570,127	—	308,750			

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CONTENTS.

Passing Events:—National War Bond Figures — Revenue — Marketing of Government Securities — New South Wales Railways and Tramways — Australasian Banking Statistics — M. Clemenceau — Discussion on Food Problems — Shipping Controller's Powers — Government of Russia — Falling Birth-Rate — Cox and Co. — Anglo-Egyptian Bank — Argentine News — Royal Dutch Petroleum Shares Requisitioned — Swift Cycle — Sunbeam Motor — Humber — Rover — Auckland Electric Tramways — Australian Mercantile, Land and Finance — Broomhill Collieries — Entre Rios Railway — Bahia Blanca Railway — Cape Town Electric Tramways (pp. 519-25).

Leading Articles:—Why There Was a "Crisis" — The Australian Commonwealth's War Burden — Direction of Foreign Trade — Real Co-operation — Buenos Ayres and Pacific Railway — By-the-Way War Notes (pp. 925-9).

Money and Credit Notes:—Rates Unaltered — Bank Return — Bankers' Deposit Rates to be Reduced — Scandinavian Exchanges — New South Wales Loans — Bank Amalgamations — Silver: Relief to China (pp. 530-2).

American Business Notes:—Amount of Money in Circulation — Increased Working Costs of Railroads (pp. 535-6).

The Week's Stock Markets (pp. 532-3).

London Produce Markets (pp. 533-4).

Public Income and Expenditure (p. 534).

Insurance News:—Government's Air Raid Compensation — New Dutch Regulations — German Companies Banned in Brazil — Legal and General War Bonds Scheme (p. 536).

Mining News:—Glynn's Lydenburg — Mount Lyell — Rooiberg Minerals — Horden Collieries — Taquah (pp. 536-7).

Tea, Oil, and Rubber:—Rubber Market — Anglo-Persian Oil Co. — Kuala Lumpur Rubber Co. — Bernam-Perak Rubber Plantations — Tremelbye (Selangor) Rubber Co. — Way-Halim (Sumatra) Estates (p. 538).

What Balance Sheets Tell:—Weardale Steel, Coal and Coke Co. — Sadler and Co. — Hall's Ox and Brewery — J. Hey and Co. — Kenward and Court — Colorado Nitrate Co. — Realisation and Debenture Corporation of Scotland — Metropolitan Industrial Dwellings Co. — United Electric Tramways Company of Caracas (pp. 538-9).

Company Meetings:—Ansell's Brewery — Aerated Bread Co. — Auckland Electric Tramways Co. — Western Telegraph Co. — Anglo-Egyptian Bank (pp. 542-3).

The Week in Mines (p. 536).

Mining Returns for October (p. 537).

Dividends Announced (p. 537).

Oilfields Production (p. 537).

October Rubber Outputs (pp. 54-1).

Traffic Returns (p. 541).

Answers to Correspondents (p. 543).

CANADA.

THE BANK OF BRITISH NORTH AMERICA.

Established 1836.

INCORPORATED by ROYAL CHARTER 1910

PAID-UP CAPITAL .. £1,000,000. RESERVE FUND .. £620,000.
Head Office:—5, GRACECHURCH STREET, LONDON, E.C. 3.

Court of Directors.

Lt.-Col. F. R. S. BALFOUR, Lieut. E. GEOFFREY Hon. A. R. MILLS, M.P.
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ALL KINDS OF BANKING BUSINESS TRANSACTED.

THE BANK OF TAIWAN, LTD.

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BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

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LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

THE UNION BANK of AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,980,000; together £3,980,000

Reserve Liability of Proprietors 4,000,000

Total Capital and Reserves: £7,980,000

HEAD OFFICE - - - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

WINCHESTER HOUSE SAFE DEPOSIT.

Safes from £1 1s. per annum.

Sealed packages received temporarily at moderate charges.

Write to

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PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

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EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, South-West Africa Protectorate and the Belgian Congo, and with the Bank's Agencies in New York, and elsewhere.

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FRANCIS SHIPTON, London Manager.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	Yen 48,000,000
Capital Paid Up	Yen 36,000,000
Reserve Fund	Yen 22,100,000

Head Office: YOKOHAMA.

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Antung-Hsien.	Harbin.	Nagasaki.	Shanghai.
Bombay.	Honolulu.	Newchang.	Singapore.
Calcutta.	Hong Kong.	New York.	Sydney.
Changchun.	Kobe.	Osaka.	Tientsin.
Dairen (Dalny).	Liaoyang.	Peking.	Tsintsin.
Fengtien (Mukden).	Los Angeles.	Ryojun (Port Arthur).	Tokyo.
Hankow.	Lyons.	San Francisco.	Tsinanfu.
		Seattle.	Tsingtau.

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O. MORGAN OWEN, General Manager.

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Passing Events.

The total number of applications for National War bonds received by or notified to the Bank of England in the week ended last Saturday was 11,061, representing £10,806,350 applied for. Up to date this makes the total number of applications 94,000, and the aggregate applied for £103,089,900, and however much we may want to keep cheerful, it cannot be disguised that these are disappointing figures. Only 94,000 applications in a population of 45,000,000 does not look brilliant. Particulars are also given of the total number of War bonds sold by the Post Office. In the week ended November 10 that was 9,400, and the amount applied for was £292,000. Up to date, consequently, 50,300 applications for sums aggregating £1,631,000 have been made through the Post Office. That, also, is grievously disappointing. The total number of War Savings certificates shows up a little better, and in the week ended November 10 was 1,218,949, bringing up the aggregate number of certificates sold to that date to 127,987,856. The official return does not give us the total amount of money paid into the Treasury. A footnote appears to indicate that the total sales of National War bonds have been progressively downwards. For the first 11 days of the issue up to October 13, £37,991,000 was sold; in the week ended October 20, £18,235,150; in the succeeding week, £13,927,750; in the week ended November 3, £12,338,000; and in that ended November 10, £9,791,000. These figures, however, do not appear to be all inclusive; at any rate, they do not tally with the figures given week by week in the Treasury statement. Thus for the week ended November 17 the Treasury shows sales of £12,173,000, and that does not include the amounts sold through joint-stock and private banks not yet brought into account. In the previous week the sales were £13,061,000, limited after the same fashion. Perhaps the Treasury will supply complete figures some day when it has time.

So far as last week's transactions are concerned, the total expenditure was £108,783,523, of which £48,368,566 was current outgoings. Supply services alone took £46,750,000, or £6,778,000 a day. Including the £997,378 paid out as interest on the war debt, and the £641,188 of miscellaneous disbursements, we get a daily expenditure of almost

£6,910,000, but that was less than half the total outgoings, although the amount of Treasury bills falling due was comparatively small at £57,421,000. Also the temporary advances falling due for repayment amounted to no more than £2,000,000, and the other disbursements altogether did not reach £1,000,000. They included £500,000 to the depreciation fund and £381,000 odd of Exchequer bonds repaid. Revenue from taxation and State monopolies was £10,659,442, of which £4,151,000 came from excess profits duty, including munitions levy, and the balance of £6,508,000 from other sources, the principal among which was Excise, which gave £1,955,000. This is followed by estate duties, with £1,064,000, and miscellaneous, which gave £1,191,000 odd. Supply Treasury bills to the amount of £59,163,000 were sold, or only £1,792,000 more than was repaid. Other oddments of receipts and outgoings brought down the nett addition to the Treasury bill debt to £1,645,000. The previous week it had been £13,952,000, and this small addition raises the total liability of the nation on "Treasures" to £1,006,633,000. A further £12,246,590 came in from other war debt, and £12,000,000 was temporarily borrowed against £2,000,000 paid off. War Savings certificates are entered for £900,000, and the aggregate of the revenue from all sources was £107,380,175. This was £1,403,348 less than the expenditure, and by that amount, therefore, the Exchequer balances have been reduced to £20,380,406. Strenuous efforts continue on the part of Sir Robert Kindersley and his Committee to stimulate public enthusiasm for the surrender of spare cash to the State, and, undoubtedly, some good results are following the efforts, but these results are to be found chiefly amongst the classes who are already doing their utmost to deny themselves and to save, so that the Government may be strong in waging war, and we are still sceptical of the good doing or likely to be done amongst the classes who do not understand anything about finance, or how to be thrifty, or who do not care in any intelligent way how the money is provided for carrying on the war so long as they themselves can be comfortable. Some way must be found which these classes now in the enjoyment of, to them, unheard of wealth, can understand. The profusion of credit-generated riches which are now regarded by them as real wealth ought to be sucked back into the Treasury.

The difficulty attending the marketing of Government securities, registered as transferable by deed on the common form, has still to be removed. As we have before explained, jobbers discriminate against registered as compared with inscribed stock by refusing to pay for the former until the transfer is completed and a new certificate issued by the Bank, whereas the jobbers always pay for inscribed stock at once. The grievance arising out of this discrimination has of late years grown acute owing to the great increase in the amount of registered Government securities, and recently the Bank of England, with a view to avoiding this discrimination, decided to certify the lodgment of transfers, but with recourse to the holder. This failed to satisfy the jobbers, since it afforded them no protection against forgeries, and they have decided to continue to discriminate against registered stocks until the Treasury through the Bank of England adopts the provisions of the Forged Transfers Act, as is done by the railway companies. Meanwhile, the Stock Exchange Committee has announced that bargains in registered stock must be paid for on delivery of the transfer, unless a special bargain has been made to the contrary. This means that in future all bargains in registered stocks will be recorded as special bargains. In the past disputes have occurred as to whether transactions in registered stocks have been special bargains or not; but in future this will be clearly understood by both parties. But the improved marketability of registered securities will not be brought about until the Forged Transfers Act is adopted.

A preliminary statement issued by the Commissioners for the New South Wales Government railways and tramways, shows that in the year ended June 30 rail way earnings amounted to £8,380,000, an increase of £374,000, while working expenses were £254,200 higher at £5,915,000 and interest required £290,000 more at £2,860,000. Nett earnings are not given, but it looks on these figures as though the results were £170,000 to the bad as compared with the previous twelve months, in spite of the increased traffic, and that there has been a loss of £420,000 on the year's operations. The number of passengers increased 3,859,000 to 96,710,000, and the goods tonnage rose 395,000 to 5,103,000 tons, but coal fell 358,000 tons and live stock 219,000 tons. Tramway earnings were £2,008,000, an increase of £16,900, while the expenses advanced £88,700 to £1,691,000, and interest required £32,700 more at £335,360. Conditions, of course, are abnormal, but these figures have a rather depressing appearance.

A considerable increase has taken place in the deposit liabilities of Australian and New Zealand banks, comparing the figures of June 30 this year with those of the same date last year, but the increase has not been so great as in either of the preceding years. The increase in the deposits of Australian banks during the last three years is £8,745,390, and the corresponding increase in the advances made by the banks is £7,200,454. It is noticeable that the principal increase in deposits is in current account, or non-interest bearing balances. In New Zealand over the three years the increase in deposits has been £15,848,847, while advances have risen no more than £8,425,246. Of the New Zealand increase in deposit liabilities, £8,682,276 are in deposits bearing no interest. All the States of Australia have not progressed in the same manner, have not kept step, as it were, during the past year. In New South Wales deposit liabilities are slightly down, in Victoria a trifle up, in Queensland £2,000,000 up, and in South Australia the increase has been £1,200,000. On the total deposits of the six States the twelve months' expansion has been £2,820,230, making the aggregate on June 30 last £163,077,325. Add in the New Zealand figures, which have grown in the year from £38,523,449 to £44,696,003, we get an aggregate deposits liability of all the ordinary banks in the Commonwealth and the Dominion of New Zealand of £207,773,328, or an increase of £8,992,784 on the year. To keep some re-

cord of the banking position, we append here, extracted from the *Australasian Banking Record*, two summary tables setting forth the leading items in the assets and liabilities. In the first table the figures of the ordinary banks are alone given; the second includes the Commonwealth Bank of Australia, and it will be interesting to observe its influence in swelling the aggregates:—

AUSTRALASIAN BANKING STATISTICS.

The 21 Ordinary Banks.

	Australia.	N Zealand.	Total.
LIABILITIES.			
Deposits	163,077,325	44,696,003	207,773,328
Perpetual inscribed stocks of the E., S., and A. Bank	1,952,189	—	1,952,189
Notes in circulation	244,804	4,890,803	5,135,607
Bills in circulation	1,303,731	92,435	1,396,166
Balances due to other banks	3,252,673	76,562	3,329,235
Total liabilities	169,830,722	49,755,803	219,586,525
ASSETS.			
Coin and bullion and legal tender notes	41,531,835	8,822,293	50,354,128
Notes and bills of other banks ..	931,334	271,000	1,202,334
Balances due from other banks ..	2,449,904	103,133	2,553,037
Advances, &c.	126,046,976	34,079,058	160,126,034
Landed property, &c.	4,952,942	610 152	5,563,094
Total assets	175,912,991	43,885,636	219,798,627
Excess of assets (capital reserves, &c.)	6,082,202	*	212,035
Ditto, a year previously	19,984,512	†	12,839,136

* Excess of liabilities, £5,870,167.

† Excess of liabilities, £7,145,376.

All Banks, including that of the Commonwealth.

	June Quarter, 1916.	June Quarter, 1917.	Movement.
LIABILITIES.			
Deposits—			
Not bearing interest	113,163,867	128,578,705	+ 15,414,838
Bearing interest	107,153,896	111,375,634	+ 4,221,738
	220,317,763	239,954,339	+ 19,636,576
Savings Bank deposits (Commonwealth Bank)	8,683,092	11,309,677	+ 2,626,585
Perp. inscribed stock (E., S. and A. Bank)	1,968,730	1,952,189	— 16,541
Notes in circulation	4,175,954	5,135,607	+ 959,653
Bills in circulation	1,325,470	1,528,371	+ 202,901
Balances due to other banks ..	4,480,246	3,684,916	— 795,330
Total liabilities	240,951,255	263,565,099	+ 22,613,844
ASSETS.			
Coin and bullion and legal tender notes	65,546,873	62,566,706	— 2,980,167
Notes and bills of other banks ..	2,614,195	2,255,437	— 358,758
Balances due from other banks ..	5,539,714	5,288,317	— 251,397
Advances, &c.	167,317,063	168,314,001	+ 996,938
Government and municipal securities (Commonwealth Bank)	7,922,636	11,696,509	+ 3,773,873
Landed property, &c.	5,825,802	5,894,651	+ 68,849
Total assets	254,766,283	256,015,621	+ 1,249,338

* Including Government and municipal securities, except those held by the Commonwealth Bank, which are shown separately in the next line.

† Including balances due from other banks to Commonwealth Bank, June, 1916, £3,406,412; June, 1917, £2,735,280.

Those who have followed the brilliant career of M. Clemenceau, will welcome his advent to power in France. That a man of his years—and he is just of even age with the writer of these lines—should have the courage to take upon himself the effort to govern seething, restless France at a juncture like the present, shows a moral courage and a spirit of self-abnegation worthy of all admiration. It is not a "soft billet" that M. Clemenceau has got into. The military position is all right and in excellent hands, so on that side is the temper of the nation. Domestic affairs will be the difficulty. These are obviously in a most ferment condition, and many even of the solid strata of society are charged with dissatisfaction, not to say discontent. It is the domestic ferment and Socialistic aspirations which have most of all contributed to make the Governments of France short-lived. Especially since the war broke out have the subversive or revolutionary elements of French society become aggressively exigent in their demands. Also scandals have cropped up tending to outrage the spirit of patriotism, and the feebleness with which the administration has dealt with the alleged criminals causes a feeling of exasperation to prevail throughout the country. The new Prime Minister may

be trusted to let no legal, social, or plutocratic obstacle interfere with the law, and if he is swift and stern in the punishment of those found guilty he will not only consolidate his own hold over the nation and the Parliament, but be a powerful bulwark against the wilder forms of revolutionary aspirations sure to assert themselves after the war. In a House of 483, only 65 voted against the order of the day expressing confidence in the new Government. That is a good beginning, and we hope that M. Clemenceau's administration will keep its place to the peace.

In the course of an interesting discussion on food problems in the House of Lords on Tuesday evening Lord Rhondda stated that approximate estimates of the consumption in the first half of this year compared with 1916 warranted the following conclusions:—

1. The consumption of cereals used for human food showed a slight increase, perhaps 4 per cent. That is more than covered by the diluents added to wheat flour.
2. The consumption of potatoes had decreased by about 13 per cent.
3. The consumption of meat, including bacon, showed a decrease of about 12 per cent., but the consumption of home-fed meat had increased.
4. There was some increase in the consumption of fish, owing to increased imports of salted fish.
5. The consumption of dairy produce, including margarine and lard, was practically the same.
6. The consumption of imported fruit, showed a decrease, owing to the restriction of imports.

If these estimates are reasonably accurate (and we should rather like to know the data on which they are based), it is certainly disappointing to learn that after all the economy campaign and "eat less bread" propaganda there has been an actual increase in the consumption of cereals. The official statement is studiously vague, but if it may be accepted at its face value the conclusion we should draw is that the extravagance and waste about which we have heard so much at different times must have existed largely in the imagination. No doubt there are many foolish people in the country, but it is difficult to believe that any considerable number of them would consume more bread than they actually required with the quartern loaf costing from 9d. to 1s. Of course, the largely artificial potato famine in the early months of the year must have tended to increase the consumption of bread, and it accounts for the 13 per cent. reduction in potatoes, but if the figures are of any value they must be collected from week to week, and it is difficult to understand why Lord Rhondda limited his survey to six months when it might just as easily have covered ten, and given a much more accurate idea of the actual position. However, it is the future that is the chief cause of anxiety, mainly owing to the assistance we have to afford France and Italy, so that rigid economy is more imperative than ever. Some people appear to favour a system of compulsory rationing for its own sake, but they can scarcely be aware of the enormous difficulties of working it without almost intolerable friction, and we are glad to learn that Lord Rhondda hopes that the necessity for it may be avoided. All the same, officialdom, which is steadily tightening its grip on the country, would probably like to try its hand at the job, and every sane person will do his utmost not to give it the excuse.

An important case in which the powers of the Shipping Controller were in dispute came before Mr. Justice Bailhache last week, and has aroused a great deal of interest in shipping circles. The question at issue related to the liner requisition scheme, under which vessels were commandeered by the Shipping Controller, who also claimed that the owners must work them exactly as if they were still running for their own account, and the profits, after deduction of hire, working expenses, and managers' remuneration, were to be taken by the Government. In the result the judge decided that while the Controller has power to requisition the vessels, he had not power to requisition the services and profits of the shipowners. In practice it is eminently desirable that the owners should continue to

run vessels requisitioned, but their services must be obtained by negotiation and not by command. As a matter of fact, this has been the practice followed in the great majority of cases, and we believe that practically all shipowners have loyally fallen in with the arrangement with much less friction than might have been expected. Under the circumstances it seems a pity that it was considered necessary to fight out the strictly legal aspect of the case in Court, as the actual point in dispute might easily have been settled by private discussion.

Documentary or other direct evidence is not required to convince observers that German agents are now endeavouring to form a Government for Russia in their own interests. The real source of the Bolshevik or Extremist energy is disclosed in the frantic clutch made by the Leninites after peace. So tremendous is their hurry that they have ordered the troops at the front to select delegates to arrange or enforce an armistice. This is on the whole quite cheering information, proof that it is not native Russians who are intriguing to betray their country and the Allies, but the alien Teuton. He will fail there, as elsewhere, and the Russian people do not need the discipline of Prussian tyranny to make them patriots. We therefore advise the public here not to be too much depressed about current events in Russia, nor to yield to the impulse to speak too harshly or slightly of the attitude of leaders for the moment submerged. Kerensky is out of sight, and therefore of favour, discredited in a measure. We are told now that he talked far too much and did too little, and must expect these ups and downs of popularity to occur with bewildering frequency. But the solid forces of Russian intelligence and moral character remain unaffected by the scum and froth on the surface. The turmoil may continue for some considerable time, for the military disorganisation is, in the north, at least, seemingly for the time being irremediable, but when a second lieutenant is ordered to take the place of an able general in command of the troops—well, it is not difficult to estimate what kind of support stands behind these noisy, suborned, deluded, or otherwise unpatriotic revolutionists.

Sir Bernard Mallet delivered a very interesting address to the Royal Statistical Society this week on the falling birth-rate. He has managed to get hold of some German statistics which added considerable interest to his statements. About the United Kingdom he pointed out that the usual effect of war on marriages has been conspicuous. The number increased from 260,544 in 1909 to 286,583 in 1913, and this increase continued through subsequent periods. During the second, third, and fourth quarters of 1915, and the first quarter of 1916, a sudden and abnormal rise in war marriages occurred, until the totals reached record heights. Crudely stated, the war has resulted in 200,000 people being married between August, 1914, and June, 1917, who in the ordinary course would not have married. The marriage rate for 1915 was the highest recorded—viz., 19.4, the previous maximum of 17.9 having occurred as long ago as 1853. Turning to foreign countries, Sir Bernard said that in Hungary the effect of the war had been that more than 600,000 people who in ordinary course would have married had not done so. In Prussia, Bavaria, Saxony, Hesse, Hamburg, and Bremen, six States containing more than 80 per cent. of the German population, the total number of marriages in 1913 was 434,103, and in 1914 392,053, a decrease of nearly 10 per cent., in spite of the great number of war marriages which took place in the first month of the war. From figures available in Saxony, compared with the last year of the peace the decrease was about 35 per cent., in Hamburg 24.5, in Bremen 37.6, and in Berlin 21.6 per cent. He presumed that the decrease in the country was greater than in the town, and surely this contrast with what has occurred points to a much larger consumption in Germany of marriageable males by the war than in this country.

The loss, the lecturer proceeded, in potential lives to the belligerent countries, the decrease, *i.e.*, in the number of children born, was, perhaps, the most important effect produced by the war on vital statistics. It was first felt at the end of April, 1915, and would continue until nine months after the termination of hostilities, and until the demobilisation had been more or less completed. In England and Wales in the three years 1911-13, the decrease in the births amounted to 4.2 per cent. in numbers compared with 1908-10. In Germany, where the decrease had been much more rapid of late years, the decline was 5 per cent. in numbers and 9 per cent. in the rate, in Hungary 1.1 and 3.5 per cent., whereas in England and Wales the decrease in births was 4.2 per cent. in numbers compared with 1908-10, and represented a birth-rate of 6.3. In Scotland the birth-rate was 5.6 per cent., in Ireland the decrease was 1.3 per cent. in numbers and 1.2 per cent. in rate. From these figures it was apparent that the United Kingdom had suffered far less than had Germany in this vitally important direction. The United Kingdom had lost over 500,000 potential lives by the fall of births, or approximately 10,000 per million of the population; but Germany had lost in the same period 2,600,000, or approximately 40,000 per million. In Hungary the loss had been 1,500,000, also approximately 40,000 per million. At the outbreak of war the population of the Central Empires was about two and a-half times as great as that of the United Kingdom; their losses of births had apparently been ten times as great. The poorer classes in this country had never experienced more comfortable conditions, but the Germans, if all indications were to be believed, had suffered to such an extent as to affect seriously the general health of the population. Infant mortality had also been lower in 1914-16, both in the United Kingdom and Germany, than in any previous period of like duration, but the summer mortality in 1917 appeared to have been extraordinarily high in several German cities, in spite of the great organised efforts made there to save infant life. All through the German rate had remained at some 50 per cent. higher than in this country. In the United Kingdom it was the lowest on record in 1916. There is much to reflect upon, and to encourage us, in these statistics.

Messrs. Cox and Co. have developed an enormous business as Army bankers, and this is reflected in the balance-sheet at October 4. Deposit and current accounts have risen £3,500,000 to £16,920,000, and acceptances are £40,000 higher at £256,000. Cash at bankers and on hand has increased £1,027,000 to £3,920,000, and money at call and short notice is £718,000 up at £3,718,000. That the company has still a large commercial connection with the East is shown by the expansion of £1,210,000 in bills of exchange, which now amount to £2,760,000, while advances to customers have increased £750,000 to £3,170,000. Investments are £500,000 up at £2,357,000, but the holding of Treasury bills has been reduced by £700,000 to £1,272,000. The balance-sheet totals at £17,700,000, an increase of £3,600,000. As the company is a private one, no profit and loss account is furnished, but the business is unquestionably sound and prosperous.

Egypt must be prospering all right in spite of the war. The report of the Anglo-Egyptian Bank, Ltd., testifies to that. Its gross profits for the year ended August 31 last rose £35,008 to £247,617. Expenses were only £3,486 larger at £103,270, so that the nett income of £144,347 was £31,522 better. The balance of £52,000 brought forward was also £2,000 larger, so that the £196,347 of free profits was £34,064 higher. No change, however, is made in the dividend, which remains at 15 per cent. for the year, plus a bonus of 2s. 6d. per share, making 17½ per cent. in all. The extra profits are thus left altogether free for disposal in other directions, and the reserve fund gets £20,000 against £10,000 a year

ago, the staff a bonus of £9,000 against £5,500, while £4,849 more at £10,000 is written off cost of premises. Even then £15,000 more at £67,000 will remain to be carried forward. The accounts reveal how the larger resources of the bank have been obtained and distributed. Deposit liabilities, for instance, are £1,562,529 up at £9,057,654, and there are increases of smaller magnitude in bills payable and in acceptances. Cash, including call money, is £342,000 up at £2,129,000. Investments are £306,000 higher at £1,083,000, while advances have increased by £526,000 to £2,651,000. The largest asset in the exhibit is in bills receivable, which are £477,000 larger at £4,824,000, but in this total is included £2,900,000 of British Treasury bills, a decrease of £650,000 on the amount held a year ago.

Argentine news, as given in the monthly circular of the British Bank of South America, Limited, is interesting and rather chequered. A considerable amount of unrest is still noticeable in the country, and will no doubt continue until the conditions of life improve. The country is at present seething with labour troubles, the circular asserts, and labour on the whole appears in a position to set the Government more or less at defiance. The Central Argentine Railway was forced to take back two workmen who had refused to obey orders. The French Railway of Santa Fé Province had to do the same, and in Rosario the tramway employees went on strike without giving the company time to consider or reply to their demands. The cars were deserted in the streets by the guards and motor-men, who burned some and damaged others. The Central Executive was appealed to by the Governor of the Province of Rosario, and sent troops. These troubles, we have been told by telegraph, have been overcome, but later news is that strikes have again broken out, and it is justly observed in this circular that the difficulty employers of labour find in resisting violence and incendiarism and in obtaining protection for their property is discouraging to foreign capital, never slow to take alarm. A meat-freezing company is reported to have given up a scheme for building an establishment in Rosario, where it is much needed. It may be added that capital will be increasingly difficult to attract for many years to come because of its scarcity. All the more reason is there to regret such manifestations as those in the Argentine Republic. Perhaps, however, when the harvest is gathered—and it promises to be an unusually fine one—and when the sea is cleared of German's pirate assassins, the outlook will become less disquieting and the country settle down. That, doubtless, is a pious hope, but we are by no means sure that many far-reaching changes are not demanded before the mass of the people really become satisfied. What is the purpose of the Government in confiscating "vast tracts of former fiscal lands" in the far South of the Republic? These lands were acquired by various individuals and limited companies, the latter of which were in reality co-operative societies. They have been stocked and improved, and are now confiscated without indemnity for the improvements. Is the land to be distributed among the peons?

The Treasury has this week issued an order requisitioning the shares of the Royal Dutch Petroleum Co., including the sub-shares and provisional certificates. The order only applies to the English and Dutch issues, and not to the New York issue, certificates of which are not exchangeable for shares until after the end of the year. Unlike other securities requisitioned by the Treasury, Royal Dutch shares have not been accepted for deposit on loan, because they were not suitable as collateral for loans abroad. The only other security which has been purchased by the Treasury without the option of deposit were the Central Argentine Railway notes, afterwards reissued in dollar form in the United States. The price to be paid for the Royal Dutch shares has been fixed at £51, or £1 10s. above the market price. This price of £51 is the sterling equivalent of the Amsterdam quotation, but a holder here

who sold his shares in Amsterdam would receive only about £50, because the cost of sending the securities to Holland is 2 per cent. Thus the Treasury price may be regarded as quite generous, for it enables holders to sell their shares at the price current in Amsterdam entirely free of cost. All shares held here or abroad by persons ordinarily resident in this country must deliver their securities to the American Dollar Securities Committee not later than December 17. The transfer of the securities to the Treasury should be effected through the agency of stockbrokers or bankers. No commission charges will be payable by the holders, these being borne by the Treasury. Persons holding shares here on behalf of non-residents may claim exemption from the order, provided the securities were held here prior to January 24, or, if purchased subsequent to that date, they were acquired with the permission of the Treasury.

Another motor and cycle firm whose financial results have not come up to expectations is the Swift Cycle Co. Profit, after providing for fees, income-tax, &c., is only £285 larger at £46,945, and as £4,230 more was spent on maintenance and repairs, and depreciation called for an increased allocation at £23,000, the amount available exhibits a decrease of £5,530 at £11,260. After again paying 7 per cent. on the ordinary, the carry-forward is reduced from £28,000 to £12,690. During the year £37,530 has been spent on plant extensions for munitions. Tools and plant have increased £8,500 to £23,850; investments also amount to £23,850, against £100, and stock-in-trade is £59,650 larger. On the other hand, cash exhibits a shrinkage of £29,370 at £21,880, sundry debtors owe £9,300 less at £26,130, and sundry creditors are £15,430 larger at £39,065. Deposits on munitions contracts to the extent of £53,800 have been received, and there is £23,750 due to bankers. The totals of current liabilities and proposed dividend disbursements have increased £92,980 to £130,110, while aggregate liquid assets, apart from stock, £134,630, show a shrinkage of £15,000 at £74,300. This contraction in the liquid position is, of course, explained by the increase in stock and by the sums spent on extensions.

For some time past the shares of the Sunbeam Motor Co. have been talked up, and the recent dividend announcement must have caused not a little disappointment in many quarters. The company announces a final dividend of 10 per cent., together with a bonus of 5 per cent., making a total distribution of 20 per cent., free of tax, for the year. Last year a bonus of 15 per cent. was forthcoming, making 30 per cent., free of tax, for the year. The directors at the same time make no allocation to the staff bonus fund, which last year received £5,000. Altogether, the proposed disbursements and allocations absorb £49,800, compared with £78,800 in 1916. It is strange if the profits show anything like the contraction not unnaturally suggested by the reduced distribution, particularly as the company's pre-war profits were very substantial. In some quarters it is suggested that the falling off is attributable to the company having undertaken a large amount of experimental work during the year. In any case, we hope all conjectures will be set at rest by the chairman at the meeting next week. In the absence of the accounts, which the board are unable to present owing to the company's liability in respect of war taxation not having been ascertained, a full statement of the position seems exceedingly desirable.

The Humber Co.'s accounts cover a period of only just over eleven months. A profit of £54,075 was earned, as compared with £85,450, but as £25,100 less is written off plant, the amount available, £45,000, is proportionately only slightly below that of the previous year. A further dividend of 12 per cent. is paid upon the preference shares, bringing the arrears up to date, after which there is £5,250 more at £55,420 to go forward, subject to excess profits duty, if any. A year ago the building reserve received £10,000. As in the

case of several other similar concerns, much of the work has hitherto been of a preparatory character, and the directors state that large orders have now been placed, which give promise "of a greatly increased output for the current financial year and a corresponding increase in the profits earned." This explains, apparently, the increase of £111,840 to £427,100 in stock-in-trade; the increase of £47,540 to £180,930 in creditors, and the reduction of £74,350 in cash. Trading assets total about £497,610, and current liabilities and disbursements £223,800.

The accounts of the Rover Co. for the financial year ended August 31 last make a very encouraging showing. Trading profit has gone up £26,265 to £143,070, and although expenses and income-tax are slightly higher, £23,995 of this increase is retained as profit. As £4,650 less is applied to maintenance and depreciation there is £28,640 more available at £89,740. The distribution is increased from 11 per cent., less tax, to 25 per cent., free of tax, and reserve and benevolent allocations absorb £51,430 as against £30,000. A bonus of £20,000 is given to the work-people, the sum of £5,000 is set aside for employees' war dependents' fund, the plant reserve account and tools reserve account receive £10,000 each, and £6,430 is devoted to war contingencies fund. A year ago £20,000 was set aside to general reserve and £30,000 to war contingencies fund. The disbursement and allocations only slightly exceed the amount available, and the carry forward is left at the substantial figure of £40,000. An analysis of the balance-sheet discloses a greatly improved position. The sum of £29,400 has during the year been expended on plant and machinery, &c., that item now appearing at £92,360, stock is £63,060 higher at £214,280, and freehold and leasehold property shows an increase of £16,800 at £82,825. Notwithstanding this, however, nett liquid assets exhibit an increase of some £32,250 at £87,240. During the year the reserve fund has been credited with the premium obtained on issue of shares, amounting to £56,610, and with the latest allocations total reserves now amount to £246,650. The shares have recently been in demand on vague rumours of amalgamation. In considering their investment merits, it must be remembered that it would take a considerably larger sum to repeat the dividend and bonus on the increased capital.

In contrast to many tramway and light railway enterprises, the Auckland Electric Tramways Co., Ltd., is able to report the same expense ratio as in the previous year. The increase in the receipts, of course, con-

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tributed in a measure to this satisfactory result, but it is also due to the exceedingly economical manner in which the traffic must have been handled. In these days of enormously increased costs ability to keep down an expense ratio is something in the nature of an achievement, and not a little credit attaches to the management for the accomplishment of this satisfactory result. The company had open during the financial year ended June 30 last .54 mile more of route and carried 998,500 more passengers at 43,351,030, a larger number of passengers per route mile than in the previous period. The average receipts per passenger was .01d. higher at 1.57d., and traffic and sundry receipts aggregate £5,000 more at £286,880. Despite the fact that cost of repairs and maintenance exhibits a slight increase, operating expenses and percentage of profits payable to Auckland City Council are only £5,520 larger at £185,770, so that net revenue is left £490 up at £101,120. From this £25,000, as before, is deducted for renewals and depreciation, and the ordinary dividend is repeated at 1s. 7d. per share, equivalent to £7 18s. 3d. per cent., while £10,000, as before, is allocated to reserve fund. There then remains £690 more at £5,290 to go forward. Most of the changes in the balance-sheet are of no moment, but there is a new item, loan from bankers, £47,500, money borrowed, presumably, to finance expenditure in connection with the new mileage. During the year £8,486 debenture stock has been purchased and cancelled, and the renewal and depreciation account and general reserve now total £55,720 and £142,500 respectively.

Continued progress is shown in the results of the Australian Mercantile, Land and Finance Co., Ltd., for the year to June 30. Gross profits amounted to £248,230, an increase of £17,000, but general expenses were £4,000 higher, and on this occasion £26,000 is placed to reserve on account of investments. However, income-taxes, Imperial and colonial, required £14,000 less, and the nett profit is a few hundreds up at £58,670. Consequently the directors can comfortably repeat the dividend of 10 per cent., tax free, and as £6,000 more was brought in the balance forward is increased by £6,700 to £18,500. Certain of the company's properties have been sold during the year, and the surplus of £50,000 added to the reserve, which is again brought up to £450,000. The season in Australia has been favourable, but great difficulty was experienced in obtaining adequate tonnage for the shipment of produce. The financial stringency that might have resulted has been largely obviated by the purchase of the entire wool clip by the Imperial Government. In Argentina, where the company has large interests, latest advices are favourable. Changes in the balance-sheet are not of much importance, and need not be considered in detail, but everything looks sound and prosperous.

At one time Broomhill Collieries could not earn sufficient profit to pay its preference dividend. Brought out in the coal boom times of 1909, its capitalisation was high, and dogged by bad fortune in the shape of disastrous strikes and underground fires the shareholders' lot was far from a happy one. Since the war, however, a distinct improvement has taken place in the fortunes of the undertaking. In 1915 2½ years of preference arrears were distributed to the shareholders. The year 1916 saw preference arrears wiped off and a distribution of 10 per cent. to the ordinary shareholders, while for the financial year ended June 30 last the ordinary shareholders get 20 per cent. Nett profit from all sources, after making the excess profits duty adjustment, is £5,620 up at £95,390, and after setting aside £2,430 more at £16,250 in respect of sinking fund instalments, providing for the distribution mentioned, and devoting £10,900 more at £21,600 to reserve, there remains £18,770 more at £54,050 to go forward. During the year the company lost one of its ships, and it is this circumstance apparently which accounts for the reduction of £15,700 in the item freehold houses,

steamships, &c., and for the increase in cash and the expansion of £57,660 in the reserve fund, which, with the allocations from revenue, is £79,280 higher at £100,000. Nett working assets have increased by about £103,000 to £136,350, and the position has solidly improved.

It is an ill wind that blows no one any good. In Argentina there is an acute shortage of coal and a phenomenal demand has sprung up for wood for fuel. The Entre Rios Railway is fortunate in traversing an exceptionally well-timbered country, and although the cereal crop in the province proved an almost complete failure, the demand for firewood and the growth in through traffic resulted in the gross receipts being the highest on record. These receipts were, however, insufficient to provide a satisfactory return on the capital of the company, owing to the inadequacy of the rates authorised, and it has been arranged to increase tariffs from the 20th of this month. For the financial year ended June last, gross earnings increased £24,090 to £636,250, an amount £26,500 in excess of that of the year immediately preceding the war. Working expenses, as would be expected, show an increase, but not so large as might have been anticipated, and net revenue is only £12,720 lower at £226,700. The ratio of working expenditure to receipts comes out at 64.38 as against 60.91 per cent. in 1916, and 54.51 per cent. in 1914. During the year a sale was effected of the 2,500 shares in the Compagnie Française des Chemins de Fer, &c., Santa Fé, a legacy of the Argentine Railway's control. This benefited the revenue account to the extent of £27,440. Including £25,470 from miscellaneous receipts, net profit comes out at £279,610, as compared with £242,520, and as sundry expenses absorbed £7,000 less at £7,700, there is £44,090 more available at £271,990. After providing for the interest on the debenture stocks, the sum of £50,000, as against £10,000, is allocated to renewals and other reserves, leaving £61,500 more at £69,730, which the board have decided to carry forward. Doubtless the first preference shareholders feel disappointed at not receiving even a small distribution, but we think the directors are acting wisely in conserving the resources of the undertaking. It is satisfactory to note that the Argentine North-Eastern Railway, in which the Entre Rios is largely interested, also improved its position during the past year. The amount outstanding on the "B" debenture stock has been paid, and the debit to revenue materially reduced. As regards the future, the wheat and linseed crops are said to be in excellent condition, but whether sufficient tonnage will be forthcoming to carry them away remains to be seen. Unless unforeseen circumstances arise, the directors expect the revenue from operating the railway to show a satisfactory improvement during the current year.

In the year to June 30 the gross receipts of the Bahia Blanca and North-Western Railway Co., Ltd., amounted to £634,700, a decrease of £52,700 as compared with the previous 12 months. As was the experience elsewhere, the harvests of wheat and oats in the districts served by the company were again very disappointing, large tracts of country having been severely affected by dry weather at the critical time of growth. Passengers fell off in a corresponding degree, and the only traffics showing important increases were cattle and firewood, the former being moved about owing to lack of pasture, and the latter being in greater demand owing to the lack of coal. As the line is leased to the Buenos Ayres and Pacific, no details are given of operating expenses, but as the guaranteed interest, dividends, &c., amounted to £438,670, the Bahia Blanca would appear to have much the best of the bargain, for the time being at any rate.

Although the difficulties of obtaining supplies and the dearthness of raw materials and labour have kept the cost of operation at a high level, the Cape Town Electric Tramways is able to report a substantial improve-

ment in profits and to declare an increased dividend of $1\frac{1}{2}$ per cent. in respect of the year ended June. Increased traffic from the carriage of a large number of troops and the general prosperity of South Africa largely contributed to bring about this encouraging result, but the improvement is due in no small measure to the able way in which the business of the company has been handled by the management. There were 23,752,000 passengers carried during the period as against 22,477,000 in the preceding year, yielding a gross revenue of £231,100, an increase of £18,300 on that of the previous period. Gross profit comes out at £90,860, an increase of £6,670, and as sundry expenses were less the nett profit is £7,395 larger at £79,900. The ordinary dividend is again 5 per cent., and as the reserve allocation is £7,000 larger at £12,000 the carry forward is left £5,400 lower at £2,590. An appreciable improvement in the company's financial position is revealed by the balance-sheet. Debentures are being steadily redeemed, and the various reserve accounts now total £378,000 against a share capital of £491,200 and an outstanding debenture debt of £336,800. Current assets aggregate £100,700 as compared with £84,300, and as current liabilities only total £8,300 more at £76,710 there is a larger amount of working capital available than last year. For the past four months gross receipts are £11,810 larger at £78,490, but we are afraid working expenses must also have advanced appreciably.

Why There Was a "Crisis."

Had the Prime Minister spoken in Paris last week as he did in Parliament this, the nation would not have been moved to look for a "crisis," involving, perhaps, a change of Ministry. As announced in Paris, the proposed supreme War Council for the Allies bore all the appearance of having been a sudden inspiration and the "plain speaking" amid which the information was embedded, sounded like the orders of a dictator, aroused fear lest our tried leaders in the field were to be superseded, or the British armies to be put under French or other control. In the sudden excitement thus generated a feeling of dread took hold of the public mind, and for some days boded mischief. But long before Monday afternoon all the dread had vanished, and the debate in the Commons on Monday restored the public to comparative serenity of mind. Mr. Asquith showed by his tone and by the line he took in opening the debate that nothing was further from his intention than to defeat the Government, and when Mr. George had replied—in a most adroit and occasionally eloquent speech—the interlude was finished. Mr. Asquith asked many pertinent questions, which were answered, on the whole, with satisfactory frankness. He drew also from the Prime Minister unequivocal testimony to the quality of our warrior leaders, and much-needed words of appreciation for the unrequitable services of the Navy. As for the new War Council, the limitations of its powers detailed by the Prime Minister served to rob it of most of its terrors, if they did not convince his listeners of the magnitude of its utility. It would now appear to be little more than the conversion into a permanent "board of reference," so to speak, of those infrequent and informal confabulations between Ministers, generals, and civilian officials of the Allied Governments, about which we have occasionally heard so much that did not enlarge our knowledge.

And so all may yet be well. No harm should be done so long as the ultimate decision remains with the various commanders in the field, or with the responsible Government of the nations concerned. As a glorified *liaison* organisation, the newest instrument to insure victory may be valuable, but its behaviour alone can be looked to to cause us to regard it as a necessity. Last week we asked could it have foreseen and prevented this set-back and the other had it been earlier in function. The answer was "it could not," and if what is said about our foreknowledge of the Austro-German dash into Italy be true, we may say "no" likewise to the question whether its existence would have been effective in providing against that desperate foray. For

it would seem that with no such help France and Britain had placed troops under orders for service in Italy long before the fury of the beaten enemy burst forth. Is it possible for any device to render surprises impossible?

But let there be an end to carping. We live under a war dictatorship more absolute and more untrammelled than any this country has had to submit to, at least since the days of George III., and as we believe the dictator, with all his imperfections, to be sincerely patriotic, we must obey with cheerfulness, hoping for the best. After all, it is the future not only of our civilisation, but of humanity, that is at stake, and the devastation has already gone deep enough to compel us to contemplate ruin as the penalty of failure. Hence in no small part our nervousness and anxiety when anything seems to threaten to go awry. The nation is not so oblivious of the fate hanging over it as Mr. George appears sometimes to believe.

The present Government suffers, and must ever suffer, from its origin. It is a dictator-created Government, and a few of the men composing it have a past which keeps them permanently objects of suspicion to the nation. They would never have been selected for the posts they fill by the free choice of the electorate, and when things go wrong, or seem to, at once suspicion falls on them. The more they orate and insist on their patriotic loyalty the more they are doubted. The entire administration is thus at a disadvantage in times of excitement, and it says not a little for Mr. Lloyd George's pluck that he sticks to his job through thick and thin, determined to see it through. Because his purpose is clear and because he never flinches from taking risks he may rest assured that none of his colleagues or rivals in Parliament will seek to eject him from his post. Whatever may have been the "political strategy" that brought him where he is, whatever the doubts surrounding the careers of some among those he has chosen to associate with him, he will have Parliament and the country behind him so long as he continues to devote all his talents and energies—and they are many and great—to the maintenance of the war to its only successful end, the end that will deliver all nations from danger of becoming a prey to thieves and tyrants. Too often hitherto in the history of mankind barbarism has overthrown and obliterated civilisation. This time we must see to it that civilisation wins, and use all weapons and helpers to that end.

The Australian Commonwealth's War Burden.

So intent are we with our own troubles and difficulties that we can spare little time for noting those confronting the overseas portions of this vast British Empire. It may, however, be none the less useful to give a few facts about the expenditure and resources of the Australian Commonwealth as set forth at the close of its fiscal year on June 30, together with the Budget estimate of outgoings and income for the current year closing on June 30 next. That will complete the four years of war. In the first year the war expenditure from revenue was only £549,217, and it is estimated at £23,109,351 in the current year. Loan expenditure has risen from £14,471,118 in 1914-15 to an estimated £84,051,230 in the current year. The aggregate war expenditure on this estimate will have amounted to £214,880,673 by the end of the present financial year, including £2,139,164 contributed to the war loan sinking fund. The expenditure also includes £2,052,477 in 1916-17 for the Government line of steamers and £2,850,000 estimated for advances to States for works construction and the erection of silos for wheat storage. This amount, however, is put down as recoverable.

Necessarily such an outlay as these figures indicate imply a great plunge into indebtedness, and the public debt of the Commonwealth was £169,177,767 at June 30 last. Of that total £79,454,720 represented war loans raised in Australia, and repayable in 1915. Another £47,774,269 is the money advanced by the Home Government to the Commonwealth. That

Commonwealth is also responsible for £7,500,000, money raised in London to hand over to the States, and there are various other debts to be taken into account which may as well be enumerated, viz., £736,000 provided by the sale of War Savings certificates, £4,580,000 obtained on inscribed $3\frac{1}{2}$ per cent. stock, £4,437,543, the proceeds of 4 per cent. Treasury bill sales, and £4,531,519, the balance of certain loans taken over from South Australia. In addition to all this the value of certain properties transferred to the Commonwealth from the States is put down at £10,789,738. That is to say, the Commonwealth owes this money to the States for these properties, and also a debt of £9,373,907 has been incurred for accrued deferred pay to the Army. All told, Sir John Forrest estimated that loans amounting to £64,066,000 would have to be raised this year. Every effort will be made to provide most of it within Australia. The after-war cost of the fighting organisation is becoming formidable.

For the current year a gross revenue of £34,356,300 is estimated for, of which £13,630,000 only is regarded as obtainable from Customs and Excise. The taxation revenue is, indeed, estimated at a lower figure for this year than last, because on Customs and Excise alone there is a decrease of £1,974,441, and none of the other sources of revenue are expected to quite fill the gap. There is, however, £1,000,000 put down to war-time profits tax, covering the two years 1915-16 and 1916-17, and a special income-tax on non-participants is put down for £500,000; but probate and succession duties are booked to rather less, and the increase in the ordinary income-tax is under £300,000. Deducting the £6,316,250 of the taxation revenue handed over to the various States, the total revenue for the current year, inclusive of the Post Office and railways receipts, is put down at £28,040,050, and interest and sinking fund charges on war loans alone are expected to amount to £8,461,200. War pensions have gone up within one year from £1,185,997 to £2,637,168, and another £1,000,000 is put down to expenses of repatriation, and altogether the total expenditure of the present year is put at £30,967,582. The deficit is thus considerable—say, £2,928,000—although by no means anything to be staggered at, and it may be reduced by balances brought forward or transferred from London. It would, however, have been larger but for the severe reductions, amounting to £2,670,827, in the money assigned to pay for new works. This reduction marks a prudent change in policy, for up to a year ago the practice was to finance these new works very substantially, if not entirely, by money borrowed in London or in Australia; but the Commonwealth Government, in spite of the Treasurer, Sir John Forrest's, justification of the practice, has wisely determined to curtail such outlay for the time being, however heavily the restriction may seem to bear on the labouring classes.

Direction of Foreign Trade.

In the last issue of the Board of Trade returns we get summaries of imports from and exports to different countries for three quarters of the year. Details are not furnished, and so it is impossible to trace the tendencies of trade in particular lines, but the following tables showing the aggregates to foreign countries and British Possessions is not without interest. No special deductions can be drawn from the past quarter, and we therefore give the figures for the nine months to the end of September with the corresponding figures for the two previous years:—

	Nine Months to September—		
	1915.	1916	1917.
	£	£	£
Imports from foreign countries..	432,985,000	477,924,000	505,573,000
" " British Possessions	209,903,000	226,121,000	271,129,000
Total imports	643,888,000	704,045,000	776,702,000
Exports to foreign countries...	171,741,000	240,473,000	264,402,000
" " British Possessions..	111,350,000	138,856,000	120,627,000
Total exports	283,091,000	379,329,000	394,029,000
Re-exports to foreign countries..	66,811,000	65,842,000	52,461,000
" " British Possessions	8,809,000	11,031,000	6,066,000
Total re-exports	75,620,000	76,875,000	58,527,000

As regards imports, the most striking feature is the

enormous extent to which we have drawn on the United States for supplies, and although higher prices no doubt account for a large part of the difference, it is certainly surprising that America contributed no less than £258,000,000 of the total, an increase of £81,000,000 as compared with 1915. Canada comes second in importance with £54,640,000, or very nearly double the amount imported thence in 1915; but she is run very close by Australia, which sent us £54,230,000 against £38,240,000 two years ago. New Zealand, however, at £23,395,000 is three millions below last year's figures, and British India, with £48,386,000, is £3,600,000 down, no doubt mainly owing to the restricted tea shipments. From Egypt we received £26,390,000, or nearly 11 millions more than in 1915, but Argentina dropped almost 13 millions at £38,105,000. These are the great sources from which our main supplies are drawn, but, all things considered, it is surprising that Russia has been able to keep up a good average at £12,200,000. We have taken about four millions more from Norway, but five millions less from Sweden, the respective totals for the past nine months being £14,076,000 and £9,227,000 respectively. Denmark has fallen three millions to £14,932,000, and Holland has failed us to a small extent, but Spain sent us £16,305,000 against £12,870,000 in 1915. France, naturally, has dropped from £24,200,000 two years ago to £16,500,000, and Italy has done only indifferently; but Japan sold us about five millions more at £11,810,000, and we got £15,350,060 from Cuba against £6,720,000 two years ago. When allowance is made for the destruction caused by the U-boats, there is plenty of reason for congratulation for the way in which our supplies have been kept up, and there is no doubt that the figures would have been even more favourable if it had not been for the shortage of shipping. As it is, we must not grumble too much if we are short of certain things we require; but with all this vast mass of stuff coming into the country, we cannot help again insisting that such an essential article of consumption as tea ought not to have been allowed to fall into the discredit of queues, while prices advanced to a panic level.

There are evidences that our export trade is not in a very healthy condition, in spite of the aggregate values showing up to advantage. A very large proportion is apparently due to the exigencies of war, and it is inevitable that we should be losing some of our regular lines of trade, but there is no need to despair about our ability to recover most of them when we can switch off from shell-cases to ploughshares. Nothing is more remarkable in the history of the war than the ease with which we have turned from the manufacture of articles desired or required in peace to the production of munitions, and we have every confidence that this faculty for adaptability will serve as well in the future when the present nightmare has passed. Meantime, France, which in ordinary circumstances does not require much of our goods, has become our best customer, and in the past nine months has taken £83,200,000 worth, or thirty-three millions more than in 1915. In spite of all obstacles, we have sent Russia £32,788,000, or nearly four times as much as two years ago, and Italy has had 20½ millions, against £8,980,000. By comparison the exports to the United States, amounting to £26,386,000, against £18,570,000 in 1915, look very feeble, but Holland has taken £15,820,000, against £13,044,000, and Norway £7,378,000, against £5,556,000. Sweden, however, has been cut down from £5,150,000 to £2,605,000, and Denmark got only £5,864,000, against £8,570,000 last year. Spain also went short to the extent of nearly three millions, her total for the nine months being only £3,830,000, but Argentina maintained a good average at £9,886,000. Australia dropped eleven millions, as compared with last year, and New Zealand four millions, but we may take it that is entirely due to shipping difficulties, and the trade will ultimately come back to us. Canada has kept up well, and India shows an advance of eleven millions at £45,700,000. China, Japan, and South America con-

tinue very good customers, and on the whole the returns may be regarded as encouraging when the disorganisation of business and transport are taken into account.

Real Co-operation.

When the interim report of the sub-committee on Relations between Employers and Employed, an offshoot of the Reconstruction Committee, made its appearance, we were not much inspired by it. Too much for our taste of what may be called pious Socialistic altruism suffused its paragraphs. They were dreamily sweet to be sure, but we could not see that they led to anything much of practical value. Nice suggestions were made quite suitable for assimilation by altruists without experience in the management of human affairs. Especial stress was laid on the recommendation that joint committees of employees and employed, to be called "industrial councils," should be formed throughout the country whose business it would be to meet and arrange for joint co-operation in industries. Technical education and training, too, were recommended, and industrial research also, as well as facilities for the full consideration and utilisation of inventions. The interim report was, in fact, a nice discourse, full of Socialistic piety and benevolence. We smiled and put it aside.

But talking the other day with an eminent and by no means illiberal employer of labour, we could not discover in his account of things as they stand any, the slightest, sign that the relations between workmen and their masters, or, if you prefer it, between "capital and labour," had in any measure improved by all the sweet talk and vague sugar-coated schemes of after-the-war brotherhood and benevolence, such as the sub-committee placed before us. Apparently, according to our interlocutor—and he is a man of probity—labour is decidedly more difficult to manage to-day than it was before the war. Where any Government job is in question—and most big jobs are to-day more or less affairs of Government—the workman's attitude is strictly that of the most unscrupulous of capitalist profiteers. He is out to make money, as much money as possible, at the expenses of his fellow-citizens by demanding the highest possible wages, and giving in return therefore the smallest amount of work. This is not true in all industries, but undoubtedly it seems to be in many of those where the skill demanded is primitive, manual, not necessarily educated.

What is the remedy for this kind of thing? It is not to be found, we fear, in the establishment of "industrial councils," as recommended by the pious Socialistic sub-committee aforesaid. Instead of attempting to unite the selfishness of the two classes—the class of the capitalist and employer and that of the working man—in harmonious brotherhood, why not treat them as distinct bodies and place their relations on a plain commercial footing? That has been the contention of M. Yves Guyot and Free Traders in France—and of some in this country likewise—this many a day. These men would organise labour even as capital is now organised. Capitalists can combine and dictate their terms to the working-classes because they hold together, whereas the relation of the workmen with the capitalist is for the most part individual, and when the men do combine it is only as an antagonist. He fights the capitalist instead of approaching him and bargaining as an equal. Let labour organise itself, therefore, on a purely business footing, say these French economists, and in the September number of the *Journal des Economistes*, M. Yves Guyot gives some account of the wonderful results where this kind of organisation has been put into operation.

A certain work has to be performed. There is a contract to be carried out, and instead of whipping up "hands" promiscuously from out the multitude to procure the labour required, the employers find confronting them a society as united as their own and capable of bargaining as an equal, because able to fulfil any engagement entered into. To the heads,

leaders, or directors of this society the employer capitalists go and make their offer, and when a bargain is struck the society of workmen proceed to carry it out. Here is what M. Gouttes, as quoted by M. Guyot, tells us about the results for the united workmen of a ship built by them to contract under these conditions. The usual time taken to build a ship of this kind was, he says, three months, and its cost price, including the 10 per cent. commission on the actual disbursements, was 309,375 francs, but the Workmen's Association built the ship it took in hand, one of like class and size, in six weeks, in half the usual time, and the cost, including 10 per cent. "benefit" on the outlays, was only 278,437 francs. The shipowner therefore saved nearly 31,000 francs on the ship, and the workmen employed, who would earn annually under the old arrangement 300,000 francs, as members of the Association or company of executants, found their earnings doubled.

In other words, acting as a united body, qualified to undertake to execute specific contracts, the workmen, organised and disciplined under responsible leaders, have it in their power to improve their position by their own effort and, at the same time, to improve the quality of their work and to speed up the rapidity with which contracts are accomplished, so that their earnings increase legitimately by their own effort to the profit of all concerned. All the usual friction arising between masters and workmen disappears under this system. There is no inducement for the men at work in a shipyard, or anywhere else, to strike in the middle of building any vessel because they see their chance to wring some additional pence per hour out of the employer; nor would it be to the men's advantage to go slackly, because that would diminish their profits as a corporation. Instead, their diligence would be stimulated by the hope that they would save money on the contract price of the job in hand. They would discover ere long that whatever reduces output in the end lessens the demand for labour.

Is not this conception of future relations between capital and labour more promising than that hazily outlined in the dry doctrinaire pap poured out on us by the English sub-committee? Associations of workmen might not be possible at the beginning in all trades, but it certainly is in many. Agriculture, for example, would be difficult to organise at the start on any such plan of companies or profit-sharing associations in a position to treat with farmers and landowners, but it will have to come to something of that kind even with the land hind ere long, because the present arrangement by which the labourer in the fields is guaranteed a minimum wage, with certain other benevolences, is purely artificial and cannot be sustained under the present land laws when the Exchequer support is withdrawn, or when the existing customs and restrictions relating to cultivation come to be modified under the new influence of machinery. It will have to give place to something more durable and also something more just. The humblest shepherd, milkman, or bird-scarer must have an interest, real and convertible, on and by which he lives, come of the fetters and privileges of feudalism what may. The amiable Earl of Warwick sees clearly enough that the day of his order is passing by. Probably for him it has already passed.

Buenos Ayres and Pacific Railway.

Last year we ventured to question the prudence of the directors of the Buenos Ayres and Pacific in declaring a dividend of 1 per cent. on the ordinary stock, and certainly the experiences of the past twelve months tend to strengthen our view. Gross receipts amounted to £4,421,000, a decrease of £233,650, while working expenses were actually £70,000 higher at £2,917,000, the ratio rising from 61.16 per cent. to 65.98 per cent. Consequently, the profit on working was £304,000 less at £1,504,300, but the balance of interest account and other nett receipts amounted to £318,550, an increase of £78,000, and the total nett revenue is £226,000 smaller at £1,822,850. Rent payable to the Argentine

Great Western was £70,000 less, and to the Bahia Blanca £7,500 less, but the proportion of receipts payable to the Argentine Transandine Railway increased £16,000. After meeting debenture interest and the dividend on the first preference stock, the balance remaining is only £17,550, against £156,300, and the second preference stock, which last year got its full 5 per cent., has now to be content with £1 15s. 1d. per cent., absorbing £17,540, and leaving £10 to the credit of the second preference and Argentine Great Western ordinary stockholders. It must be mentioned, however, that last year £324,280 was carried forward, and this has been placed to a separate account, from which income-tax and a donation to the British Red Cross Society have been deducted, leaving £309,520 to be carried forward on this occasion, so that the position is better than it appears at first sight. Capital expenditure amounted to £65,300, or £13,000 more than last year, but it was £350,000 in 1914-15, and rigid economy in this respect has been enforced by prevailing conditions. Reserve funds, including steamship replacement account, stand at £977,000, an increase of £185,000 during the year, and the company would be in a very comfortable position but for the heavy capital expenditure indulged in some years ago. Shareholders, however, must look back rather wistfully to the days when they received regular dividends of 7 per cent.

Turning to the details of traffic, we find that passenger receipts amounted to £803,400, a decrease of £60,800, or 7.4 per cent., but parcels, &c., showed an increase of £22,000 at £252,300. Goods and live stock yielded £3,176,000, a decrease of £150,000, or 4.51 per cent., and miscellaneous receipts fell £38,000 to £199,000. The amount of cereals carried was 1,360,500 metric tons, a decrease of 335,000 tons, while the receipts were £184,000 lower at £521,000. Maize gave only about half the revenue of the previous year, and there was a substantial reduction in wheat, but barley and oats did rather better, and the Pacific was not so badly hit in this respect as some of its neighbours. It carried 485,800 tuns of wine, an increase of 2,500 tuns, but the receipts were £21,000 smaller at £1,045,000. Of live stock the number carried was 2,572,100, an increase of 140,000, and the receipts were £10,000 higher at £381,000.

Working expenses were adversely affected by the continuous rise in the price of materials. The substitution of wood for coal enabled the management to keep fuel costs within bounds, although there were many difficulties in securing an adequate and regular supply. As it was, fuel cost £131,230 more, and the total increase of £70,000 in working expenses may be considered very creditable in the circumstances. Maintenance of permanent way and works cost £11,000 less, of locomotives £8,000 less, of coaching stock £2,000 less, and of wagons £8,000 less; but except in the case of wagons the percentage to receipts is rather higher than last year, and we may take it that maintenance has not been unduly starved. On the other hand, there was a saving of £8,000 on traffic expenses, of £16,000 on general charges, and of £4,000 on miscellaneous expenses, which must be regarded as very satisfactory in face of the higher prices of materials.

For the 19 weeks of the current year to November 10 the estimated gross receipts were £1,119,000, a decrease of £483,000 as compared with the corresponding period. This decrease is, of course, mainly due to the general strike which broke out in September, and completely stopped traffic for over three weeks. Considerable loss was caused by the wilful destruction of the company's property, and compensation will be claimed from the authorities for the damage done. The men refused to submit the matters in dispute to arbitration, and ultimately under Government pressure the companies agreed to an advance of 10 per cent. in wages and modifications in the hours of work. As compensation the companies are now allowed to raise their tariffs. It is stated, however, that the unrest cannot be cured by mere increases of wages and tariffs, as rates of wages and hours of work were not the factors out

of which the strikes arose. The original violent outbreaks took place in July on a Government railway, and a week or two later on other lines. These riots were directed to secure the removal of specified foremen or the reinstatement of men suspended for disciplinary reasons. In these cases the men were successful, and the recent settlement has left matters in a most unsatisfactory state as the management of the railways has been made increasingly difficult. However, the latest cabled reports about the crops give a hopeful view of the prospects, and with a return of prosperity it may be expected that conditions will gradually improve, although there may be trouble with the men so long as there is any German money about.

By-the-Way War Notes.

"The war will last another three years." That is the prediction now fashionable in clubs, Parliament lobbies, and Fleet Street. That an idea of this kind could be successfully propagated at the present time is singular, so much so that German influences, still so powerful around the Court and in certain strata of society, would seem to be its hatching ground. The war as now raging cannot last another three years, because every one of the belligerents, including the United States, which is only as yet buckling on its armour, would by that time be bankrupt beyond hope of recovery. It is quite probable, however, that the war may last, in another sense, not three or thirty-three years, but for an indefinite period, the war of exclusion, boycott, and reparation. The two criminal Empires are already irretrievably bankrupt. A vote for another £750,000,000 is to be asked from the Reichstag by the Hohenzollern officials, no doubt to cover past spendings with freshly printed promises to pay. Germany cannot possibly find such an amount by any credit device known to civilised man, except by relabelling existing debts. The Hohenzollern Empire is literally gutted of its wealth, Austria is ruined, and wherever we look over the wide arena of the battle we find proof that the end of the big fighting is near, because the human gun-fodder is also becoming exhausted. What more can the Turk do? His armies cannot be renewed, his means have been swept away long ago, for wealth he had none when he joined the fray as William Hohenzollern's dupe, and nowhere can he borrow to replenish his war material or renew his armament.

And has this wild-beast dash into Italy been successful? It has not. We said it never could be. Fighting with a splendid heroism which places them alongside the French at Verdun, and the British clinging to Ypres, the Italians are checking the invader on river, delta, mountain slope, and pass, and to stay the onset is to defeat its purpose. The Austro-Germans are said to be pouring troops and hauling big guns through the mountain passes to be ready to overwhelm Italy's heroic defenders. Let them come. They are too late in all senses. Men and material, in all probability, will never see Austrian territory again. For are not French and British troops with their artillery hurrying to Italy's assistance, and will not the three united be more than a match for any fighters the barbarian Powers can take into Italy in a forlorn hope of turning their defeated cause long enough to let them bluff us into a false peace? It is a politically motivated incursion, this Austro-German invasion, an attempt to coerce the Allies into a readiness to parley, and already it has utterly failed. If means could be found now to detach from the Austrian tyranny the Croats, Jugoslavs, Bosnians, Herzegovinians, and Dalmatians now in the ranks of the invading troops driven forward to the slaughter, who knows but what the foundations of an accord between them and Italy might be laid even now? But whether or not, by their invasion of Italy these barbarian Empires have sealed their doom as maritime Powers. Italy must emerge from this conflict complete mistress of the Adriatic from end to end and from shore to shore, not a tyrannous mistress, but the just guardian and protector of the weak along its eastern shores.

Just when the croaking here was loudest a fresh and most brilliant victory of our troops on the Somme was won. It will doubtless cheer all of us up, except the obstinate pacifists and believers in the invincibility of the Germans, of whom there are still great numbers in this country, men, some of them conscientiously, who work with an assiduity and a sort of demented persistence to bring about a German peace. These will wail the louder the nearer at hand Germany's ruin. But to the citizens at large General Byng's great stroke should be a consoling assurance that, hard though the fighting must this winter be, the war is indeed drawing near a close. The fact that the attack was made without any warning of gun preparation, heralding artillery barrages, or other advertisement, leads to the inference that Sir Douglas Haig and his commanders knew the artillery of the Germans to be weak at the point selected for attack, and that the numbers of men opposed to them were insufficient for defence of the lines once the wire screens had been broken, as they most effectively were by our tanks. In other words, the stern and persistent hammering in Flanders must have crippled the power of the Germans to provide men, guns and ammunition for the proper defence of their long lines at all points. In a day we swept through them to a depth of five miles at their strongest and cunningest. Their method of clinging to territories they overrun in their early onset is thus proving to be their undoing, is devouring the manhood of the Empire, and destroying the Prussian brute's power to resist our onslaughts.

The same inference is to be drawn from the cessation of Austro-Hungarian operations on the Russian, Rumanian, and Bulgarian fronts. What tremendous sensations in the way of annexations of territory might have been possible in the present chaotic state of Russia if the Habsburg and Hohenzollern Empires had possessed the forces of two years ago. Now, not only they have not sufficient forces for any advance in these regions, but it is probable that the result of the Italian invasion, and the prolonged waste of life and war furniture in the West will be to liberate from Habsburg oppression the Rumanian, Polish, Czech, and other populations so long held in bondage by them. There will be no fight left in the Habsburgs when Italy has consumed all that they had left of fighting pawns.

We, therefore, bid readers look forward in good hope, paying no heed to the Cassandra. The winter is probably going to be a most trying one. We may have a real scarcity of food before it is over, not because of the submarine ravages, nor altogether because of want of supplies, through short harvests, but because Italy, and, to some extent, France also, have to be helped by us to food which, had they enjoyed abundance, or even sufficiency at home, would have been available for use here. There must be self-denial all round then, and we must loyally do our part; but it will be all the easier to do this if we can look forward to an early end of the wholesale slaughter. We think we may. This winter, we are persuaded, will see the worst at least of the bloodshed finished. It is insolent Prussian arrogance which keeps it going now, and that demoniac arrogance may induce to the perpetration of deeds of horror still ere the ruins of two of the most degraded organisations of human tyranny the world has ever known lie stripped and impotent at the feet of the Allies.

A good deal of dissatisfaction, we might almost say of disgust, has been excited in the City and elsewhere by Mr. Lloyd George's lightsome treatment of the submarine menace in his dazzling speech last Monday. He then boasted that he had no more fear of the submarine, because it was mastered, and practically done for as a weapon of offence. "I am glad to tell the House," he said, "that on Saturday we destroyed five of these pests of the sea." And he boldly proclaimed that the Government and he had "no further fear of the submarine." "We are on its track." "When he said that," the "grousers" now observe, "he must have known what was going on during the week just ended," but only on Thursday were the

public told that the number of ships of 1,600 tons and over sunk in the seven days ended the previous Sunday was ten, and that the number of smaller ships sent to the bottom had risen to seven, or seventeen ships in all, against six. That does not appear to indicate that the submarine is an antiquated weapon, henceforward to be treated by the Allied navies with contempt or indifference, as the Prime Minister appeared to wish his countrymen to do. We have never nurtured that illusion, and neither would the public have been taken in by pleasant rhetorical effects had they understood the limitations of the Prime Minister's mind. He always plays for immediate effect, and does it with marvellous adroitness and skill. If a segment of the truth is valuable to produce a desired result he uses that with the utmost deftness, and seldom fails to get his effect. There is never anything far-seeing, rarely anything which looks really magnanimous, in his mentality, but for swiftness of intellect and acuteness in discerning the points that make for immediate triumph Mr. George is without a rival. We must not, therefore, be disappointed that the number of ships sunk last week has risen, and was the highest of any week in November. Indeed, the 17 were only one below the losses of the week ended October 28, and higher by one than the return for the week ended October 7. To be sure, the number of vessels trading to and from our ports was 564 higher last week than in the previous week, and, indeed, larger than in any week since that ended October 21, 2,531 ships having entered and 2,465 ships cleared, a total of 4,996 during the week; but these fluctuations in the movements of shipping do not at all determine the fluctuations in our losses. They are rather a matter of accident of weather or of chance. It is well, however, to be reminded now, when the glow of misleading hope is over us, that there is much yet to be done before the last German submarine has been sent to the bottom. No French merchant ships were sunk last week, but the Italians lost one. Another was torpedoed, but succeeded in reaching port. It may be that the German pirate energy was concentrated on our boats.

Another amusing illustration of the Prime Minister's adroitness was furnished by his statement that only twice in all his administrative career had he acted against the advice of soldiers, and pressed his advice on them "against their will." One of these instances was the appointment of Sir Eric Geddes to organise and superintend the laying of railways, &c., behind our lines in France. A correspondent in Wednesday's *Westminster Gazette* denies the claim, and quotes Lord Derby in support. His lordship, who knew all the facts, narrated at the time how Sir Eric Geddes was sent across at Mr. George's suggestion, but with Sir Douglas Haig's full consent, to investigate and report, that Sir Eric's report was given to Sir Douglas for consideration, that it impressed him very much and made him adopt the suggestions contained in it. Sir Douglas Haig himself, Lord Derby added, "asked that Sir Eric Geddes should go to France to carry out his own suggestions." Later on, Lord Derby explained that the adoption of the suggestions and the appointment of Sir Eric Geddes "came from Sir Douglas Haig and was approved by Mr. Lloyd George." There is nothing essentially different in the two statements, only Mr. Lloyd George mixes up his own share with that of the Commander-in-Chief in the field, and does it to his own advantage. And Lobby gossip and Fleet Street echoes naturally allege that he has "a spite" against Sir Douglas. We cannot believe him to be so unwise.

A copy of the conditions of tender and map of the area with respect to the Kapuskasing River Pulp and Timber Limit, offered by the Ontario Government, can be seen at the office of the Agent-General for Ontario, 163, Strand. Conditions provide that the successful tenderer shall enter into an agreement with the Crown within 30 days after acceptance of tender, requiring him to erect a pulp mill costing, with the equipment thereof, not less than one million dollars, to be expended in three years. The limit consists of two blocks of land north and south of the Transcontinental Railway, containing about 1,740 square miles.

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from $5\frac{1}{2}$ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

There is really no change in the Money market, and the fluctuation in short loan rates is of no significance when it does occur. Week after week, apart from call money, which fluctuates considerably, rates remain unaltered, and, as we note below, bankers still refrain from lowering their deposit rates. Quite possibly some of them cannot afford to, and the advice tendered so freely by some people, who are carried away by their zeal for subscriptions to the National War Bonds, to customers of banks to reduce their balances might prove embarrassing if followed too freely.

The Bank return is also of very little interest this week, the largest movement being an increase of £2,085,000 in the other deposits, and that was produced by an increase of £1,855,000 in the other securities and of £137,000 in the reserve. There was also a decline of £49,000 in the public deposits. Coin and bullion has gone up by £251,000, but the note circulation expanded £114,000, and that accounts for the smaller increase in the reserve. The note circulation is now bigger than it was this time last year. The proportion of reserve to liabilities is about $\frac{1}{2}$ down at $19\frac{3}{4}$ per cent.

No change was made this week in bankers' deposit rates, but we have reason to believe that it is by no means improbable that a reduction may be made in the near future. It is known that a majority of bankers are now in favour of cheapening money, several having changed their views on the subject recently as a result of the experience gained in connection with sales of War Bonds and other matters. Meanwhile, the Bank of England has now adopted the suggestion that special rates should be allowed on foreign balances as an inducement for them to remain here. They are allowing $4\frac{1}{2}$ per cent., instead of 4 per cent., to the clearing banks for certain neutral funds loaned to the Bank at

three days' notice. The arrangement is not a general one, but the fact that it has been made now suggests that it is a measure preparatory to the cheapening of money, for otherwise there would have been no need for it. The low level of the neutral exchanges makes it improbable that these foreign balances will be withdrawn owing to the very serious loss that would be involved in remitting the money abroad at this moment, and this in itself provides a very formidable reason why these funds should remain here.

Meanwhile the Scandinavian exchanges continue to improve, for reasons which are not very clear. It is believed that money is being remitted from those countries here in connection with special transactions, and that this is the main reason for the recent recovery. The lira has depreciated further and is now quoted at 42 lr. 20 c. Roubles have been fairly steady.

The long-expected New South Wales Loan has now made its appearance. It takes the form of £3,000,000 in $5\frac{1}{4}$ per cent. debentures to bearer, convertible into inscribed stock at any time up to February 2 next without charge. The issue price is fixed at $99\frac{1}{2}$ per cent., payable 5 per cent. on application, and the final instalment of 50 per cent. on January 18. Interest is payable half-yearly on January 1 and July 1, and a full six months' will be paid on July 1 next. Principal is repayable at par on January 1, 1935, but the Government reserves the right to redeem the loan in whole or in part on or after January 1, 1925. The inscribed stock will be a trustee security. This is not a refunding operation, but represents new money which is required for public works and other purposes.

It is now learned that the Anglo-South American Bank is the purchaser of the shares of the Commercial Bank of Spanish America. The former is prepared to buy all the shares at 17s. 6d., provided the holders intimate their acceptance of the offer by the 30th instant. A majority of the shares has already been acquired. Another banking fusion has been provisionally arranged. The Australian Bank of Commerce has agreed to take over the business of the City Bank of Sydney, the price to be paid being £362,500, or £7 per £10 share (£8 paid), plus 5s. per share in lieu of accrued profits. The Australian Bank of Commerce will increase its deposits by this transaction from £3,500,000 to about £5,500,000. Recent dividends on the City Bank of Sydney shares have been at the rate of 4 per cent., so the price offered seems a very fair one.

SILVER.

Silver has continued a poor market, and the price is again lower this week at $42\frac{1}{8}$ d. A week ago it was $43\frac{1}{8}$ d. Messrs. Mocatta tell us in their circular that the China exchange has remained firm, and the dulness in the silver market does not appear to be reflected there, although no purchases are heard of for that quarter. The report from New York is that the United States Government has arranged with American producers for £20,000,000 of silver to be delivered to the Allies at a fixed price next year. Negotiations, however, are not yet concluded, and the market for the metal remains unaffected. In Messrs. Montagu's circular the stock of silver in Shanghai on November 13 showed a decline of 2,400,000 ozs., and the stock in dollars is also \$100,000 lower. This makes the total 23,300,000 ozs. and \$14,800,000.

A great relief has come to China through the recovery in the price of silver. The dollar there is worth about double the value it stood at before the war; consequently it buys a much larger amount of sterling. Before the war the Customs revenue used to be insufficient, the Peking correspondent of the *Times* tells us, by about £1,000,000 a year to meet the Boxer indemnity and other payments secured on it, whereas now it is carrying all these liabilities, together with the whole of the interest on the reorganisation loan of £25,000,000, with a surplus over amounting to some £2,000,000 available for the Government. This is a great and most helpful change which China should take advantage of to abstain from borrowing. If it utilises

the resources placed in its hands by this rise in the exchange value of silver against gold, together with the money for the time being saved by the cessation of payments on the German and Austrian share of the Boxer indemnity plunder, together with other reliefs, it might make a beginning in establishing a solid currency and also do something to carry on works of renovation and improvement without appealing to American or European markets for further loans. If the Customs tariff is adjusted to yield an effective 5 per cent. levy, the correspondent estimates that the position of the Chinese Government would be better by something like £10,000,000 a year, or \$50,000,000, than it is now, when the war ends.

Applications for the Rs. 60,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,13,55,000. Of these Rs. 55,37,000 were allotted in deferred transfers, and Rs. 4,63,000 in immediate transfers. Tenders for bills and deferred transfers at Rs. 4 29.32d. and for immediate transfers at Rs. 5d. received about 28 per cent. Since April last Rs. 34,80,00,000 have been sold, realising £23,777,923. Next week 60 lakhs will again be offered.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, November 21, 1917.

ISSUE DEPARTMENT.

Notes Issued	£	Government Debt..	£
.. .. 72,678,435		.. .. 11,015,100	
		Other Securities	7,434,900
		Gold Coin and Bullion ..	54,228,435
		Silver Bullion	—
	£72,678,435		£72,678,435

BANKING DEPARTMENT.

Proprietors Capital	£	Government Securities	£
.. .. 14,553,000		.. .. 58,735,870	
Reserve 3,193,261		Other Securities	91,958,028
Public Deposits (including		Notes	39,205,950
Exchequer, Savings		Gold and Silver Coin ..	1,627,887
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	42,175,307		
Other Deposits	122,596,062		
Seven Day and other Bills	10,105		
	£182,527,735		£182,527,735

Dated November 22, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year.	Nov. 22.	Nov. 14.	Nov. 21.	Increase.	Decrease.
£	£	£	£	£	£
3,188,932	Rest	3,218,537	3,193,261	—	25,276
55,580,473	Pub. Deposits ..	42,224,527	42,175,307	—	49,220
105,417,901	Other do. ..	120,511,326	122,596,062	2,084,736	—
20,142	7 Day Bills ..	13,710	10,105	—	3,605
	Assets.			Decrease.	Increase.
42,187,582	Gov. Securities.	58,721,370	58,735,870	—	14,500
98,634,422	Other do. ..	90,102,972	91,958,028	—	1,855,056
37,938,433	Total Reserve	31,696,758	31,833,837	—	137,079
				2,084,736	2,084,736
				Increase.	Decrease.
36,919,590	Note Circulation	42,358,585	42,472,485	113,900	—
56,408,033	Coin and Bullion	55,605,343	55,856,322	250,979	—
23.6 p.c.	Proportion ..	19.5 p.c.	19.3 p.c.	—	2 p.c.
6 "	Bank Rate ..	5 "	5 "	—	—

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
£	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,445,416,000	333,290,000	—
June	1,486,612,000	1,147,630,000	338,982,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August	1,624,368,000	1,364,782,000	263,586,000	—
September	1,348,317,000	1,136,590,000	211,727,000	—
October	1,877,534,000	1,619,967,000	257,567,000	—
November 7	365,737,000	312,043,000	54,694,000	—
" 14	378,994,000	322,327,000	55,667,000	—
" 21	367,420,000	323,713,000	44,707,000	—
Total ..	17,240,030,000	13,656,170,000	3,571,860,000	—

CURRENCY NOTES.

Return of Currency Notes for the week ended November 21, 1917.

	Issued.	Cancelled.	Outstanding.
£	£	£	£
£1 notes	3,312,32	2,773,953	137,424,382
10s. notes	1,152,974	1,130,700	33,809,699
Note certificates ..	990,000	60,000	20,710,000
Previous total ..	750,146,607	558,794,079	—
	754,701,114	562,777,832	191,944,081

Ratio of gold held against notes, this week, 16.64 p.c.; last week, 16.69 p.c.

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Oct. 19, 1917.	Oct. 12, 1917.	Oct. 20, 1916.
£	£	£	£
Gold coin and certificates ..	83,839,000	95,543,200	52,303,000
Gold Settlement Fund ..	73,959,800	64,355,600	24,270,200
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks	168,298,800	171,398,800	76,573,200
Gold with Federal Res. Agent	123,765,400	116,146,800	43,095,800
Gold Redemption Fund ..	2,243,600	1,043,400	283,600
Total gold reserves ..	294,307,800	289,489,000	119,952,600
Legal tender notes, silver, &c.	9,794,600	9,622,600	2,112,200
Total reserves ..	304,102,400	299,111,600	122,064,800
Bills discounted—Members ..	57,323,000	58,632,800	4,273,000
Bills bought in open market	34,322,200	37,155,000	16,438,407
Total bills on hand ..	91,645,200	95,787,800	20,811,400
U.S. Gov. long-term sec. ..	11,017,600	10,975,600	8,267,000
U.S. Gov. short term sec. ..	9,451,000	9,703,400	2,339,400
Municipal warrants ..	46,600	20,200	6,508,600
Loans on gold coin and bullion	—	—	—
Total earning assets ..	112,160,400	116,487,000	37,930,400
Due fm other Fed Res bks—n.	6,506,000	3,429,400	6,120,800
Uncollected items ..	66,460,400	64,241,000	—
Total deducts. fm gross dep.	72,968,400	67,670,400	6,120,800
5% Red. Fund ag Fed. Res. bkts	100,000	100,000	84,000
All other resources ..	237,000	200,000	526,000
Total resources ..	489,568,200	483,569,000	166,602,000
Capital paid in ..	12,369,400	12,220,800	11,136,400
Government deposits ..	15,273,000	14,833,400	5,223,206
Due to members—Res. account	246,111,400	253,061,800	—
Due to non-mbrs—clearing ac.	8,452,400	10,275,400	—
Members' bank deposits—nett	—	—	107,623,400
Collection items ..	42,009,600	34,765,000	—
Total gross deposits ..	311,846,400	312,935,600	112,843,600
F.R. notes in actual circulat'n	163,042,000	155,977,000	42,408,800
F.R. bk nts in circn—nett liab.	1,600,000	1,600,000	206,400
All other liab. in for Govrdrts	710,400	835,600	66,800
Total liabilities ..	489,568,200	483,569,000	166,602,000
Gold res. ag nett deposit liab	70.4%	69.8%	65.0%
Gold & lawful money reserve	74.5%	73.7%	66.8%
against nett deposit liabilities	77.3%	75.7%	102.2%
Gold res ag F.R. nts in act circ	—	—	—

PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended Nov. 17.)

REVENUE.	EXPENDITURE.
£	£
Customs	291,994
Excise	977,378
Estate, &c., Duties ..	—
Stamps	359,194
Land Tax and House Duty	—
Property and Income Tax	—
Excess Profits Tax ..	46,750,000
Land Values	100,000
Post Office	—
Crown Lands	—
Sundry Loans	—
Miscellaneous	—
Bullion advances repaid ..	—
For Treasury Bills for Supply	—
5% Exchequer Bonds, 1922 ..	—
6% Exchequer Bonds, 1920 ..	—
National War Bonds ..	—
War Expenditure Certificates	—
War Savings Certificates ..	—
4% War Loan, 1929 1942 ..	—
5% War Loan, 1929 1947 ..	—
Other Debts created under	—
War Loan Act, 1915, and	—
Finance Act, 1916 ..	—
Telegraph Money Act, 1913	—
Under Post Office Rly. Act,	—
1913	—
Under Military Works Act,	—
1897-1903	—
Under Public Buildings ..	—
Under Housing Act ..	—
Repayment of Advance for	—
Interest on Exchequer	—
Bonds	—
China Indemnity	—
East African Protectorate	—
Loan repayment	—
Suez Canal Drawn Shares ..	—
Ways and Means Advances	—
Decrease in Exchequer	—
balances	—
	£108,783,523

* Excluding sales through banks which have not yet been brought to account

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Nov. 17, 1917	Nov. 10, 1917	Nov. 3, 1917	Nov. 18, 1916
£	£	£	£	£
Loans	924,462,000	911,212,000	902,073,000	691,672,000
Reserve held in own Vaults ..	5,920,000	7,784,000	7,620,000	88,042,000
Reserve held in Fed. Res. Bk.	103,998,000	100,324,000	95,222,000	36,126,000
Cash in own Vaults	22,576,000	20,508,000	20,318,000	—
Reserve held in Other Depos.	3,364,000	6,356,000	6,360,000	11,158,000
Net Demand Deposits ..	720,482,000	919,118,000	715,570,000	686,592,000
Net Time Deposits	44,400	43,638,000	43,396,000	33,678,000
Circulation	6,600	6,576,000	6,553,000	6,124,000
Excess Lawful Reserve ..	16,616,000	16,916,000	12,482,000	16,594,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Nov. 17, 1917	Nov. 10, 1917	Nov. 3, 1917	Nov. 18, 1916
£	£	£	£	£
Loans	187,116,000	187,184,000	183,572,000	149,048,000
Specie	7,742,000	8,164,000	8,864,000	12,162,000
Deposits	174,942,000	175,494,000	179,030,000	159,302,000
Legal Tenders	11,838,000	12,008,000	10,100,000	2,022,000

BANK OF FRANCE (25 francs to the £).

	Nov. 22, 1917.	Nov. 15, 1917.	Nov. 8, 1917.	Nov. 23, 1916.
Gold in hand ..	131,773,920	131,727,440	131,659,880	201,443,560
Silver in hand ..	9,940,680	9,424,320	10,069,760	12,650,320
Bills discounted ..	28,753,720	29,412,440	27,723,560	24,079,120
Advances ..	45,214,000	45,124,200	45,352,720	53,877,440
Note circulation ..	896,578,200	893,833,800	889,291,160	638,095,840
Public deposits ..	2,105,040	1,321,160	1,410,440	3,448,800
Private deposits ..	112,013,040	110,718,040	112,193,480	74,099,900
Foreign Bills ..	195,800	198,720	148,080	112,480

Proportion between bullion and circulation 24.89 per cent., against 24.72 per cent. last week. Advances to the State £502,000,000, increase £8,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £20,448,200, decrease £28,160, and at the branches £25,518,680, decrease £33,920.

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Oct. 31, 1917.	Oct. 29, 1917.	Oct. 15, 1917.	Oct. 31, 1916.
Total Coin & Bullion ..	125,932,050	125,691,300	125,373,800	126,113,000
Treasury Notes ..	51,196,750	49,620,200	50,106,050	11,472,300
Bills discounted ..	586,852,600	577,154,650	600,246,600	393,880,350
Advances ..	67,700	500,950	639,050	698,400
Note circulation ..	520,013,200	506,934,900	514,726,300	363,018,350
Deposits ..	284,302,800	276,771,700	297,149,550	172,918,000

Clearing House return during October £505,402,450, against £404,766,500 in September.

STATE BANK OF RUSSIA (10 roubles to the £).

	Oct. 29, 1917.	Oct. 20, 1917.	Oct. 13, 1917.	Oct. 29, 1916.
Notes in reserve ..	15,780,000	10,310,000	11,600,000	10,510,000
Gold ..	129,520,000	129,560,000	129,050,000	155,880,000
Gold in reserve abroad ..	230,860,000	230,860,000	230,860,000	205,500,000
Loans and Discounts, including Treasury Bonds ..	1,718,120,000	1,761,770,000	1,607,840,000	600,350,000
Circulation note issue ..	1,836,210,000	1,785,890,000	1,729,010,000	784,490,000
Deposits, including Treasury deposits ..	345,550,000	344,910,000	344,270,000	22,373,000

SWISS NATIONAL BANK (25 francs to the £).

	Nov. 7, 1917.	Oct. 31, 1917.	Oct. 23, 1917.	Nov. 7, 1916.
Gold and silver ..	16,128,772	16,158,296	16,189,384	13,589,200
Bills ..	9,584,252	9,025,620	8,072,776	7,417,520
Note circulation ..	24,480,900	24,524,164	23,074,616	19,140,212
Current and deposit accounts ..	4,000,016	3,559,894	3,727,056	3,521,752

BANK OF ITALY (25 lire to the £).

	Oct. 10, 1917.	Sep. 30, 1917.	Sep. 20, 1917.	Oct. 30, 1916.
Total cash ..	38,592,720	39,598,000	40,218,120	42,670,600
Inland Bills ..	26,337,760	25,576,480	25,365,680	21,304,000
Foreign Bills ..	832,760	833,240	833,440	833,600
Advances ..	13,079,720	13,873,600	13,306,880	7,624,160
Government securities ..	8,786,440	8,785,840	8,787,000	8,785,680
Circulation ..	205,759,600	199,395,760	192,524,080	146,989,960
Deposits at notice ..	27,827,080	26,373,760	25,175,160	15,469,800
Current accounts ..	13,644,880	12,051,120	12,995,920	13,727,360

BANK OF NORWAY.

	Oct. 22, 1917.	Oct. 15, 1917.	Oct. 8, 1917.	Oct. 22, 1916.
Gold ..	6,757,000	6,753,000	6,733,000	6,173,000
Balance abroad and Foreign Bills ..	3,958,000	3,945,000	4,156,000	5,501,000
Gov't Securities ..	707,000	707,000	707,000	767,000
Discounts & Loans ..	17,607,000	18,675,000	17,453,000	6,522,000
Notes in Circulation ..	16,899,000	17,125,000	17,030,000	12,677,000
Deposits at notice ..	9,754,000	9,669,000	8,751,000	3,731,000

BANK OF SWEDEN.

	Oct. 27, 1917.	Oct. 20, 1917.	Oct. 13, 1917.	Oct. 28, 1916.
Gold ..	11,922,000	11,921,000	11,919,000	9,886,000
Balance abroad and Foreign Bills ..	7,646,000	7,797,000	7,510,000	8,969,000
Swedish and Foreign Gov't Securities ..	5,918,000	5,084,000	3,973,000	3,812,000
Discounts and Loans ..	8,265,000	8,464,000	8,726,000	4,267,000
Notes in circulation ..	27,652,000	27,586,000	27,742,000	19,942,000
Deposits at notice ..	6,677,000	6,109,000	5,179,000	722,000

NETHERLANDS BANK (12 Florins to the £).

	Nov. 10, 1917.	Nov. 3, 1917.	Oct. 20, 1917.	Nov. 11, 1916.
Gold and Silver ..	57,588,583	57,584,416	57,718,000	49,217,166
Bills and Advances ..	15,192,250	15,688,583	12,925,333	13,047,750
Note circulation ..	71,451,166	72,187,333	68,919,000	61,931,250
Deposits ..	4,774,750	4,690,083	5,519,823	3,957,750

* Statement of October 27 not yet to hand.

BANK OF SPAIN (25 pesetas to the £).

	Nov. 10, 1917.	Nov. 3, 1917.	Oct. 27, 1917.	Nov. 11, 1916.
Gold ..	78,226,820	78,133,985	77,976,730	47,898,225
Silver ..	28,642,229	28,845,236	28,976,771	29,641,134
Foreign Bills ..	8,577,203	1,577,121	3,622,145	3,975,652
Discounts and Short Bills ..	29,296,870	29,320,678	29,212,859	25,872,745
Treasury Account, &c. ..	25,075,026	25,099,135	25,264,855	29,800,352
Notes in Circulation ..	110,610,262	109,929,513	108,703,755	91,824,974
Current Accounts, Deposits ..	37,396,925	37,165,897	37,842,161	28,741,579
Dividends, Interests, &c. ..	1,530,968	1,968,176	2,007,369	1,569,533
Government Securities ..	3,481,767	4,246,411	4,104,379	3,365,513

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Nov. 20, 1917.		Nov. 22, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	10.70	10.75	10.65	10.70
" ..	Three months' bills ..	10.85	10.90	10.80	10.85
Paris ..	Cable transfers ..	27.30	27.35	27.22½	27.27½
" ..	Three months' bills ..	27.70	27.75	27.62½	27.67½
Switzerland ..	Cable transfers ..	20.70	20.80	20.60	20.70
" ..	Three months' bills ..	21.05	21.15	21.00	21.10
Petrograd ..	Cable transfers ..	372	377	365	370
Genoa, &c. ..	Cable transfers ..	41.90	42.00	41.20	42.40
Spain ..	Cable transfers ..	20.03	20.13	20.12	20.22
" ..	Three months' bills ..	55½	56½	55½	56½
Lisbon and Oporto ..	Cable transfers ..	304	314	294	304
Copenhagen ..	Cable transfers ..	13.93	14.03	14.20	14.35
Christiania ..	Cable transfers ..	13.60	13.70	14.00	14.15
Stockholm ..	Cable transfers ..	11.83	11.93	12.45	12.60

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Rate of Exchange.	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22½	27.35	27.23
Amsterdam, cheques ..	Florins to £1 ..	12.107	10.70½	10.69½
Italy, sight ..	Lire to £1 ..	25.22½	46.35	42.74½
Madrid, sight ..	Pesetas to £1 ..	25.22½	20.27½	20.07½
Lisbon, sight ..	Pence to milreis ..	53½d.	304½	304½
Switzerland, sight ..	Francs to £1 ..	25.22½	20.82½	20.57
Christiania, sight ..	Kroner to £1 ..	18.159	13.47½	13.85
Stockholm, sight ..	Kroner to £1 ..	18.159	11.57½	12.27½
Copenhagen, sight ..	Kroner to £1 ..	18.159	13.72½	14.02½
Petrograd, sight ..	Roubles to £10 ..	94.57	362	350
Alexandria, sight ..	Piastres to £1 ..	97½	97½	97½
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Hong Kong, T.T. ..	Sterling to dollar ..	—	2/11½	2/10½
Shanghai, T.T. ..	Sterling to tael ..	—	4/1½	4/9½
Singapore, T.T. ..	Sterling to dollar ..	—	2/4½	2/4½
Yokohama, T.T. ..	Sterling to yen ..	21.58d.	2/1½	2/1½
New York, cable ..	Dollars to £1 ..	4.86½	4.70½	4.76½
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	52½d.	52½d.
Valparaiso, 90 days ..	Pence to peso ..	—	14½d.	14½d.
Montevideo, T.T. ..	Pence to dollar ..	51d.	58½d.	61½d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13½d.	13½d.

OPEN MARKET DISCOUNT.

	Last week.	This week.
Thirty and sixty day remitted ..	4½	4½
Three months ..	4½	4½
Four months ..	4½	4½
Six months ..	4½	4½
Three months fine inland bills ..	5½	5½
Four months ..	5½	5½
Six months ..	5½	5½

BANK AND DEPOSIT RATES.

	Last week.	This week.
Bank of England minimum discount rate ..	5 ..	5 ..
" short loan rates ..	—	—
Bankers' rate on deposits ..	4 ..	4 ..
Bill brokers' deposit rate (call) ..	4 ..	4 ..
" 7 and 14 days' notice ..	4½ ..	4½ ..
Current rates for 7 day loans ..	4½ ..	4½ ..
" for call loans ..	3½-4 ..	4-4½ ..

The Week's Stock Markets.

It has been a week of very fluctuating emotions on the Stock Exchange, and, unfortunately, the bell-ringing to celebrate the wonderful victory on the Western Front came too late to encourage the optimism which alone stimulates business. At first things did not look particularly cheerful. Brazil found it necessary to declare Martial Law, and there were reports that the Carranza Government in Mexico had fallen, or was about to fall, which would be, from many points of view, a calamity just at present. Then there was the threat of a fresh outbreak of strikes in Argentina, and the news from Russia could not be described as cheerful, while for a day or two the successful resistance of the Italians to the Hun onslaught hung in the balance. All these things were rather trying, and when the news of the great victory in France came to counteract their effect its significance was not fully appreciated. However, even at the worst, there was a steady demand for several groups of shares, in which Iron and Steel, Oils and Shipping took a prominent place, while it is significant that gilt-edged securities kept a wonderfully firm front all through. At the same time, it must be admitted the volume of business has been poor enough; but there are many people who wonder that it keeps up even to its present level.

At the beginning of the week everything almost seemed to be going wrong from the Stock Exchange point of view. There were reports of another revolution in Mexico, the proclamation of martial law in Brazil, a further strike threatened on the Argentine railways, and the position in Russia becoming steadily worse, while it was still in doubt whether the Italian line would hold. However, matters steadily improved as the week advanced, and the news of the last day or two has been sufficient to completely change the sentiment into one of confident optimism. Gilt-edged securities maintained a wonderfully firm front, and Consols had a fairly substantial advance, while the rest of the list was well maintained. Scarcely anything occurred in the Colonial section, partly owing to the

	Last Week	This Week		Last Week	This Week
Consols.....	55 1/2	66	N.S.W. 4 1/2% 5 yr. bds.....	97	97
War Loan 3 1/2%.....	85	85	" 4 1/2% 1922-7.....	91 1/2	91 1/2
Canada 4%.....	99 1/2	99 1/2	" 5% 1921-3.....	96 1/2	96 1/2
" 5% 1920-47.....	93 1/2	93 1/2	" 5 1/2% 1920-2.....	98 1/2	98 1/2
" 4% 1920-42.....	99 1/2	100	New Zealand 4% 1920.....	84 1/2	84 1/2
India 3%.....	55	55	Queensland 4%.....	80 1/2	80 1/2
" 3 1/2%.....	64 1/2	64 1/2	" 4 1/2% 1920-5.....	92	92
Australian 5 1/2% 1920-22.....	99 1/2	99 1/2	Union of S. Africa 4 1/2%.....	92	92 1/2
Canada 4% 1920-60.....	81 1/2	81 1/2	" 1920-5.....	92	92 1/2
" 4 1/2% 1920-5.....	92 1/2	92 1/2	Victoria 4 1/2% 1920-5.....	92	92
N.S.W. 4% 1933.....	83	83	Westn. Aus. 4%.....	81	82
Argentine 4% 1900.....	65	65	French War Loan, 5%.....	78 1/2	78
Belgian 3%.....	60	60	Japan 4 1/2% (1st), 1905.....	97	97
Brazil, 1913.....	68 1/2	68 1/2	" 5% 1907.....	92	91
" 5% 1914.....	78	78	Mexican 5% 1899.....	63 1/2	62 1/2
Chinese 1896.....	92	92	Russia 4% 1909.....	50	48 1/2
" 1912.....	82 1/2	82 1/2	" 4 1/2% 1906.....	53 1/2	52
Egypt Unified 4%.....	83	83	" 5% 1906.....	60	60
Caledonian defd.....	8 1/2	8 1/2	London and N.-W.....	91 1/2	91 1/2
Gt. Central prd.....	13	13	London and S.-W. dfd.....	23	23 1/2
" dfd.....	6 1/2	6 1/2	Do red. pf. 1914.....	92	92
Gt. Eastern.....	35 1/2	35 1/2	Metropolitan.....	23	23
Gt. Northern dfd.....	30 1/2	30 1/2	Do. 5% pf.....	77	77
Gt. Western.....	85	85 1/2	Met. District.....	16	15 1/2
Land. and Yorks.....	60 1/2	60 1/2	Midland dfd.....	50 1/2	50 1/2
London Brighton dfd.....	59	59 1/2	Nth. British dfd.....	13 1/2	13 1/2
London Chatham ord.....	8 1/2	8 1/2	Nth.-Eastern.....	97 1/2	97 1/2
			Sth.-Eastern dfd.....	29 1/2	29 1/2
Canadian Pacific.....	161	160 1/2	Chesapeake.....	50	52
E. Indian Guar. 4 1/2% debts.....	86	84 1/2	Erie.....	22 1/2	23 1/2
Grand Trunk ord.....	9 1/2	9	Southern.....	27	27 1/2
Do. 1st pf.....	52	52			
Do. 3rd pf.....	20 1/2	19 1/2			
Antofagasta dfd.....	130	131	Cent. Argentine ord.....	58 1/2	60
Brazil Common.....	5	5	Leopoldina.....	35 1/2	36 1/2
B. A. & Pacific.....	30 1/2	30	Mexican ord.....	18	18
B. A. Gt. Southern.....	72 1/2	75 1/2	San Paulo (Brazilian).....	181	183
B. A. Western.....	70 1/2	72 1/2	United of Havana.....	79	78 1/2
Anglo-South American.....	7 1/2	7 1/2	London & S.W.....	12	12 1/2
Bank of Australasia.....	115	115	London City & Midland.....	7 1/2	7 1/2
Bank of N.S. Wales.....	35	35	London County & West.....	15	15
Barclay & Co. "A".....	7 1/2	7 1/2	London Joint Stock.....	22 1/2	22 1/2
Do. "B".....	11 1/2	11 1/2	Nat. Prov. of Eng. (£100 pd).....	27 1/2	27 1/2
Capital & Counties.....	22 1/2	22 1/2	Do. (£12 pd).....	32	32
Chartered of India.....	68	67 1/2	Parr's.....	22	22
Hongkong & Shanghai.....	81	85	Standard of S.A.....	10 1/2	1 1/2
Lloyds.....	24	24 1/2	Union Discount.....	10 1/2	10 1/2
London & Provincial.....	16 1/2	16 1/2	Union & Smiths.....	23 1/2	23 1/2
London & Brazilian.....	23 1/2	23 1/2			
Armstrong, Whitworth.....	40 1/2	44 1/2	Kynochs.....	38 1/2	39 1/2
Birmingham Small Arms.....	53 1/2	53 1/2	Mond Nickel ord.....	3 1/2	3 1/2
Cammell-Laird.....	6 1/2	6 1/2	South Durham Steel.....	40 1/2	42 1/2
Cargo Fleet.....	24 1/2	24 1/2	Thornycroft.....	2	2
Dorman, Long.....	46 1/2	45 1/2	Vickers.....	39 1/2	43 1/2
Associated Cement.....	3 1/2	3 1/2	Fine Cotton Spinners.....	35 1/2	35 1/2
Borax dfd.....	40 1/2	40 1/2	Forestal Land.....	47 1/2	47 1/2
Bovril.....	19 1/2	19 1/2	Furness, Withy.....	54 1/2	53 1/2
Brazil Traction.....	42 1/2	43 1/2	Harrods Stores.....	2 1/2	2 1/2
British Amer. Tobacco pf.....	18 1/2	18 1/2	Hudson's Bay.....	7	6 1/2
British Aluminium.....	32 1/2	32 1/2	Imperial Tobacco "C" pf.....	34 1/2	33 1/2
British Oil & Cake.....	30 1/2	32	Lever Bros. "C" pf.....	20 1/2	20 1/2
Brunner, Mond.....	4 1/2	4 1/2	Lyons, J.....	4 1/2	3 1/2
Castner-Kellner.....	3 1/2	3 1/2	Marconi.....	3 1/2	3 1/2
Coats.....	6 1/2	6 1/2	Maypole Dairy dfd.....	30 1/2	20 1/2
Courtaulds.....	6 1/2	6 1/2	National Steam Car.....	20 1/2	20 1/2
Cunard.....	38 1/2	38 1/2	Pears, A. & F.....	1 1/2	1 1/2
Dennis Bros.....	38 1/2	38 1/2	P. & O. dfd.....	32 1/2	33 1/2
Eastern Telegraph.....	149 1/2	149 1/2	Royal Mail.....	112 1/2	116 1/2
Eastmans.....	11 1/2	10 1/2	Underground Inc. Bds.....	82	82
English Sewing Cotton.....	53 1/2	54 1/2			
Anglo-Egyptian "B".....	27 1/2	28 1/2	North Caucasian.....	7 1/2	7 1/2
Baku (ros.).....	2 1/2	2 1/2	Roumanian Cons.....	10 1/2	10 1/2
Burmah.....	6 1/2	7 1/2	Royal Dutch (100 gulden).....	49 1/2	51
Lobitos.....	2 1/2	2 1/2	Shell.....	58	58 1/2
Maikop Pipeline.....	3 1/2	3 1/2	Spies (10/-).....	9 1/2	9 1/2
Mexican Eagle pf.....	63 1/2	64 1/2	Ural Caspian.....	1 1/2	1 1/2
Allagar 2/-.....	3 1/2	3 1/2	Perak 2/-.....	8 1/2	7 10 1/2
Anglo-Java Rub. 2/-.....	7 1/2	7 1/2	Port Dickson 2/-.....	4 10 1/2	4 10 1/2
Anglo-Malay 2/-.....	15 1/2	15 1/2	Rub. Estates Johore £1.....	45 1/2	45 1/2
Ayer Kuning £1.....	52 1/2	52 1/2	Rub. Estates Krian 2/-.....	45 1/2	45 1/2
Batang Malaka 2/-.....	5 1/2	5 1/2	Rubber Trust £1.....	32 1/2	32 1/2
Bekoh 2/-.....	5 1/2	5 1/2	Sampang (Java) 2/-.....	29 1/2	29 1/2
Brit. N. Borneo Trust £1.....	19 1/2	19 1/2	Spakmakande £1.....	27 1/2	26 1/2
Bukit Cioh 2/-.....	5 1/2	5 1/2	Seaport £1.....	30 1/2	29 1/2
Bukit Kajang £1.....	82 1/2	82 1/2	Selangor.....	38 1/2	38 1/2
Bukit Mertajam 2/-.....	5 1/2	5 1/2	Sengat 2/-.....	3 1/2	3 1/2
Bukit Sembawang 2/-.....	3 1/2	3 1/2	Seremban £1.....	48 1/2	44 1/2
Carey United £1.....	50 1/2	51 1/2	Shelford £1.....	44 1/2	44 1/2
Ceylon Para 2/-.....	11 1/2	11 1/2	Sialang £1.....	79 1/2	79 1/2
Chersonese.....	3 1/2	3 1/2	Singapore Para 2/-.....	5 1/2	5 1/2
Chevi 2/-.....	7 1/2	6 10 1/2	Singapore United 2/-.....	3 1/2	3 1/2
Dalkeith 2/-.....	2 1/2	3 1/2	Soember Aje 2/-.....	3 1/2	3 1/2
Eastern Invest. Trust £1.....	28 1/2	28 1/2	Stagbrook £1.....	33 1/2	33 1/2
Grand Central £1.....	29 1/2	29 1/2	Straits Bertam 2/-.....	7 1/2	7 1/2
Gula Kalumpung £1.....	26 1/2	26 1/2	Sumatra Para 2/-.....	10 1/2	10 1/2
Highlands £1.....	64 1/2	63 1/2	Sungei Bahru £1.....	46 1/2	46 1/2
Java Investment £1.....	31 1/2	31 1/2	Sungei Kapar 2/-.....	12 1/2	12 1/2
Java Para £1.....	35 1/2	35 1/2	Sungei Kruit £1.....	59 1/2	56 1/2
Johore Rubber Lands £1.....	39 1/2	39 1/2	Taipung 2/-.....	41 1/2	41 10
Kanunin 2/-.....	49 1/2	49 1/2	Tali Ayer £1.....	44 1/2	43 1/2
Kinta Kelas 2/-.....	49 1/2	49 1/2	Tanjong £1.....	99 1/2	99 1/2
Kuala Kubu 2/-.....	3 1/2	3 1/2	Tanjong Malim £1.....	35 1/2	34 1/2
Labu 2/-.....	11 1/2	11 1/2	Tebrau £1.....	74 1/2	74 1/2
Langen Java £1.....	48 1/2	47 1/2	Telorego £1.....	52 1/2	51 1/2
Lingsi 2/-.....	30 1/2	30 1/2	Tempeh 2/-.....	3 1/2	2 11 1/2
London Asiatic 2/-.....	9 1/2	9 1/2	United Serdang 2/-.....	12 1/2	12 1/2
Malacca £1.....	58 1/2	58 1/2	United Sumatra 2/-.....	9 1/2	9 1/2
Malayalam £1.....	43 1/2	43 1/2	Val d'Or 2/-.....	4 1/2	4 1/2
Merlimau 2/-.....	6 1/2	6 1/2	Vallambrosa 2/-.....	25 1/2	24 1/2
Padang Java 2/-.....	3 1/2	3 1/2	Way Halim 1/8 pd.....	2 1/2	2 1/2
Pataling 2/-.....	45 1/2	45 1/2			
Abbottakoon (10/-).....	4 1/2	4 1/2	Gt. Boulder (2/-).....	13 1/2	13 1/2
Bechuanaland Exp.....	7 1/2	7 1/2	Kyshtun.....	1 1/2	1 1/2
Brakpan.....	51 1/2	51 1/2	Mashonaland Agency.....	6 1/2	6 10 1/2
Broken Hill Prop. (8/-).....	51 1/2	51 1/2	Meyer & Charlton.....	58 1/2	58 1/2
Cam & Motor.....	11 1/2	11 1/2	Medder "B".....	8 1/2	8 1/2
Central Mining (£12).....	6 1/2	6 1/2	Do. Deep.....	78 1/2	78 1/2
Chartered.....	14 1/2	15 1/2	Mysoore.....	3 1/2	3 1/2
City Deep.....	32 1/2	32 1/2	Rand Mines (5/-).....	3	3
Cons. Gold Fields.....	31 1/2	32 1/2	Rio Tinto (£5).....	64	64
Cons. Langlaagte.....	22 1/2	21 1/2	Russo-Asiatic.....	3 1/2	3 1/2
Crown Mines (10/-).....	2 1/2	2 1/2	Spring Mines.....	34 1/2	34 1/2
De Beers dfd. (£2 10s.).....	12 1/2	12 1/2	Tanganyika.....	3 1/2	3 1/2
East Rand.....	5 1/2	5 1/2	Tanayik.....	1 1/2	1 1/2
Geduld.....	1 1/2	1 1/2	Van Kyn Deep.....	1 1/2	1 1/2
Gov. Areas Mod.....	3 1/2	3 1/2			

imminence of the New South Wales Loan, but when the particulars were officially published they had very little effect. In the Foreign market Russians, after opening fairly steady, gave way rather sharply, together with Greeks, Brazilians, Mexicans and Peruvians. Japanese also were rather flat, but Spanish, Chileans and Chinese received some support.

Home Railways have been irregular and decidedly flat in tone, but they improved before the close. In the American market International Mercantile Marine advanced smartly, and Chesapeake also improved, but the rest of the list was scarcely mentioned. Canadian Pacific eased off a fraction, and Grand Trunks were steady merely because there was practically nothing doing either way. Mexicans showed a certain amount of strength in spite of the adverse rumours, and Argentines, after opening very weak, recovered quite smartly on better reports about the situation. United of Havana was moderately supported, and San Paulo advanced a point or two, but closed below the best.

Bank shares were scarcely mentioned, and in the Brewery section, except for some inquiry for Watney Combe deferred, the rest of the prominent shares were distinctly weak, Allsopps and City of London being each a point lower. After the recent sharp advance Egyptian securities fell back on profit-taking. Among Catering shares Aerated Breads recovered a good fraction, while Lyons slipped back. Perhaps the best section was the Iron and Steel group, in which there was quite a large turnover at steadily advancing prices, and all the favourite shares had a turn at one time or another. Otis Steel, however, gave way to some extent, but that is not surprising in view of the spectacular advance which was recorded a week or two ago. Land shares attracted little interest, and both Hudson's Bays and Pekin Syndicates were weak. Nitrates also were a dull market. In the Shipping division the tone was good, and both P. and O. and Royal Mail scored substantial gains. Textiles were scarcely mentioned, and among Miscellaneous Industrials the movements were irregular and not of much significance. Cities Services, however, dropped 5 points.

Oil shares have been more prominent than for some time past, partly in connection with the requisitioning of Royal Dutch, which has created an exceptional demand for "Shells," and Burmahs were in request owing to the maiden dividend announced by its subsidiary, the Anglo-Persian. More or less in sympathy nearly the whole of the rest of the list gained appreciably. Rubber shares have been quieter owing to the fall in the price of the commodity, which does not go the way that many of the ardent bulls of the market would like. The public, however, do not seem to be at all anxious to part with shares, and the small declines that have taken place are more or less in the nature of adjusting accounts to the technical position of the market.

LONDON PRODUCE MARKETS.

SUGAR.—Market disclosed no change in prices.
COFFEE.—There was a moderate demand during the week, and no particular change occurred in values. Of East India, good bold Mysore, sold, 105s.; middling to good middling Coorg, 104s. to 113s.; fine peas, 14s. 6d. A more or less nominal state of affairs prevailed with regard to future delivery.

COCOA quiet with only retail sales, and no auctions were held this week.

TEA.—Active competition predominated for the 32,900 packages Indian and 9,000 packages Ceylon catalogued in auction during the week, and maximum rates were mostly secured for controlled parcels, while D class realised good prices.

SPICE steady, with a moderate demand. In auction, fair washed rough Cochinchina ginger, sold, 67s. 6d.; fair brown Calicut, 65s. Amboyra mace sold, 3s. 8d. to 3s. 10d. By private treaty, fair black Singapore pepper changed hands at 1s. 3 1/2d.; Tellicherry, 1s. 4d.; and Muntok, 1s. 8 1/2d. to 1s. 9d. Cloves quiet. Zanzibar, spot, sold, 1s. 10 1/2d. Tapioca firm, quiet. Fair flake, spot, sold, 7d.; and Penang seed pearl, 67s. 6d., with medium, 65s. Fair small sago, 70s.

RICE steady. Beans and peas unaltered.
HEMP.—Manila and New Zealand remained at fixed rates. Chinese steady, and No. 1, sold, £144 10s. Of East India, Itarsi, sold, £79 15s.; and Sewnee, £78.

SHELLAC.—Market advanced steadily on good buying and few sellers. Fair T.N., spot, 32s.; December sold up to 32s. and March 32s., with buyers later of both positions at 33s.

RUBBER quiet, and rates lower on the week. Crepe, spot, sold, 2s. 6d. to 2s. 5 1/2d.; December, 2s. 6 1/2d. to 2s. 5 1/2d.; January-June, 2s. 8d. to 2s. 6 1/2d.; ribbed smoked sheet, spot, done, 2s. 5 1/2d. to 2s. 5d.; December, 2s. 5 1/2d. to 2s. 5d. Fine hard Para, spot, 2s. 8d.; soft fine, 2s. 2 1/2d.; ball, 1s. 6d.

COPRA inactive and nominal in absence of adequate offers to sell.

CORN (Mark Lane).—A steady tone was maintained in all sections of the market since last Monday, while trade showed no expansion, and prices were kept at much the same level. Wheat: Native grain continues in small compass at 73s. 6d. per qr. (504 lbs.). Imported No. 1 Northern Manitoba quoted at 79s. 6d. to 80s. 3d.; No. 3 ditto, 76s. to 76s. 9d., both landed. Flour: Canadian export patents, 51s. 9d., ex store. English, 44s. 3d. per sack, ex mill. Barley: English, 62s. 9d. per qr. Maize remains nominal in absence of supplies temporarily. Oats: American white clipped No. 2, 60s. 6d. to 62s. 6d., landed. English, 44s. 3d. per qr.

COTTON (from our Manchester correspondent).—We have continued to experience a healthy market, and although in view of the great activity during the last few weeks business cannot be expected to be continued on the same scale, operations in cer-

tain directions have again been of considerable dimensions. The outlook for supplies of American cotton in this country has improved, but all material imported will be wanted. The applications from the operatives for an increase in wages are now being dealt with by the employers, but very little progress has been made towards a settlement, the offer of the masters to the spinners of 10 per cent. in December and another 10 per cent. in March being refused by the trades union officials. The inquiry in cloth for abroad has been well maintained, but increased difficulty has been experienced in arranging transactions. For India an encouraging turnover has again taken place in finishing and bleaching cloths, but very little has been done in grey staples. Operations for China have been

CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING NOVEMBER 23, 1917.

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt., duty 14/ 98%	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
polarisation			Australian		
Tate's Cubes ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Cr'ssbr'd	nom.	nom.
Granulated ..	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Crossbred	nom.	nom.
Foreign granulated			New Zealand		
f.o.b., spot	nom.	nom.	(scoured) Merino	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Greasy Crossbred	nom.	nom.
French Cube	nom.	nom.	Cape snow white	nom.	nom.
prompt	nom.	nom.	Indiarubber p. lb.		
Crystallised, West			Plantation, Spot		
India ..	2 6 9	2 6 9	Crepe ..	0 2 6 2	0 2 5 2
Beet, 88% f.o.b.	nom.	nom.	Coal —per ton		
Tea —per lb., duty 1/ 1/	s. d. s. d.	s. d. s. d.	Durham, best ..	nom.	nom.
Indian Pekoe ..	1 0-1 6	1 0-2 2 2	Seconds ..	nom.	nom.
Broken ..	1 0-2 8 2	1 0-2 7	East Hartlepool ..	nom.	nom.
Orange ..	1 0-2 6 2	1 0-2 8	Seconds ..	nom.	nom.
Broken ..	1 0-2 9	1 3-2 8 2	Steamers, best ..	32 6	32 6
Pekoe Souchong	1 0-1 3	1 1-1 6	Seconds ..	29 6	29 6
Ceylon Pekoe ..	1 0-2 4 2	1 0-2 6	Lead —per ton.	£ s. d.	£ s. d.
Broken ..	1 0-2 6 2	1 0-2 1	English Pig ..	nom.	nom.
Orange ..	1 0-2 4	1 0-2 6	Foreign soft ..	£ 30 2 2 2 2	£ 30 2 2 2 2
Broken ..	1 0-2 9	1 0-2 7	Quicksilver —per		
Pekoe Souchong	1 0	1 1-1 0	bottle first hand	nom.	nom.
Cocoa —per cwt.	s. s.	s. s.	Tin —per ton		
duty 6d. per lb.			English Ingots ..	£ 274-275	£ 282-283
Trinidad—per cwt.	90 0-97 0	92 0-99 0	Do. bars ..	£ 275-276	£ 283-284
Grenada ..	85 0-91 0	85 0-91 0	Standard cash ..	£ 276 10	£ 282-10
West Africa ..	66 0-76 0	68 0-76 0	Tin Plates, per box	nom.	nom.
Ceylon Plantation	75 0-90 0	75 0-90 0	Copper —per ton.		
Guayaquil Arriba ..	100-102	100-102	English, Tough,		
Coffee —per cwt.			per ton ..	nom.	nom.
duty 42/- per cwt.			Best Selected ..	£ 119-£ 123	£ 119-£ 123
East India ..	87 0-106 0	89 0-106 0	Sheets ..	£ 147	£ 147
Jamaica ..	72 0-120 0	75 0-120 0	Standard ..	£ 110-110 2	£ 110-110 2
Costa Rica ..	82 0-105 0	85 0-112 0	Jute —per ton.		
Provisions —			Native firsts for		
Butter, per cwt.			shipment	£ 18 15	£ 18 10
Australian finest	220/-223/	220/-223/	Oils —		
Argentine ..	220/-223/	220/-223/	Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Irish Creameries	224/-229/	224/-229/	Rape, refined ..	£ 71	£ 71
Dutch ditto ..	229/	229/	" crude ..	£ 66	£ 66
Russian finest ..	nom.	nom.	Cott'n Seed, crude	£ 60	£ 60
Paris baskets ..	256/8	256/8	Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
Danish finest ..	nom.	nom.	Petroleum Oil, per		
Brittany rolls ..			8 lbs.	1 7 2	1 7 2
doz. lb. ..	27/6-28/	27/-28/	Water White ..	1 8 2	1 8 2
Bacon —per cwt.			Oil Seeds, Linseed	—	—
Irish ..	162/	172/	Calcutta—per ton		
Continental ..	162/	172/	Spot	29 15 0	29 15 0
Canadian ..	162/	172/	Rape ..	30 0 0	30 0 0
American ..	157/	172/	Iron —per ton		
Hams —per cwt.			Cleveland Cash ..	nom.	nom.
Irish ..	184/	up to 203/	Tobacco —duty,		
Canadian ..	160/	165/	unmanufactured		
American ..	110/-137/	125/-165/	7/4 to 8/0 per lb.		
Cheese —per cwt.			Maryland & Ohio,		
Dutch ..	120/-156/	120/-156/	per lb. bond ..	nom.	nom.
Canadian ..	nom.	nom.	Virginia leaf ..	0 8-2 1	0 8-2 1
English Cheddar	142/	142/	Kentucky leaf ..	0 7-3 11	0 7-3 11
Wilt's loaf ..	nom.	nom.	Latakia ..	2 0-5 0	2 0-5 0
New Zealand ..	nom.	nom.	Havana ..	1 6-6 6	1 6-6 6
Rice —per cwt.	s. d.	s. d.	Manila ..	nom.	nom.
Japan ..	29 6	29 6	Cigars, duty 10/6		
Rangoon 2 stars ..	26 3	26 3	per lb. ..	2/ upds.	2/ upds.
Eggs —per 120.			Timber —Wood.		
English ..	40 0-42 6	40 0-42 6	Pitch Pine ..	300/-400/	300/-400/
Irish ..	30 0-34 6	30 0-35 0	Indian Teak ..	380/-700/	380/-700/
Danish ..	33 6-34 6	33 0-36 0	Turpentine —		
Spelter —			American Spot ..	4 15 6	5 1 3
G.O.B. as to position	£ 54-£ 50	£ 54-£ 50	Copra —per ton	46 0 0	46 0 0
Flour —per sack.					
Country Straight					
Runs ex Mill ..	44/3	44/3			

limited to sorting up lots. For Egypt and South America printed and dyed goods and various fancy materials have been in active request, the turnover being of substantial extent. Home trade buying has continued on a free scale, there being some pressure for delivery. The Government has again been in the market for heavy cloths. Numerous manufacturers have now so much work on hand that they are trying to avoid further contracts. American yarns have again stiffened in price, and the undercurrent of demand has been healthy. Certain users seem disposed to put down orders on almost any terms. Difficulty is now being experienced in obtaining the delivery of yarn against low priced contracts. A little more trade has been reported in bundles for India, and the demand in yarn for France keeps up remarkably well. There has been plenty of business offering in Egyptian spinnings, and prices have one against buyers.

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and November 17, 1917:—

	Estimate for the Year 1917-18. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Nov. 17, 1917.	Total Receipts into the Exchequer from April 1, 1916, to Nov. 18, 1916.
Balances in Exchequer on April 1—	£	£	£
Bank of England	—	35,209,947	25,111,665
Bank of Ireland	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs	70,750,000	44,059,000	41,717,000
Excise	34,950,000	24,170,000	35,110,000
Estate, &c., Duties	29,000,000	17,750,000	18,808,000
Stamps	8,000,000	4,038,000	4,592,000
Land Tax	2,600,000	340,000	330,000
House Duty			
Property and Income Tax and Super Tax	224,000,000	58,955,000	41,469,000
Excess Profits Duty (including Munitions Levy)	200,000,000	120,233,000	56,121,000
Land Value Duties	400,000	257,000	131,000
Post Office	33,700,000	20,800,000	20,600,000
Crown Lands	600,000	320,000	320,000
Receipts from Sundry Loans, &c.	7,500,000	1,414,917	4,820,767
Miscellaneous	27,100,000	3,781,784	11,314,335
Revenue	638,600,000	332,718,701	235,553,692

Total, including Balance

357,154,560 269,928,098

OTHER RECEIPTS.

Repayment of Advances for Bullion	1,240,000	2,610,000
Repayment of Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	—
Under Telegraph (Money) Act, 1913	55,000	100,000
Under Post Office (London) Railway Act, 1913	68,000	160,000
Under Housing Act, 1914	229,000	45,200
For Treasury Bills (for supply)	1,611,526,000	1,419,778,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	—	3,087,600
For 4 1/2 per Cent. War Loan, 1925-1945	—	424
For 5 per Cent. Exchequer Bonds, 1919	—	34,222,000
For 5 per Cent. Exchequer Bonds, 1920	—	84,140,469
For 5 per Cent. Exchequer Bonds, 1921	—	62,644,000
For 5 per Cent. Exchequer Bonds, 1922	82,110,000	—
For 6 per Cent. Exchequer Bonds, 1920	—	101,850,000
For War Expenditure Certificates	—	28,156,500
For War Savings Certificates	24,200,000	35,800,000
For other Debt created under the War Loan Acts, 1914-1917	451,559,153	86,106,208
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947	166,748,143	—
For National War Bonds	92,331,000	—
Temporary Advances—		
Ways and Means (including Treasury Bills)	627,696,000	457,896,500
£345,000,000 in 1916-1917	—	—
Total	3,417,086,674	2,577,424,999

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

* Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Nov. 17, 1917.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Nov. 18, 1916.
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EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	17,000,000	12,053,317	14,720,86
Interest, &c., on War Debt ..	194,500,000	82,099,4	67,292,90
Payments to Local Taxation			
Accounts, &c.	9,700,000	5,515,4	5,513,3
Other Consolidated Fund			
Services	1,695,000	1,096,551	1,282,98
Supply Services	2,058,826,000	1,570,746,155	1,153,613,382
Expenditure	2,291,721,000	1,671,541,000	1,242,423,472

OTHER ISSUES.

For Advances for Bullion	1,420,000	2,680,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	91,370
Under Telegraph (Money) Act, 1913	55,000	100,000
Under Post Office (London) Railway Act, 1913	68,000	160,000
Under Public Buildings Expenses Act, 1903 ..	—	8,000
Under Housing Act, 1914	394,500	44,500
For Treasury Bills for Supply	1,068,873,000	921,347,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	—	3,087,600
For War Loans and Exchequer Bonds, under Section 34 of Finance Act, 1917	2,805,752	108,650
For other Debt under the War Loan Acts, 1914 to 1917	14,650,0	—
For Depreciation Fund under the Finance Act, 1917	21,692,1	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908	10,0	69,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	20,00	43,160
Old Sinking Funds, 1911-12 and 1913-14, issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914	949,000	250,000
Temporary Advances repaid—		
Ways and Means (including Treasury Bills)	614,058,000	374,449,500
£296,553,000 in 1916-17	—	—
Total	3,417,086,674	2,577,424,999

	1917. Nov. 17.	1916. Nov. 18.
Balances in Exchequer—	£	£
Bank of England	19,122,172	30,901,926
Bank of Ireland	1,258,253	1,570,822
Total	20,380,405	32,472,747

MEMO.—Treasury Bills outstanding on Nov. 17, 1917, £1,006,633,000. * Includes £283,000, the proceeds of which were not carried to the Exchequer within the period of the account.

American Business Notes.

Gold still accumulates in the United States, the total of coin and bullion in circulation on October 1 last having been £138,800,000, and a year ago it was £129,000,000. In the same interval of time gold certificates have risen from £304,150,000 to £322,600,000. The only other change worth emphasising is the increase in Federal Reserve notes. The amount of these in circulation on October 1 last was \$706,823,000, an increase of \$494,278,000 within the twelve months. National Bank notes, however, have, as usual, shrunk a little, but the decrease is insignificant compared to the increase in Federal Reserve notes, being only about \$16,000,000, bringing down the total of such notes in circulation to \$698,888,000. Altogether, the money in circulation has expanded to \$4,820,546,000, which is an increase of \$368,000,000, or nearly £74,000,000. As the population of the United States is now estimated at 104,576,000, the total circulation per head thus works out at \$46.10.

Railroad interests in the United States are making a considerable disturbance over the refusal of the Inter-State Commerce Commission to permit them to raise their rates. The contention is that costs of working have risen so excessively as to destroy any chance of profit from the business carried on, even when that business has much increased. As an example, the New York Central Railroad showed in its August exhibit an increase of \$1,462,000 in its gross earnings, but the increase in expenses for the same month was \$2,799,000, and for the eight months ended with August, against an increase in gross earnings of \$7,608,000 there was an increase in expenses of \$17,966,000, so that the actual increase in business brought a decline of \$10,357,000 in the nett income. A similar testimony is made by the Pennsylvania Railroad, which in the first eight months of this year increased its gross income by \$32,725,000, but expenses went up to \$43,337,000, so that the nett earnings were down \$10,612,000. It appears to be the same all round, although when we come to look at expenses as set forth in the annual exhibits of most of the railways we do not find the same glaring divergence. The Southern Railway, for instance, increased its gross earnings in the year ended June 30 last by \$11,391,000, of which only \$7,589,000 was swept away by the increase in expenses. That is to say, gross income was \$81,388,000, as compared with \$69,997,000 in 1915-16, and expenses \$53,630,000, against \$46,041,000. Consequently, the nett income of \$27,758,000 from working the lines was \$3,802,000 better, and the entire free revenue after adjustment was \$3,027,000 up. So that the directors were able to pay a dividend of $2\frac{1}{2}$ per cent. on the company's preferred stock against nothing in either of the previous two years.

Similar testimony is given by the returns of other railways. The Atchison, Topeka, and Santa Fé, for example, whose report is published covering the old fiscal year July 1 to June 30, shows an increase of \$22,417,000 in its gross income, which was \$156,179,000. This was earned at an increase of \$12,603,000 in the working expenses, thus raised to \$96,333,000. The final nett revenue from working the business was, however, only \$6,172,000 larger at \$49,951,000, because of the enormous increase in taxation, which was no less than \$3,660,000, bringing up the amount paid in taxes for the year to \$9,870,000. Probably all other railways are feeling the pinch of increased taxation, and will do so still more next year, and in that direction will find solid argument for opportunity to advance their rates. It is noticeable, however, that last year's nett revenue was not only sufficient to allow the company to pay the 6 per cent. dividend on the ordinary shares, but to hand \$11,000,000 from revenue to pay for new equipment. This is in addition to the \$8,875,000 charged against revenue to cost of additions and betterments. A year ago the total amount assigned in this way was only \$7,000,000, and three years ago it was less than \$3,000,000.

The small Alabama Great Southern Railroad bears the same testimony. Its revenue from working was \$697,000 up at \$6,338,000, and working expenses were \$353,000 higher at \$4,115,000. The nett revenue was therefore \$343,000 better, but taxes rose \$55,000. In the end, however, the company was able to repeat the dividend of 7 per cent. on the ordinary shares and had a surplus of \$1,219,000.

It is true, nevertheless, that the entry of the United States into the war has had a most powerful influence in augmenting the difficulties of the railways, and traffic has been stimulated upon all the lines, especially on the lines running into the iron and coal districts, or centres of a great food traffic like Chicago and St. Louis. Expenses must, therefore, have augmented at a distressingly accelerated speed, so that there is no doubt ample apparent justification for the outcry the railways are raising through those portions of the Press specially devoted to their interests. All this is doubtless true, but there is also the public to be considered, and it ought not to be asked to make all the sacrifices necessary to safeguard the railroad stockholder. That helpless individual must take his risks with his neighbours, and bear his full share of the strain put upon the country by the war. Unless there is a general willingness to accept sacrifices things will go from bad to worse, not in the United States only, but everywhere. The more, that is to say, expenses go up, and the more prices are raised to enable consumers to live, if possible, as they lived before the war, the more aggravated becomes the evil. We have plenty of examples in this country where never a week passes but what efforts are made to wring more money out of employers or out of that vague entity called "the Government." Does success—and alas! it is too often easy success, especially with the Government—bring happiness and comfort? No, it only brings yet another clamour for more pay. That cannot go on for ever for the end would be no work, ruin; but the misfortunes of war have not

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yet educated the democracy in any country to understand what fellowship in endurance and suffering really involves. And in this war, as in the spiritual life, only he who endures to the end will be saved.

Insurance News.

With regard to the Government's undertaking to give free compensation up to £500 for damage to property by air raids or bombardments, it has now been ascertained that this must not be interpreted as meaning that that sum will be paid in all cases. In fact, it will not be paid in any case in which the owner has property in the United Kingdom of the total value of over £500 and has not insured the excess under the Government scheme. Any claim under either the compensation scheme or the Government policy will be subject to the average clause if the owner has not fully insured all his property in the United Kingdom. Aircraft insurances, as a rule, are based upon the fire insurance figures, which oftentimes are less than the present value, owing to the fact that the policies were taken out many years ago. Property owners should therefore at once make sure that their risks are fully covered, even when the extra £500 is taken into account.

The publication of the terms of a new Dutch law has aroused much interest among officials of London companies transacting all forms of insurance. A clause of the new law provides that every underwriter not domiciled or established within the kingdom is required to deposit a guarantee in the sum of £2,200. According to information to hand from Amsterdam, this requirement applies only to life assurance, and not, as was at first thought, to all and any kind of assurance business.

Advices from Rio de Janeiro state that a decree has been issued forbidding the German insurance companies in Brazil from carrying on business. The Government is about to appoint liquidators for these organisations. That the Brazilian Government has no intention of adopting half-measures is evident; the Chamber of Deputies has adopted the Reprisal Bill against the Germans, as amended by the Senate. This Bill gives full authority to proclaim a state of siege in such parts of the country as is necessary to cancel contracts with enemy subjects; to prohibit trade with Germans abroad, and to intern enemy suspects. The suppression of the German insurance companies in Brazil, where they have shown a considerable amount of activity, will improve the position of the British institutions operating in that country.

A leaflet has been prepared by the Legal and General Life Assurance Society, describing a scheme which puts within reach of all an opportunity to subscribe to the National War Bonds and other Government issues, in a manner and to an extent which otherwise would be impossible. By means of this scheme bonds or stocks are paid for in full by the society and held on behalf of clients who pay for them by easy instalments spread over a term of years. These instalments are secured by means of a policy the terms for which are set forth in the leaflet. In the case of War Bonds a purchaser obtains a bonus on a policy for which he pays an exceedingly low non-profit rate of premium. The scheme not only furnishes the means to purchase bonds, but can also be utilised to obtain an advance on securities already purchased.

Mr. Gordon Campbell, of Messrs. W. Weddel and Co., Ltd., 17, St. Helen's Place, London, E.C., has been elected a director of the general board in London of the Employers' Liability Assurance Corporation, Ltd.

Mr. Walter Allnutt, F.S.A.A., who has for many years held the post of secretary of Callender's Cable and Construction Co., Ltd., and the Anchor Cable Co., Ltd., has, in consequence of his advanced age and the necessity for obtaining greater leisure, requested the directors of those companies to release him from his engagement with them. The directors have acceded to his request, and have appointed Mr. Howard Foulds, who is at present secretary of the Electric Supply Committee of the Birmingham City Council, to fill the vacancy thus occasioned. Mr. Foulds will commence his duties as secretary of the above companies on January 1, 1918.

The Week in Mines.

A brighter tone has been evident in the Mining markets this week, though business has, except in certain shares, been on a very restricted scale. In the South African market prominent features have been a recovery in City Deeps, a sharp rise in Daggafonteins, and a relapse in New Modderfonteins. Tin shares show a general, though slight, advance, due to a further spurt in the metal, which has now risen to the new high level of £285 a ton.

SOUTH AND WEST AFRICANS.

In the South African section, Daggafontein old shares have been actively supported on the rapid progress of development work, and have risen 2s. 6d. to 19s. 6d., and Hendersons have sympathetically improved to 6s. City Deeps have recovered $\frac{1}{2}$ to 3 11-32, and Wit. Deeps have regained 1s. 3d. of the recent fall at 7s. 6d. Gold Fields at 32s., Gold Trusts at 23s., and Langlaagte Estates at 15s. are all appreciably lower, while New Modderfonteins have relapsed $\frac{1}{2}$ to 23. Springs have risen 3-32 to 3 $\frac{1}{2}$. Diamond shares have been steadier. Among Rhodesian shares Copper descriptions have met with support. Rezendes have declined $\frac{1}{2}$ to 4 $\frac{1}{2}$, and Lonely Reefs are easier at 31s. 3d. On the other hand, Tanganyikas have risen $\frac{1}{2}$ to 3 $\frac{1}{2}$, and Zambesias 1s. 6d. to 26s. 9d. on active buying. Chartered have been supported at over 15s., and East African Lands have been freely dealt in up to 1 $\frac{1}{2}$. Of the West Africans, Taquahs improved to 17s. 6d., despite the decrease in profits and dividend recorded in the report.

COPPER AND MISCELLANEOUS.

Copper shares have shown strength. Poderosas have been particularly active, and are $\frac{1}{2}$ higher at 3 $\frac{1}{2}$. The excellent report for the past half-year caused Mount Lyells to rise 1s. 3d. to 27s. 6d., and Arizonas at 2 $\frac{1}{2}$ and Mount Morgans at 34s. ex dividend are both higher. Rio Tintos have been an exception, losing $\frac{1}{2}$ at 64. Tin shares have been active and firm. Northern Nigerias (Bauchi) have risen to 6s. 6d. on the declaration of a maiden dividend, and the Prefs. are 9d. higher at 12s. 6d. Pahangs have improved to 12s. 3d. on the increase in dividend, and a number of other shares show slight advances. Broken Hill shares have moved irregularly. Norths have risen to 55s. 6d., and Souths at 9 9-32 are higher on the declaration of another 6s. dividend. British Proprietaries were sold down to 35s., but afterwards recovered to 36s., a loss of 1s. 6d. being shown on the week. There has been some buying of silver shares, including Mining Corporations of Canada at 16s. 9d. Oroville at 19s. 3d. and St. John del Reys at 19s. are firmer, but Mexico of El Oros at 5 $\frac{1}{2}$ are lower; also Camp Birds at 7s. 6d. Russians have declined further on the news from Petrograd; Russo-Asiatics have fallen $\frac{1}{2}$ further to 3 $\frac{1}{2}$, and Kyshtims are no better than 1 $\frac{1}{2}$. Indian Gold shares have been in some request, but Burmas are lower at 3 31-32.

MINING NEWS.

GLYNN'S LYDENBURG.—During the year ended July 31 the tonnage milled was 49,832, and the revenue amounted to £99,037, or 39s. 9d. per ton, as compared with £90,032, or 36s. 11d. per ton. Working costs were 2s. 7d. per ton higher at 24s. 9d., and the working profit was £37,103, or 14s. 10d. per ton, an increase of £1,817. The total nett profit was £41,158, against £39,311; the dividend is raised from 16 $\frac{1}{2}$ to 20 per cent., but the carry-forward is reduced from £30,141 to £29,304. Reserves of ore have been increased from 78,282 tons to 109,126 tons.

MOUNT LVELL.—Further particulars of the results for the half-year ended September 30 have now been received, showing that the amount of ore treated was 235,546 tons; in addition, 4,049 tons of concentrates were also dealt with. These figures compare with 149,673 tons of ore treated in the same period of 1916. There were produced 5,832 tons of blister copper, against 3,173 tons, which contained 5,766 tons of copper, 295,126 ozs. of silver, and 7,455 ozs. of gold. The cost of producing the blister copper was 26s. 6d. per ton of ore. Operations, which were hindered by a strike, resulted in a nett profit of £268,611, as compared with £128,443 for the corresponding period, after writing off depreciation £49,722, prospecting and development work £32,435, and taxes £180,634. Liquid assets exceed liabilities by £542,996. A final dividend of 2s. per share, making 3s. 3d. per share, the same as for the year ended September 30, 1916, is declared. Development results in all the mines have been very satisfactory. Ore reserves are estimated as follows:—Mount Lyell, including the South Mine, 2,013,489 tons; North Mine, 997,904 tons.

ROOBERG MINERALS.—There was a further decrease in this company's profits in the year ended June 30. The tonnage milled rose from 36,460 tons to 38,557 tons, while the tin concentrates amounted to 950 tons, as against 706 tons. Revenue from concentrates amounted to £119,726, against £117,252, and the total receipts were £120,249. Expenditure amounted to £96,500, and the gross profit was £23,749, against £25,444. The dividend is again reduced from 10 per cent. to 5 per cent.; expenditure on improvements absorbed £3,257, and £22,660, against £11,177, is carried forward. During the year development and exploration work failed to disclose sufficient payable ore to replace that mined. A more active policy in order to discover further payable ore is being followed, which, no doubt, explains why the carry-forward has been more than doubled.

HORDEN COLLIERIES.—The report for the year ended September 30 is chiefly interesting because it covers a considerable period of State control. It shows that, after providing for depreciation, income-tax, and contingencies, the profits amounted to £187,079, against £183,505 in 1915-16, and £86,130 in 1914-15. The reserve appropriation is increased from £30,000 to £40,000; the dividend is maintained at 12½ per cent. by a final payment of 8½ per cent., and the carry-forward is raised from £65,602 to £78,427. Since the early part of 1917 the collieries of the United Kingdom have been under Government control, and this, the directors state, has added considerably to the difficulties under which the trade is conducted. But it has not affected the financial position of the company. The amount standing in last year's balance-sheet under purchase of leases has been reduced from £90,770 to £14,064. This is due to the sale of the Hutton Henry Freehold Land and Minerals property. An additional area of coal workable to the Blackhall and Castle Eden Collieries has been taken on lease, and this is believed to equal in quantity the coal in the Hutton Henry property.

TAQUAH.—After making provision for depreciation and shaft redemption, the accounts for the year ended June 30 show a profit of £48,364, a decrease of £20,081. The dividend is reduced from 20 per cent. to 15 per cent., and the carry-forward from £36,820 to £27,063. On account of the current year an interim dividend of 1s. per share will be paid on December 15. During the past year 63,883 tons were milled for a return of £175,643, or 55s. per ton. These figures compare with 68,012 tons, £202,059, or 59s. 5d. per ton. Working costs rose further from 34s. 3d. to 36s. 11d. per ton. Reserves of ore have been increased from 209,299 tons to 213,347 tons, and the value is 1d. per ton higher at 56s. 10d. per ton.

MINING RETURNS FOR OCTOBER.

Abosso.—8,210 tons, producing £11,725 (Sept., £13,150).
Ashanti.—10,082 tons; value, £40,510 (Sept., £40,501).
Aurora West.—15,500 tons; profit, £3,134 (Sept., £3,150).
Balaghat.—Output, 1,841 ozs. fine gold (Sept., 1,605 ozs.).
Brakpan.—63,000 tons; profit, £45,083 (Sept., £44,548).
Bullfinch.—5,410 tons; profit, £454 (Sept., £477).
Champion Reef.—29,906 tons; 7,900 ozs. fine gold (Sept., 8,276 ozs.).
Chenderiang Tin.—Output, £4,430; profit, £2,450.
City and Sub.—26,900 tons; profit, £12,254 (Sept., £14,505).
City Deep.—60,000 tons; profit, £47,950 (Sept., £54,755).
Cons. Langlaagte.—43,200 tons; profit, £16,315 (Sept., £17,736).
Cons. Main Reef.—22,600 tons; profit, £11,716 (Sept., £10,915).
Crown.—171,000 tons; profit, £40,046 (Sept., £55,467).
Durban Road Deep.—23,800 tons; profit, £2,756 (Sept., £5,038).
Durban R. Gold.—27,040 tons; 3,101 ozs. fine gold; profit, £785.
East Rand Prop.—144,300 tons; profit, £586 (Sept., loss, £3,606).
Ferreira Deep.—45,800 tons; profit, £17,586 (Sept., £17,344).
Geduld.—37,500 tons; profit, £20,120 (Sept., £20,100).
Geldenhuis Deep.—56,500 tons; profit, £4,235 (Sept., £4,988).
Ginsberg.—14,650 tons, £14,094; profit, £1,439 (Sept., £1,493).
Glencairn.—22,100 tons; profit, £1,258 (Sept., £1,284).
Glynn's Lydenburg.—4,170 tons; profit, £2,981 (Sept., £2,512).
Golden Horse Shoe.—15,276 tons; profit, £11,451 (Sept., £11,169).
Gov. Areas Mod.—106,500 tons; profit, £58,259 (Sept., £60,164).
Ivanhoe G. Corp.—20,253 tons; profit, £9,008 (Sept., £9,005).
Jupiter.—26,400 tons; profit, £5,292 (Sept., £5,017).
Kalgurli.—7,700 tons; profit, £1,500 (Sept., £2,073).
Knight Central.—27,200 tons; profit, £1,414 (Sept., £1,027).
Knight's Deep.—100,700 tons; profit, £1,501 (Sept., £567).
Langlaagte Estate.—44,560 tons; profit, £9,182 (Sept., £9,145).
Lonely Reef.—4,890 tons, 4,705 ozs.; profit, £10,298.
Luipaard's Vlei.—22,090 tons; profit, £2,358 (Sept., £2,538).
Main Reef West.—25,520 tons; profit, £3,744 (Sept., £4,242).
Meyer & Charlton.—12,356 tons; profit, £27,271 (Sept., £31,922).
Modder "B."—43,500 tons; profit, £69,696 (Sept., £64,591).
Modder Deep.—44,100 tons; profit, £50,306 (Sept., £47,566).
Mysore.—75,055 tons, 16,480 ozs. fine gold (Sept., 16,510 ozs.).
New Goch.—18,750 tons; profit, £3,379 (Sept., £3,489).
New Heriot.—12,900 tons; profit, £5,104 (Sept., £5,298).
New Kleinfontein.—60,360 tons; profit, £17,528 (Sept., £17,974).
New Modder.—56,000 tons; profit, £64,528 (Sept., £67,453).
New Primrose.—18,500 tons; profit, £1,834 (Sept., £1,556).
New Unified.—14,000 tons; profit, £3,536 (Sept., £4,023).
Nigel.—11,600 tons; profit, £2,862 (Sept., £3,400).
Nourse.—39,300 tons; profit, £52,056; profit, £6,524 (Sept., £5,900).
Nundydroog.—19,896 tons, 6,653 ozs. fine gold (Sept., 6,627 ozs.).
Ooregum.—31,772 tons; 7,541 ozs. fine gold (Sept., 7,547 ozs.).
Princess Estate.—22,800 tons; profit, £1,251 (Sept., £921).
Randfontein Cent.—173,700 tons; profit, £36,007 (Sept., £36,004).
Robinson Deep.—49,200 tons; profit, £10,330 (Sept., £11,571).
Robinson.—50,000 tons; profit, £15,395 (Sept., £16,175).
Roodepoort United.—28,076 tons; profit, £661 (Sept., £925).
Rooiberg Minerals.—45 tons concentrates; profit, £1,131 (Sept., £1,497).
Rose Deep.—58,500 tons; profit, £25,026 (Sept., £24,707).
Shamva.—50,623 tons; profit, £10,743 (Sept., £13,548).
Sheba.—6,261 tons; 1,730 ozs.; loss, £1,230 (Sept., loss, £100).
Simmer and Jack.—61,800 tons; profit, £17,479 (Sept., £23,101).
Simmer Deep.—49,100 tons; profit, £5,633 (Sept., £5,060).
Sons of Gwalia.—13,846 tons; value, £19,788.
Springs.—31,500 tons; profit, £32,452 (Sept., £30,324).
Sub Nigel.—10,070 tons; profit, £7,728 (Sept., £7,135).
Transvaal Gold.—16,440 tons; profit, £10,650 (Sept., £7,314).
Van Ryn Deep.—49,000 tons; profit, £56,065 (Sept., £51,029).

Van Ryn.—35,850 tons; profit, £11,243 (Sept., £14,873).
Village Deep.—49,400 tons; profit, £14,271 (Sept., £18,341).
Village Main Reef.—26,200 tons; profit, £13,647 (Sept., £11,932).
Wanderer.—14,060 tons; profit, £1,375 (Sept., £2,308).
West Rand.—36,090 tons; profit, £2,033 (Sept., £1,836).
Witwatersrand.—38,050 tons; profit, £14,718 (Sept., £15,072).
Wit. Deep.—35,830 tons; profit, £2,315 (Sept., loss, £1,221).
Wolhuter.—33,550 tons; profit, £11,415 (Sept., £10,952).

DIVIDENDS ANNOUNCED.

Anglo-Sumatra Rubber Co.—For year to May 31, final 20 per cent., less tax, making 50 per cent., less tax, for the year; forward, subject to the payment of bonus to the Eastern staff and excess profits duty, 1916-17, £33,826, against £26,536.

American Freehold Land Mortgage Co. of London.—Interim at the rate of 10 per cent. per annum, same as a year ago.

Assam Co.—Bonus of 10 per cent., or £2 per share, less tax, making 25 per cent. for the 1916 crop. On account of the 1915 crop the distribution was the same.

Anglo-Persian Oil Co.—6 per cent. on ordinary shares, also a further 2 per cent. on the participating preference shares, making 8 per cent. for the year; £50,000 to a preference share reserve fund, and £100,000 to a general reserve fund.

Belsize Motors.—15 per cent., less tax, same as for preceding year. The directors state the accounts are not yet adjusted with Treasury.

Cassell Cyanide Co.—Final 2s. per share, making, with interim paid in June, 3s. per share for the year, less tax, payable on Dec. 22, the same as last year.

Castner Kellner Alkali.—Final 11 per cent., actual, making 20 per cent. for the year, against 22 per cent. last year.

Cloride Electrical Storage.—Interim 5 per cent., tax free, on double the capital when last interim 5 per cent. was paid.

Fine Cotton Spinners and Doublers' Association.—Interim of 4 per cent. (actual), the same as last year.

Indian and General Investment Trust.—Interim on deferred stock at rate of 8 per cent. per annum, against 7 per cent. a year ago.

London Nitrate (Liverpool).—Further 2s. per share, free of tax.

Lister and Co.—Warrants for the half-year to Nov. 30 at the rate of 5 per cent. per annum, less tax, will be posted Dec. 1 to preference shareholders.

Lascelles, Tickner, and Co.—Interim 5 per cent. on ordinary shares.

Malaysia Rubber Co.—Further interim at the rate of 5 per cent. in respect of the present year, to be paid, less tax, on Dec. 12.

New Heriot Gold Mining.—No. 47 of 25 per cent. (5s. per share), which compares with 40 per cent. declared a year ago.

Northern Nigeria (Bauchi) Tin Mines.—Final 7½ per cent. (less tax), on pref. shares, making 17½ per cent. for year to June 30, and 7½ per cent. (less tax) on ord. shares. This is the first ordinary dividend to be declared. For 1915-16 the preference shareholders received 10 per cent.

Nalder and Collyer's Brewery.—Interim 5 per cent., same as a year ago.

Pease and Partners.—Subject to approval of the Controller of Mines an interim of 10s. per share on ordinary and deferred shares, being 5 per cent. for the half-year, the same as a year ago.

Pahang Consolidated.—Ordinary 15 per cent., less tax, making 20 per cent. for the year (against 15 per cent.); preference, 11½ per cent., less tax, making 15 per cent. for the year (against 12 per cent.).

Power-Gas Corporation.—At the rate of 6 per cent. per annum, less tax, on ordinary shares, the same as a year ago.

Transvaal and Delagoa Bay Investment Co.—At the rate of 22½ per cent., equal to 4s. 6d. per share, against 17½ per cent. a year ago.

Rooiberg Minerals Development Co.—For the year to June 30 interim No. 12 of 5 per cent.; carried forward, £22,669; £21,450 stands to credit of reserve fund. In the previous year two dividends of 5 per cent. were paid.

Richard Hornsby and Sons.—At the rate of 6½ per cent. per annum on ordinary shares (less tax) for year ended Sept. 30. A year ago was the same, with a bonus of 3½ per cent.

Tillyfour Rubber Co.—2½d. per share, equal to 11.1 per cent., less tax, against 6 per cent.; to reserve, £1,500, the same; forward, £1,528, subject to excess profits duty, if any.

Victoria Palace.—For the year ended Nov. 5: To reserve, £5,000; to dividend, 20 per cent.; and forward, £16,294.

Zinc Corporation.—2s. per share on the preference shares, being second half of fixed preferential dividend of 20 per cent. for 1917, payable on Jan. 1, 1918, less income-tax, at 3s. 6d. in the £.

OILFIELDS PRODUCTION.

Anglo-Egyptian.—For the past week:—Gemsah 19 tons, against 21 tons previous week; Hurghada 3,419 tons, against 3,135 tons previous week.

North Caucasian.—Week ended Nov. 6, 8,029 tons.

United British of Trinidad.—Week ended Nov. 14, 574 tons.

Ural Caspian.—Week ended Oct. 11, 2,312 tons; Oct. 18, 2,093 tons; Oct. 25, 2,428 tons; and Nov. 1, 2,394 tons.

Dr. Sidney White, solicitor and Town Clerk of Stoke Newington, also of the firm of Messrs. Bramall and White, solicitors, Leadenhall Street, E.C., has been elected a director of the Nineteenth Century Building Society.

Tea, Oil and Rubber.

It is a most extraordinary fact that almost the only important commodity (and a war essential at that) which has not advanced enormously in the last year or two is rubber. Once or twice the bulls have run it up a few pence, and at one time it almost reached the dizzy height of 4s., but on each occasion it has gradually dropped back to somewhere in the neighbourhood of 2s. 6d., which seems to be about the natural level for the time being. The amount of the visible stock does not seem to have much effect either way. When stocks were considerably larger than they are now prices were higher; since they have been depleted to some extent the quotation has fallen. Last week, it is true, 593 tons were landed, against 536 tons delivered, so that the total in warehouse is now 11,785 tons, against 9,500 tons a year ago, but these trifling variations cannot have much effect on the market, and yet we find the price of standard crêpe sagging below the 2s. 6d. mark. It is worth taking note of this circumstance at a time when the tendency is so markedly in favour of raising prices with or without sufficient justification, and we can hardly believe that the rubber market is the only one that has passed a self-denying ordinance to sell its goods at less than consumers are willing to pay. If that is the position at present, what is likely to happen when the exceptional war demands are cut off or very greatly reduced? We know the usual answer is that the demand for both commercial and pleasure motor-cars will be much greater in the future than in the past, but it is estimated that there are 300,000 motors engaged in war work at present, and there will be a huge number of second-hand cars of a fairly useful type to compete with new output. The problem is worth considering, but we do not pretend to guess the ultimate solution.

An announcement of exceptional interest is the declaration by the Anglo-Persian Oil Company of a maiden dividend on the ordinary shares at the rate of 6 per cent. for the year to March 31 last. This means that the 6 per cent. participating preference shares get 2 per cent. extra, and at the same time £50,000 is placed to a reserve for the preference shareholders, and £100,000 to a general reserve fund. It may be recalled that the British Government and the Burmah Oil Company hold all the ordinary shares between them, and the distribution is equivalent to about 3 per cent. on the ordinary capital of the Burmah company. There was a good deal of adverse criticism at the time the arrangement was made by the Admiralty with the Anglo-Persian and Burmah companies, but it has been justified by the event earlier than might have been anticipated.

KUALA LUMPUR RUBBER CO., LTD.—Year to June 30. Issued capital, £210,000 in £1 shares. Estate account, £323,700. Reserve fund, £140,000.

	1915.	1916.	1917.
Nett profit.....	£64,300	£113,770	£97,150
Dividend	30 p.c.	40 p.c.	45 p.c.
Carried forward	£12,970	£32,740	£25,390
Output.....lbs.	1,286,670	1,415,500	1,683,670
Average price	2s. 3.49d.	2s. 9.83d.	2s. 7.57d.
All-in cost	1s. 0.55d.	1s. 0.64d.	1s. 2.34d.
Planted area	5,060	5,062	5,106
Yield per acre	254	280	330

Gross revenue in the past year was some £20,000 larger, but expenses increased to a similar extent, and the reserve for income-tax is doubled at £30,000, before striking nett profit. Dividends are paid tax free. About 615 acres have been planted since 1912. Output for the current year is estimated at 1,700,000, and this ought to be easily attained without any suspicion of overtapping.

BERNAM-PERAK RUBBER PLANTATIONS, LTD.—Year to June 30. Capital, £55,000 in 27,500 6 per cent. cum. and participating pref. and 27,500 ordinary shares of £1 each. Estate account, £56,930. Reserve, £4,100. Output, 280,700 lbs. (increase, 58,300); nett average price 2s. 4.33d., against 2s. 5.35d. Costs not stated. Nett profit, £12,120; dividend 10 per cent. (tax free), against 13 per cent.; £2,000 to reserve; carried forward, £9,200, subject to excess profits duty. Planted area, 1,075 acres, with 780 acres in reserve; yield, 160 lbs. per acre. Output for the current year is estimated at 300,000 lbs. The information supplied in the report is extremely scanty.

TREMELBYE (SELANGOR) RUBBER CO., LTD.—Year to June 30. Issued capital, £60,000 in £1 shares. Estate account, £19,050. Reserve fund, £42,700.

	1915.	1916.	1917.
Nett profit.....	£33,845	£49,100	£50,930
Dividend	45 p.c.	50 p.c.	55 p.c.
Carried forward.....	£3,850	£10,460	£24,340
Output.....lbs.	543,350	624,320	683,070
Average price	2s. 3.57d.	2s. 7.09d.	2s. 7.81d.
All-in cost	1s. 0.34d.	1s. 0.80d.	1s. 0.54d.
Planted area.....acres	1,637	2,047	2,047
Yield per acre	332	309	335

Excess profits duty for the years 1914-15 and 1915-16 amounted to £10,100, and the present carry-forward is subject to duty for 1916-17. During the year 320 acres were cleared for planting, and there are 500 acres in reserve. Output for the current year is estimated at 750,000 lbs.

WAY-HALIM (SUMATRA) ESTATES, LTD.—Year to March 31. Capital, £52,000 in 2s. shares, of which 517,615 are issued and 1s. 8d. paid up. Estate account, £32,510. Rubber output 68,860 lbs., nett average price 2s. 0.83d.; coffee 1,640 cwt., nett average 53s. 1d. Nett profit £3,400, against £1,160; dividend 10 per cent., against nil; carried forward £1,160, against £1,300. Estimated output for current year, 113,000 lbs. rubber and 620 cwt. coffee. Planted area, 870 acres; yield of rubber per acre, about 80 lbs.

What Balance Sheets Tell.

WEARDALE STEEL, COAL AND COKE CO., LTD.

This company did not do so well in the financial year ended September 30 last as in the preceding period, profit after providing for accrued liabilities showing a shrinkage of £47,420 at £152,630. After providing for debenture interest there remains £141,120 available. Out of this sum the preferred share holders receive a dividend of 12 per cent., and the deferred shareholders a distribution of 10½ per cent. The sum of £40,000 is then allocated to reserve as compared with £80,000 set aside for depreciation and other purposes twelve months ago. This leaves £2,580 more at £39,250 to go forward. The balance of reserve account for depreciation, amounting to £40,000, has been written off the property item, which now appears at £743,500. Investments are £98,150 more at £200,110; stock is £74,510 larger at £172,040, and creditors, including liabilities due to the Government, are £18,500 less at £151,530, but Treasury bills and cash are down £165,800 at £92,660, and debts due to the company are £13,750 smaller at £116,620. Trading assets in all, however, total about £480,400, and current liabilities and proposed disbursements £240,030, a substantial enough margin of working capital.

SADLER AND CO., LTD.

The profits of this Middlesbrough firm of manufacturing chemists and tar distillers for the financial year ended June last show a substantial reduction upon those of the previous period, but as a much smaller amount is written off in respect of depreciation, there is a larger sum available for dividend. Before striking the profit, however, estimated provision, as before, had been made for liabilities to the Government in respect of war taxation, and last year's depreciation allocation was exceptional. The profit amounts to £27,400, against 7 per cent., there remains £720 more at £4,290 to and the amount available comes out at £10,862, an increase of £2,400. After making up the dividend to 8 per cent., as against 7 per cent., there remains £720 more at £4,290 to go forward. The item sundry creditors in the balance-sheet includes provision for war taxation, and this accounts apparently to a large extent for the increase of £22,500. Cash is down £12,070 at £6,670, and sundry debtors owe £5,600 less at £53,900, but Government securities at cost appear at £38,800, and stock is £24,500 larger. Liquid assets total about £99,375, stock amounts to £68,590, and sundry creditors and proposed disbursement aggregate £111,500.

HALL'S OXFORD BREWERY, LTD.

In past years the board of this company have always pursued a very cautious dividend policy, but this year the 10 per cent. dividend is declared free of tax, so that the shareholders will be in receipt of an appreciably larger income. The company, as would be expected, has done remarkably well. For the year ended September 30 last profit went up £11,200 to £50,930, and after providing for debenture interest and devoting £500 more at £3,500 to depreciation fund there is £8,750 more at £22,660 available for the preference and ordinary shareholders. After placing £5,000 against £3,000 to reserve, the carry forward is £7,660 up at £37,250. In the balance-sheet stock-in-trade is £10,600 down at £15,510, and debtors owe £6,180 less at £17,025, but investments are £18,500 higher at £42,070, and amounts due on mortgage and to creditors are £20,470 less. Trading assets total £11,125, and creditors, mortgage, and proposed disbursements £62,040. Reserve and depreciation funds amount to £105,050 and £21,600 respectively.

J. HEY AND CO., LTD.

This Bradford brewing company did exceedingly well during the 12 months ended September 30. Profits and rentals are up £2,700 at £18,800, and although income-tax, fees, &c., absorbed £625 more, £230 was saved on interest, so that the

amount available is still £3,300 to the good at £12,160. After providing for the preference dividend, which requires £1,690, the distribution on the ordinary is raised from 8 to 12 per cent., and £1,000 more at £4,000 carried to reserve. From the previous year £1,110 more was brought in, and the carry forward is therefore left £2,400 up at £10,300. Several changes have taken place in the balance-sheet items, but they call for no particular comment. Trading assets total £31,300, and creditors, mortgage loans, and proposed disbursements £39,630. There is a reserve fund of £49,000.

KENWARD AND COURT, LTD.

In common with other brewing undertakings, this Kentish company experienced great prosperity during the twelve months ended September 30 last. Gross profits and rentals exhibit an increase of £3,140 at £22,265. Expenses and fees, including £800 more spent on repairs, are £1,900 higher, but this leaves the amount available £1,240 up at £6,280. The dividend on the ordinary shares is raised from 5 to 6 per cent., after which there remains £285 more at £1,050 to go forward. Book debts have been reduced £600 to £5,500, stock is £700 larger at £4,320, and the balance at the bank has been augmented by £1,460 at £4,310. Trade liabilities are up £2,010 at £6,300, but loan payable, which figured in last year's balance-sheet at £3,000, has been wiped out. Trading assets total £14,140, and liabilities and proposed disbursement, £10,420. The reserve fund amounts to £7,500, against a capital and debenture debt of £150,000.

COLORADO NITRATE CO., LTD.

To many people the report of this company will come as a distinct disappointment. It must be remembered, however, that the company is peculiarly situated, and occupies a far less favourable position than many other nitrate undertakings. The richer deposits were worked years ago, and for some time past operations have been chiefly carried on in the poorer grounds. Thus, notwithstanding the high level of nitrate values ruling during the year ended June 30 last, working profit fell away £10,360 to £19,340. Fortunately the company was able to make a profit of £2,860 from nitrate interned in neutral ports, and as there is no charge corresponding to the reopening expenses of last year, which took £2,580, the decrease in profit after providing for interest and income-tax is less formidable at £15,000. The sum of £5,000, as before, is written off the old property, and debenture redemption account gets £2,000 against nil, but £1,220 less at £1,280 is written off the Calchora Railway. This leaves £5,590 less available at £6,750, but as £1,550 was brought in from the previous year the board are able to repeat the dividend of 5 per cent., free of income-tax, and to carry £290 forward. A considerable expansion has taken place in the chief liquid items in the balance-sheet. Bills payable are £8,800 more at £73,840, and £11,550 more at £30,370 is owing to bankers. The increase in these credit items is explained, however, by stores and stock of nitrate, which show increases of £14,580 and £10,410 respectively. Altogether trading assets total about £75,300, stores £41,390, and current liabilities about £116,500. During the year the outstanding debentures, amounting to £7,500, were wiped off. There is no reserve fund, but larger amounts have been written off original cost of property in past years.

REALISATION AND DEBENTURE CORPORATION OF SCOTLAND, LTD.

Income-tax presses heavily on trust companies, and the growth in this item has converted quite an appreciable increase in gross revenue into a small decrease in nett. For the financial year ended August 31 last interest, dividend, and fees were £5,580 more at £86,425, and as expenses were only £580 higher, £5,000 of this increase was retained in gross revenue. Income-tax, however, takes £5,110 more at £11,620, so that the profit before providing for debenture interest is £110 down at £68,730. The ordinary dividend of 21 per cent. is repeated, and 2s. 9 3/4d. on the deferred shares, while £14,270 is allocated to reserve. A further substantial reduction has been effected in the terminal debentures, which now stand in the balance-sheet at £349,885, compared with £409,590 a year ago. Investments are down £44,400 at £1,010,580. With the latest addition, the reserve funds now amount to £225,160, an increase of £14,270, a very substantial figure when compared with the issued share capital of £162,500. The assets of the corporation include British Government securities to the amount of £287,500.

METROPOLITAN INDUSTRIAL DWELLINGS CO., LTD.

The report of this company for the financial year ended September 20 shows that rent roll was £800 larger at £39,680, but as expenses, including £460 more spent on repairs, rose £90 to £31,300, the amount available is £25 down at £8,370. As, however, £1,200 more at £15,890 was brought over from the previous year, the company is able, after providing for the preference dividend, to repeat the dividend on the ordinary at 5 per cent. and to carry £1,620 more at £17,500 forward to the next accounts. When it is borne in mind that the dependents of tenants who have gone to the war receive an allowance of 25 per cent. off their rent, it is particularly gratifying to see income so well maintained. It is evident that occupiers, on their side, have not abused the company's liberality.

UNITED ELECTRIC TRAMWAYS COMPANY OF CARACAS, LTD.

Notwithstanding the universal dislocation of business due to the war the profits of the operating company compare very favourably with last year's. The gross receipts were only £48 less, and as a saving of £160 was effected in expenses net receipts were £121 larger. After paying the mortgage interest, and setting aside a similar amount to reserve and renewal funds as in the

previous year, the whole of the balance of the profits of the year are paid away as dividend to the United Company, the carry-forward being left as before. The revenue of the United Company from dividends and interest amounts to £25,070, an increase of £207 on that of the previous year; but as income-tax absorbs a considerably larger sum, the profit available for the ordinary shares comes out £1,660 lower at £11,370, and after repeating last year's dividend of 7 per cent. there is £530 less at £1,900 to go forward. There were 4,984,206 passengers carried, an increase of 7,811, and the car mileage is 2,988 less at 1,035,866. No mention is made as to expenditure on maintenance and renewal work, but if the company has been able to get along without spending less in this respect the reduction of 0.25 per cent. in the ratio of working expenditure to receipts is distinctly encouraging.

ABRIDGED PROSPECTUS.

The List will be closed on or before Wednesday, the 28th November, 1917.

ISSUE OF £3,000,000 NEW SOUTH WALES GOVERNMENT 5 3/4 PER CENT. DEBENTURES, 1925-1935.

Convertible into 5 3/4 per Cent. Inscribed Stock at any time up to the 2nd February, 1918, without charge.

Price of Issue, £99 10s. per cent.

Six Months' Interest payable 1st July, 1918.

THE LONDON COUNTY AND WESTMINSTER BANK, LIMITED, are instructed by the Government of New South Wales to offer for subscription the above Loan.

The Treasury has been consulted under the notification of the 18th January, 1915, and raises no objection to this Issue.

The Loan is raised for Public Works and Services and for other purposes.

New South Wales Debentures and Stock domiciled in London are not, and will not be, subject to income-tax in New South Wales, or to death duties in that State.

The revenues of the State of New South Wales alone are liable in respect of this Stock and the Dividends thereon, and the Consolidated Fund of the United Kingdom and the Commissioners of his Majesty's Treasury are not directly or indirectly liable or responsible for the payment of the Stock or of the Dividends thereon, or for any matter relating thereto.—40 and 41 Vict., cap. 59, sec. 19.

Applications on the form prescribed will be received at the London County and Westminster Bank, Limited, Lothbury, and must be for multiples of £100, and be accompanied by a deposit of £5 per cent. on the nominal amount applied for.

Payment will be required as follows, viz. :—

£5	os.	per cent.	on application.
£14	10s.	"	" 6th December, 1917.
£30	os.	"	" 2nd January, 1918.
£50	os.	"	" 18th January, 1918.
£99	10s.		

Payment in full may be made on the 6th December, 1917, or on any subsequent day, under discount at the rate of 5 per cent. per annum.

Full Prospectuses and Forms of Application can be obtained at the London County and Westminster Bank, Limited, 41, Lothbury, E.C. 2; 21, Lombard Street, E.C. 3, or at any of the Branches of the Bank, and of Messrs. R. Nivison and Co., Bank Buildings, Princes Street, E.C. 2.

THIS FORM MAY BE USED.

(B5)

No. FORM OF APPLICATION FOR £3,000,000 NEW SOUTH WALES GOVERNMENT 5 3/4 PER CENT. DEBENTURES, 1925-1935.

To the London County and Westminster Bank, Limited.

GENTLEMEN.—I/we hereby apply for £..... of the New South Wales Government 5 3/4 per Cent Loan, 1925-1935, according to the Prospectus of the 23rd November, 1917, and undertake to pay £99 10s. for every £100 of Debentures, and to accept the same or any less amount that may be allotted to me/us, and to pay for the same in conformity with the terms of the said Prospectus.

I/we enclose the required deposit of £..... being £5 per cent. on the nominal amount applied for.

Name
(Mr., Mrs., or Miss.)
Address

.....November, 1917.

OCTOBER RUBBER OUTPUTS.

Company.	Current Estimate.	Last All. in Cost.	Oct., lbs.	(+) or (-) lbs.	Months.	Aggregate lbs.	(+) or (-) lbs.
Aboyne Clyde	444,374d	1/10.50	52,650	+ 15,537	4	176,857	+ 39,931
Allagar	360,000	1/1.62	28,000	- 2,600	10	284,400	+ 51,100
Alliance	163,716d	—	24,703	+ 7,227	10	144,517	+ 30,867
Alor Pongso	275,000	1/10.75	21,206	+ 2,655	10	225,146	+ 15,745
Ampat	180,000	1/1.35	20,200	+ 4,199	1	20,200	+ 4,199
Anglo-Java	2,624,000	—	*161,910	- 100	0	1,776,331	+ 42,339
Anglo-Johore	300,000	1/3.20	30,192	+ 7,255	7	180,259	+ 31,391
Anglo-Malay	1,720,000	1/11.23	160,341	+ 4,198	10	1,376,937	+ 49,772
Anglo-Sum.	910,000	1/10.3	76,368	+ 3,656	5	373,473	- 29,745
Asahan	428,791d	1/3.40	42,355	+ 3,844	3	117,489	+ 14,533
As. T. Ceylon	255,000	—	25,110	+ 5,093	4	90,340	+ 19,320
Ayer Kuning	721,457d	1/10.34	77,539	+ 1,299	10	666,310	+ 107,333
Bagan Serai.	417,000	1/11.82	33,000	- 2,939	10	331,826	+ 46,110
Bah Lias	—	1/19.46	50,297	+ 38,172	12	331,675	+ 230,135
Bajoe Kidoel.	250,086d	1/18.85	31,000	+ 11,152	7	187,000	+ 76,114
Bakap	285,000	—	18,400	+ 7,400	4	68,400	+ 37,600
Bambrakelly.	235,000	1/4.96	20,113	+ 2,350	7	131,417	+ 14,053
Bandar Sum.	395,450d	—	40,011	+ 7,76	3	117,913	+ 23,093
Bandjarasari.	259,000	1/2.48	19,980	+ 1,390	10	203,861	+ 4,631
Bandarapala.	250,000	—	31,000	+ 7,000	10	228,000	+ 7,000
Bandardawa.	308,458d	—	*26,055	+ 5,595	3	71,652	+ 17,712
Bantam	834,681d	1/1.75	87,973	+ 20,007	4	255,662	+ 49,737
Banteng	434,000	1/1.37	38,050	+ 5,380	6	206,930	+ 25,050
Batak Rabil.	378,970d	1/1.9	36,000	+ 1,811	10	144,500	+ 28,287
Batang Mal.	400,000	1/3	20,332	+ 8,96	10	250,174	+ 28,191
Batu Gaves	697,819d	1/9.13	62,355	- 298	10	660,937	+ 113,240
" Matang	185,000	—	16,917	+ 2,920	4	61,614	+ 9,637
" Rata	49,030d	1/1.50	47,000	+ 3,930	4	173,930	+ 16,100
" Tigai	—	1/10.25	65,000	- 2,000	10	620,500	+ 21,000
Be'ut'ri'no	236,000	1/5.75	17,000	- 3,500	6	99,000	- 2,500
Bekoh	540,000	—	42,919	+ 9,349	4	113,356	+ 50,536
Beranang	294,168d	1/5.9	27,130	+ 3,159	4	113,315	+ 17,268
Bernam-Pek	260,000	1/2.86	21,500	+ 1,100	10	90,400	+ 200
Bidor	419,500d	1/1.83	43,500	+ 9,700	7	286,702	+ 54,250
Bikam	420,000	—	33,300	+ 300	10	315,232	+ 10,418
Bode	273,000	1/3.22	25,325	+ 5,225	10	219,135	+ 63,511
Bradwall	480,000	1/2.58	40,595	+ 1,334	10	353,608	+ 27,718
Braunston	450,000	1/1.26	45,000	+ 10,800	1	45,000	+ 10,800
Brit Born Para	220,000	1/1	19,000	+ 4,800	6	98,830	+ 32,420
British Malay	750,000	—	74,500	+ 38,253	0	564,650	+ 346,289
Brooklands	601,310d	1/1.47	53,598	+ 13,672	4	214,212	+ 41,680
Broome	382,610d	1/4.57	34,300	+ 1,598	4	132,105	+ 411
Bruas-Perak	111,000	1/6.47	10,332	+ 5,441	8	69,750	+ 41,361
Bukit Cloh	260,000	1/10.38	22,500	+ 2,500	10	172,000	+ 26,500
" Ilok	340,000	1/1.57	27,500	+ 4,500	10	249,000	+ 4,500
" Kajang	941,280d	—	85,976	+ 5,9	4	320,237	+ 4,613
" Lintang	280,000	1/2.73	21,020	+ 4,940	4	84,520	+ 18,580
" Mert'jim	932,000	1/10.74	78,122	+ 14,466	7	474,743	+ 50,769
" Pan'ing	525,000	1/10.45	52,000	+ 2,700	10	421,900	+ 23,300
" Rajah	1,071,000	1/11.20	95,965	+ 6,106	7	531,904	+ 37,580
" Sembah	800,000	1/3.17	85,300	+ 2,700	10	633,150	+ 52,050
Carey United	322,275d	—	36,155	+ 8,959	1	36,155	+ 8,959
Castlefield	571,342d	—	57,764	+ 18,912	6	212,255	+ 28,776
Cent. Trav.	280,000	1/2.31	28,900	+ 2,060	10	169,470	+ 6,822
Ceylon Para	970,000	—	108,242	+ 23,047	10	840,700	+ 188,125
Ceylon T. & R.	—	1/4.31	22,967	+ 2,595	10	178,901	+ 1,124
Changkat-Sal.	925,000	1/10.47	100,000	+ 30,000	10	818,000	+ 180,000
Chemb Malay	440,000	1/1.37	42,258	+ 2,006	10	374,618	+ 42,683
Cheras	264,000	1/5.39	29,500	+ 9,800	10	225,800	+ 86,600
Chersonese	750,000	1/10.58	58,565	+ 2,151	10	573,305	+ 14,838
Cheviot	610,000	1/3.24	51,950	+ 11,210	10	493,000	+ 209,190
Chimpul	250,000	1/16.9	24,844	+ 2,070	4	91,459	+ 23,334
Chota	230,000d	—	20,731	+ 2,211	10	189,961	+ 16,747
Cicely	400,000	1/11.44	37,325	+ 8,185	7	234,321	+ 28,757
Cluny	265,000	1/2.54	21,266	+ 2,587	10	205,320	+ 22,089
Cons. Malay	906,550	—	93,500	+ 6,178	10	728,190	+ 76,293
Dalkeith	475,000	1/4.78	49,000	+ 12,600	10	344,500	+ 62,300
Damansara	830,000	1/11.05	75,306	+ 7,491	10	712,727	+ 75,008
Dangan	225,000	—	28,937	+ 10,7	4	105,869	+ 30,268
Dennistown.	656,000	—	47,500	+ 4,800	10	480,338	+ 6,573
Deviturai	340,000	1/11.90	32,410	+ 7,760	10	225,380	+ 29,769
Dimbula	340,700d	1/10.36	28,500	+ 3,456	10	210,338	+ 41,557
Djasinga	433,554d	1/7.39	50,000	+ 27,173	4	161,000	+ 68,572
Djember	250,000	—	29,700	+ 12,300	10	204,200	+ 70,900
Doranakande.	215,000	1/4.47	25,100	+ 7,000	10	155,000	+ 22,858
Duri Develop.	400,400d	1/7.40	81,560	+ 26,286	10	657,910	+ 158,636
Dusun Durian	827,000	1/10.71	75,610	+ 7,355	10	643,578	+ 60,377
E. Ind. & Cey.	210,000	1/1.15	20,050	+ 5,772	10	153,310	+ 20,884
Edinburgh	465,000	1/9.14	43,000	+ 2,000	10	376,550	+ 32,550
Elphil	252,000	1/5.88	19,399	+ 2,287	10	199,751	+ 53,577
Emerald	377,700d	1/2	54,500	+ 18,000	9	396,900	+ 144,700
Eow Seng	185,000	—	15,000	+ 650	10	142,900	+ 14,442
Esot	244,520d	1/2.32	19,100	+ 2,430	1	19,100	+ 2,430
Fed. Malay S.	1,845,000d	1/9.50	177,000	+ 28,000	5	830,000	+ 44,000
Fed. Selangor	370,000	1/11.68	36,160	+ 4,906	7	235,410	+ 31,416
Galaha	143,500	—	13,850	+ 1,445	10	87,361	+ 1,021
Galang Besar	450,000	—	4,400	+ 7,250	4	168,860	+ 25,710
Gan Kee	170,136d	—	16,650	+ 2,423	4	57,320	+ 863
Garing	197,683d	1/1.99	20,000	+ 5,700	1	20,000	+ 5,700
Gedong	220,000	1/1.75	27,946	+ 11,050	12	277,508	+ 93,917
Gen. Ceylon	1,012,000	1/11.27	115,400	+ 31,372	10	833,745	+ 176,268
Glen Bervie.	275,406d	—	31,389	+ 11,231	1	31,289	+ 11,231
Glendon	243,000d	—	22,869	+ 756	1	22,869	+ 756
Glenshiel	458,500	1/2.18	42,600	+ 7,948	10	407,360	+ 107,707
Golconda	594,000	1/11.36	48,094	+ 3,023	10	500,521	+ 23,091
Golden Hope	305,000	1/1.41	36,154	+ 11,238	2	28,272	+ 7,167
Grand Cent.	4,137,861d	1/10.72	471,401	+ 77,087	10	3,720,528	+ 582,576
Guia Kal'p'g.	1,370,000	1/11.2	116,000	+ 1,671	10	1,102,743	+ 161,532
Harpden	568,000	1/11.49	42,330	+ 6,700	10	431,431	+ 5,791
Hayoep	520,000	—	45,382	+ 6,091	10	418,398	+ 15,997
Heawood	275,000	1/1.5	30,636	+ 10,939	10	215,117	+ 54,851
Hewagam	646,200d	1/2.80	91,000	+ 21,500	10	502,300	+ 32,100
Hid. Streams	240,000	—	19,000	+ 2,500	10	244,329	+ 12,051
Highlands	1,353,000	1/10.01	137,935	+ 17,179	10	1,151,613	+ 78,002
Inch-Kenneth	440,000	1/3.71	43,770	+ 7,280	5	203,085	+ 26,655
Insulinde	268,000	—	*23,990	+ 9,100	10	10,740	+ 10,740
Java Amal.	315,000d	—	9,500	+ 9,200	10	519,000	+ 96,130
Java R & Prod	620,000	—	*21,700	+ 2,400	9	241,300	+ 22,967
Java Para	205,692d	1/11.20	*13,000	+ 15,879	9	305,168	+ 125,803
Jeram	300,000	—	23,310	+ 785	7	129,947	+ 18,595
Johore Para	190,362d	1/12.14	17,500	+ 900	4	67,900	+ 7,968
" Rub. Ld.	1,268,000	1/3.3	112,223	+ 15,618	10	918,830	+ 241,673
Jong Landor	659,670d	—	54,646	+ 2,150	4	215,590	+ 19,746
Jugra Estate	378,613	1/10.60	35,953	+ 5,320	7	229,062	+ 22,966
Jugra Land.	1,398,000	1/10.02	119,373	+ 13,456	6	566,720	+ 33,513
Juru Estates.	200,000	1/11.88	15,100	+ 1,850	7	101,700	+ 14,494
Kajang	263,709d	1/1.95	31,950	+ 6,050	10	318,900	+ 115,075
Kali Glagah.	250,000	—	*17,200	+ 800	6	90,900	+ 7,600
Kamp Kua't'n	360,000	1/2.07	30,000	+ 10,000	10	301,500	+ 13,000
Kamuning	810,000	1/1.49	74,080	+ 6,290	4	268,700	+ 27,800
Kapar Para	954,000	1/10.91	107,838	+ 33,708	10	85,571	+ 211,088
Karak	220,000	—	31,788	+ 11,018	10	214,002	+ 51,919
Kasintoe	400,000	1/18.56	51,000	+ 29,326	10	495,075	+ 291,823
Kawie Java	500,000	—	—	—	—	—	—
Kepitigalla	640,000	—	—	—	—	—	—
Kepony	335,000	—	—	—	—	—	—
Kerala	250,000	—	—	—	—	—	—
Khotu Tampin	202,000d	1/3.30	24,000	+ 5,090	9	164,500	+ 25,400
Killinghall	385,359d	—	29,013	+ 2,770	4	166,120	+ 4,816
Kimanis	420,000	1/9.22	40,100	+ 8,100	9	3,700	+ 100,400
Kinta Kellat.	610,000	—	5,108	+ 9,604	7	326,654	+ 47,066
Klabang	315,000	1/4.30	25,000	+ 3,193	10	250,655	+ 72,947
Klangang	595,125	1/1.02	47,450	+ 12,672	10	392,050	+ 70,137
Kombok	594,000	1/1.88	*50,000	+ 1,470	9	432,000	+ 50,690
Kuala Klang	107,448d	1/1.39	15,800	+ 2,749	1	15,800	+ 2,749
" Kuhn.	185,950	—	11,821	+ 99	4	47,499	+ 1,467
" Lumpur	1,700,000	1/2.34	159,500	+ 32,670	4	619,740	+ 82,170
" Nal	187,800d	1/2.36	27,000	+ 6,500	10	221,000	+ 62,700
" Pahi	200,000	—	23,622	+ 5,504	10</		

Taipei...	675,000	1/10.88	51,673	—	9,866	1	51,673	—	9,866
Tai Ayer ..	1,080,000	1/10.25	81,000	—	6,915	6	81,000	—	6,915
Tamias ..	777,213		80,252	+	23,658	1	80,252	+	23,658
Tangas Batu	180,000	1/3.59	13,675	—	1,625	10	140,747	—	13,972
Tangkah ..	479,293	1/1	43,000	+	7,312	1	43,000	+	7,312
Tanj. Malim.	1,400,000	1/5.50	131,670	+	32,670	4	498,960	—	147,510
Tandjong ..	338,023	1/10.59	110,708	—	7,185	4	490,203	—	31,871
Tangra ..	308,000	1/1	25,000	+	4,204	4	73,783	—	1,650
Tebra ..	885,000	1/2.65	76,921	—	31,961	4	251,199	—	119,211
Teckoy ..	250,000	1/5.12	33,743	+	5,427	3	84,746	—	7,810
Telagorejo ..	750,000		76,000	+	37,000	10	687,020	—	402,452
Tenom B'neio	650,000	1/11.98	58,000	—	1,500	10	492,600	—	24,950
Third Mile ..	280,000		19,800	—	1,556	10	148,835	—	287,343
Tremelby ..	681,000	1/10.80	57,000	—	1,100	4	201,700	—	33,000
Trolak ..	332,040	1/2	30,290	+	3,836	1	30,290	+	3,836
Ulu Rantau ..	250,000	1/1.16	26,415	—	2,959	10	233,730	—	22,587
U. Sua Betong	900,000	1/1.15	87,779	+	2,858	10	759,702	—	132,791
U. Serdang ..	3,265,819	1/10.60	268,778	—	10,504	2	526,199	—	25,399
U. Snamatra ..	967,500	1/10.73	95,620	—	16,270	10	817,500	—	150,590
U. Temiang ..	647,220	1/15.63	70,300	—	19,500	11	206,340	—	62,820
Val ..	189,833		17,815	—	964	10	144,018	—	10,453
Val d'Or ..	375,000		21,000	—	8,800	12	314,100	—	21,385
Victoria ..	250,000	1/14.49	24,000	—	10,200	4	92,200	—	43,800
Windsor ..	320,000	1/14.10	35,800	+	9,400	10	334,200	—	119,940
Woodend ..	220,000		26,914	—	8,014	10	195,585	—	60,437
Yam Seng ..	375,000		32,308	—	1,201	12	403,363	—	47,261
Yatiantota ..	490,000		51,228	+	9,849	10	396,889	—	81,351

a Last year's crop. * For September, or previous month.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Assam Bengal	Sept. 22	Rs. 1,17,011	—	50,524	Rs. 32,90,818	—
Barel ..	" 30*	19,000	—	4,000	4,64,000	—
Bengal & N.-W.	" 22	2,91,700	—	13,435	1,00,37,095	—
Bengal Nagpur	" 30	10,80,000	—	1,14,000	2,66,35,069	—
Bombay, Baroda	Nov. 10	13,74,000	—	94,300	73,05,000	—
Burma	Sept. 22	3,39,570	—	28,434	96,16,391	—
Delhi Umballa	Nov. 17	96,503	—	2,328	63,68,686	—
East Indian ..	" 17	21,84,000	—	92,360	1,57,17,000	—
Gr. Indian Penin.	" 10	21,59,200	—	2,99,240	1,09,96,200	—
Lucknow-Bareilly ..	Sept. 22	56,231	—	25,934	12,47,134	—
Madras and S.	" 30	10,75,003	—	22,371	2,79,67,385	—
Mahratta ..	" 30	1,29,393	—	13,054	34,97,209	—
Nizam's Gd. (Broad)	" 30	63,300	—	18,843	18,10,511	—
.. (Metre)	" 30	63,300	—	18,843	18,10,511	—
Rohilkund and	" 22	29,481	—	2,684	11,42,692	—
Kumaon ..	" 22	6,63,637	—	85,657	1,70,54,590	—
South Indian	" 22	6,63,637	—	85,657	1,70,54,590	—

* 15 days. † April 1. ‡ October 1.

TRAMWAY AND OMNIBUS.—HOME.

NAME.	Nov. 16	Nov. 18	Nov. 18	Nov. 18	Nov. 18
Bristol ..	11,071	1,309	505,242	39,598	
Dublin United ..	6,629	457	309,069	29,195	
Hastings and Dist.	1,060	288	57,744	9,214	
Isle of Thanet ..	195	141	350	324	
Lancashire United.	2,407	577	108,077	23,760	
Provincial ..	2,335	201	9,133	507	
Yorks. (Wst. Rdng.)	2,186	617	97,862	16,823	

* From Oct. 1. † From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Sept. 8	Sept. 15	Sept. 22	Sept. 29	Sept. 29
Alabama Power ..	105,607	17,457	1,319,161	400,553	
Anglo-Argentine ..	54,435	868	2,381,449	34,700	
Auckland Electric.	22,308	880	92,118	7,832	
Brazilian Traction	7,925,000	7,870,000	6,684,300	5,279,000	
Brisbane Elec. Inv.	33,580	820	3,74,420	2,000	
British Columbia ..	7,91,118	13,670	1,92,099	27,686	
B.A. Lacroze ..	39,057	63	149,879	1,737	
Burmah Electric ..	Rs. 28,955	Rs. 813	55,123	Rs. 3,907	
Calcutta ..	Rs. 65,637	Rs. 8,043	Rs. 298,078	Rs. 5,351	
Carthage and					
Herreras ..	2,805	266	41,210	16,071	
Cordoba Light					
P. & T. ..	12,463	850	82,805	1,588	
Hongkong ..	13,817	2,708	4,990,566	41,661	
La Plata ..	4,069	365	40,615	1,441	
Lima ..	13,700	522	54,740	1,355	
Madras Electric ..	Rs. 35,433	Rs. 3,837	Rs. 731,048	Rs. 66,142	
Manila Electric ..	65,467	1,067	54,740	70,625	
Mexico ..	215,256	108,669	3,193,106	197,227	
Rangoon ..	5,667	624	43,955	1,650	
Singapore Electric	12,384	20	490,868	13,356	
Toronto ..	463,927	2,371	4,158,807	240,666	
United of Monte V.	30,153	1,424	359,832	12,060	
Vera Cruz ..	52,200	—	7,082	—	
Winnipeg ..	63,426	24,427	570,127	308,756	

b 28 days. * From Jan. 1. † Net. a From July 1. c Two weeks.

UNITED STATES OF AMERICA.

NAME.	Oct. 21	Oct. 21	Oct. 21	Oct. 21	Oct. 21
Chesapeake & Ohio	1,110,000	110,000	43,012,000	3,086,000	
Chicago G.W. ..	274,000	45,000	13,830,000	272,000	
Colorado & South'n	7,373,000	8,000	15,007,000	1,911,000	
Denver & Rio Gran.	619,000	49,000	24,002,000	2,616,000	
Louisville & Nashv'e	7,560,000	215,000	64,175,000	9,910,000	
Minn. S.P. (Soo) ..	16,000	25,000	28,520,000	391,000	
Missouri Kansas ..	801,000	62,000	35,621,000	5,357,000	
Southern ..	2,112,000	163,000	95,509,000	11,667,000	

‡ Includes Wisconsin Central. † From Jan. 1.

COLONIAL RAILWAYS.

NAME.	Aug. *c	Aug. *c	Aug. *c	Aug. *c	Aug. *c
Belra ..	54,914	12,279	766,175	4,207	
Canadian Northern	1,039,800	214,700	16,468,000	3,314,000	
Canadian Pacific ..	3,575,000	524,000	13,076,000	1,078,000	
Gr. Trk. Main Line	213,185	699	9,334,280	831,113	
Gr. Trk. Western ..	40,355	3,123	1,724,127	51,988	
Detroit G.H. & M.	14,715	619	601,503	7,013	
Gr. Trk. Pac. Prairie	46,025	17,100	1,019,191	161,072	
Mashonaland ..	54,914	12,287	506,175	7,825	
Mid. of Westn. Aus.	6,507	42	17,546	376	
New Cape Central.	1,716	184	74,152	9,971	
Rhodesia ..	92,209	5,417	935,147	38,185	

* Months. † July 1. ‡ Jan. 1. c From Oct. 1.

FOREIGN RAILWAYS.

NAME.	Nov. 17	Nov. 17	Nov. 17	Nov. 17	Nov. 17
Aleo and Gaudia ..	Ps. 10,500	—	Ps. 2,500	Ps. 509,020	—
Antofagasta (Chili)	" 18	15,160	14,090	1,940,115	—
Arauco ..	Sept. 30	12,000	1,400	88,000	—
Argentine N.E. ..	Nov. 17	9,500	3,700	111,600	—
Bilbao R. and Canta	Oct. 1	3,911	1,426	53,861	—
Bolivar ..	" *	10,000	3,186	42,708	—
Brazil ..	Aug. *	M4,432,010	M532,287	M3,948,000	—
Brazil Gt. Southern	June *	M14,37,600	M6,810	M250,951	—
B. Ayres & Pacific	Nov. 17	95,000	13,000	1,214,000	—
Do. Central ..	Sept. 1	15,317	7,787	7,915	—
Do. Gt. South'n	Nov. 18	126,000	1,000	1,611,705	—
Do. Western ..	" 18	41,000	14,000	682,000	—
Central Argentine ..	" 17	135,400	22,600	1,494,700	—
C. Ur'g'ay of Mte V.	" 17	21,720	6,871	341,021	—
Do. East'n Ex.	" 17	5,807	888	86,759	—
Do. North'n Ex.	" 17	3,268	910	58,609	—
Do. West'n Ex.	" 17	2,207	48	37,763	—
Cordoba Central ..	" 17	41,150	12,350	550,050	—
Costa Rica ..	Oct. 6	2,928	1,589	42,800	—
Cuban Central ..	Nov. 17	11,711	4,081	236,028	—
Dorada Extension ..	Oct. 1	8,500	1,500	99,700	—
Egyptian Delta ..	" 10	9,395	2,506	119,011	—
Entre Rios ..	Nov. 17	15,400	5,100	217,700	—
French Sante Fé ..	Aug. 9	142,000	204,000	900,336	—
Gt. South. of Spain	Nov. 10	67,203	6,135	Ps391,640	—
Gr. West. of Brazil.	" 17	21,500	2,710	608,550	—
Havana Central ..	" 10	7,627	1,333	128,448	—
Inter. of C. Amer.	Oct. 17	10,889	331	227,876	—
La Guara and Car.	" 17	5,250	1,250	74,000	—
Leopoldina ..	Nov. 17	31,096	5,518	1,357,040	—
Midland Uruguay ..	Sept. 1	12,337	651	37,311	—
Mogiana ..	Aug. 9	M3,218,000	M526,674	M1459,000	—
N.W. of Uruguay ..	Sept. 1	26,000	8,512	869,500	—
Nitrate ..	Nov. 17	34,471	4,265	674,612	—
Paraguay Central ..	July 17	2,970	270	57,580	—
Paulista ..	July 17	M3,330,000	M638,609	M1508,000	—
Peruvian Corp'n ..	Oct. 1	S1,047,200	S104,630	S3,952,370	—
Salvador ..	Nov. 17	823,201	201,300	831,776	—
State of Bahia S.W.	Oct. 1	M10,000	M2,000	M9,000	—
S. Paulo (Brazilian)	Nov. 18	39,351	4,985	1,394,397	—
Sorocabana ..	Aug. *	M2,670,000	M222,813	M1295,900	—
Tatani ..	Oct. 1	31,335	8,947	92,108	—
United of Havana ..	Nov. 17	49,683	8,708	731,444	—
West'n of Havana ..	" 17	7,125	1,872	137,509	—
Zafra and Huelva ..	Oct. 1	11,796	217	113,252	—

* Months. † From Jan. 1. ‡ From July 1. c Net. d 15 days. a 10 days.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.
Atchison T. & S. Fé	Sept.	3,933,000	—	850,000	37,525,000	—
Atlantic Coast Line	"	757,000	—	132,000	8,260,000	—
Baltimore & Ohio ..	"	3,441,000	—	197,000	24,037,000	—
Canadian Northern	"	425,900	—	306,700	3,924,100	—
Canadian Pacific ..	"	3,747,000	—	1,333,300	32,322,030	—
Chesapeake & Ohio	"	1,164,000	—	218,000	10,329,000	—
Chicago & N.W. ..	"	2,634,080	—	434,000	19,483,000	—
Chicago Burl. & Q.	Aug.	3,439,000	—	674,000	24,424,000	

COMPANY MEETINGS.

ANSELL'S BREWERY, LIMITED.

STATE PURCHASE PROPOSALS.

Alderman E. Ansell presided at the annual meeting of Ansell's Brewery, Ltd., held at the Queen's Hotel, Birmingham, on the 16th instant.

In moving the adoption of the report, the Chairman said, notwithstanding the long period of depression in the brewing trade, Ansell's, Ltd., since the formation of the old company in 1889, and after the subsequent reconstruction in 1901, had been in a position each year, with the exception of 1915, to show continually increasing prosperity. The nett profit for the year was £104,212 6s. 3d., which, with the addition of £81,509 10s. 5d. brought forward from last year, produced £185,721 16s. 8d., which it was proposed to deal with in the manner set out in the report. Alderman Ansell pointed out that the assets of the company at the time of the reconstruction sixteen years ago were valued at £800,000, but at present, after making full provision for depreciation and deducting the only liability—namely, sundry trade creditors, the assets now stood at £1,302,659 6s. 8d. In the assets of the company, as they were aware, no item was included for goodwill. They had no mortgage or loan security of any kind, but the assets were all of a solid and most tangible character. Since the commencement of the war they had paid a sum of £7,954 to the dependents of 208 employees who had joined the colours. Out of that number he was sorry to say that fifteen had been killed and a number wounded. Eight of the latter had been incapacitated from following their military career, and having been discharged had been reinstated in the company's service.

STATE PURCHASE.

Referring to the question of State purchase, the Chairman said, whatever decision might be come to on this matter, it was, in his opinion, inconceivable that the trade, whether wholesale or retail, would be taken over otherwise than on a fair, equitable, and just basis. He might say, in passing, that beer was their national beverage, and so long as the man in the street could get it, he would have it, but he believed he liked fairly decent beer to start with. Recently they had not been allowed to brew up to the standard to which they were accustomed in pre-war times, but he was glad to find that the Board of Control had now seen fit to extend their permit to brew a greater quantity and that of a stronger quality. He was convinced that this action would be appreciated. They had been going through trying times, and it was only those directly connected with the brewery business who could realise the difficulties they had had to contend with in the management and conduct of the brewery.

Mr. J. A. Fairhurst seconded the adoption of the report, which was agreed to.

Mr. J. A. Fairhurst was re-elected a director of the company.

Mr. Joseph Ansell, in proposing a vote of thanks to the auditors, said, if his experience of the licensing laws and the trade during the last half-century had taught him anything, it was that in these times it was not only inconceivable, but it was absolutely unthinkable, that any statesman worthy of the name, or worthy of the reputation which he held, should venture to thrust on the country a piece of domestic legislation such as that contemplated by the acquisition of the brewing and licensed victuallers' trade. People in these days should have no other idea beyond the speedy termination of the war; they wanted all the money they could raise for the war, and they did not want to be involved in the further raising of a sum of from 400 to 600 millions, which, he believed, would be needed for the acquisition of the trade on equitable terms.

AERATED BREAD CO.

The 64th ordinary general meeting of the Aerated Bread Co., Limited, was held on Monday at the Cannon Street Hotel, Mr. George Harvey (the chairman) presiding.

The General Manager and Secretary (Mr. C. E. Davies) read the notice convening the meeting.

The Chairman, referring to the unfavourable result of the year's trading, said that it was very many years since the company found itself in the position of being obliged to announce a loss. They had had a long period of prosperity in the past, and the shareholders had received dividends which, perhaps, it would have been better to have withheld in part, and to have spent the money in improving the bakery and the property generally. Rightly or wrongly, this company had clung to one class of business, and had not "hedged its position," as it might have done, with other bulwarks, so that they felt the full force of the economic storm. When Mr. Bousfield retired from the board in March last, he repeated a proposal, previously made by him, that a lady director should be elected, and they had since appointed, as an employee director, Miss Surridge, a lady of considerable proved ability in a particular department of the company's business—namely, cookery and the preparation of food. The arrangement had worked well. Many of their products had lately much improved, and Miss Surridge had been instrumental in introducing new ideas, as well as being valuable to them in their dealings with the female staff and in studying the comfort of their lady customers. They had in view the prospect of extending this new departure. After referring to the conferences which had taken place during the year between some of the larger shareholders and the board, he said that Mr. Edwards, the former chairman, retired in August last, but it had been arranged that he should act in an advisory capacity at any time he might be called upon to do so. No attempt had been made in the report to make the position appear better than it really was. The total extra cost of certain of their foodstuffs last year, as compared with 1914, was £163,428, and it was difficult to pass the whole amount on to their customers. Letters appeared in the daily papers about extortionate "profiteering" on the part of such companies as theirs, but most of the writers took a narrow, and frequently quite incorrect, reckoning of one particular item. As to the wages question, the directors had a scheme in preparation which, although it might mean a further increase under this head, would, he believed, add to the service efficiency, in which case the takings proportionately must also increase. They proposed to issue the remaining 57,046 shares of the unissued capital of the company to the shareholders *pro rata*, and the Treasury had been asked to give their sanction to the issue. The directors were quite ready to take up their quota of the allotment. He remarked that the company possessed a good property, the business was there, and the name of the old "A.B.C." had some magical value. He had no doubt that they would surmount all their difficulties. It was proposed to adopt a progressive policy and prepare to move forward to meet the demands of present-day customers more fully than the old policy of the company recognised. In conclusion, he moved the adoption of the report and accounts.

Sir Ernest Spencer seconded the motion, which was carried unanimously.

AUCKLAND ELECTRIC TRAMWAYS CO.

The twentieth ordinary general meeting of the Auckland Electric Tramways Co., Ltd., was held on Tuesday, at the temporary offices of the company, Manchester Hotel, Aldersgate Street, Mr. C. G. Tegetmeier, the chairman, presiding.

The Secretary (Mr. C. H. Williams) read the notice convening the meeting and the auditors' report.

The Chairman, in the course of his remarks, said: The main features of the year's operations are the substantial increase in receipts and the almost equal increase in working expenses. Our traffic receipts amounted to £282,697, which is £7,914 more than in the preceding year, and is the highest amount we have yet taken. There was a corresponding increase in the number of passengers carried, which reached a total of 43,351,000, or nearly 1,000,000 more than in the preceding year. At our meeting last year I referred to the growth of our traffic receipts in spite of the adverse conditions arising out of the war. These conditions have not varied much during the past year, and it is a cause for congratulation that, while we are a long way from showing the expansion we had been accustomed to in pre-war years, yet the increase of £15,000 in our traffic receipts during the past two years has been sufficient to make up for the unavoidable increase in expenses which we have had to meet. We may, I think, anticipate with confidence that the development of traffic which we have experienced during the war period will make still greater progress when we have returned to peace conditions. In the meantime you will, I think, consider it satisfactory, having regard to the circumstances, that we are able to recommend a dividend at the same rate as we have paid for the last few years. Our business during the past year has been carried on under considerable difficulties, particularly with regard to the supply of materials and the shortage of suitable labour, and they have been intensified by the abnormally wet weather in Auckland for most of the year. During the year 34 of our employees left for military service, making a total of 121 since the beginning of the war. Their places were necessarily filled by inexperienced and untrained men. The strike of coalminers in New Zealand in April last affected our supplies of fuel to

such an extent that it was found necessary to curtail our services, but, in spite of this, the total car mileage run throughout the year showed a slight increase over the preceding year. The main increase in our expenses for the year was in the item power and running expenses, which amounted to £117,083, or £5,835 more than in the preceding year. On repairs and maintenance we spent £37,369, which is £1,674 more than in the previous 12 months, and in addition to this expenditure on revenue account we spent £19,391 in respect of various renewals and reconstructions. With regard to the balance-sheet, our share capital remains the same, but its position has been improved by the purchase and cancellation, in accordance with the trust deed, of £8,486 of our debenture stock, making the total amount redeemed £47,375, and reducing the outstanding stock to £387,725. Real estate in Auckland stands in the balance-sheet at £23,532. As I have said before, this is very much less than the present value of the properties, and in this asset we have an unseen reserve of a substantial amount. The nett result of the year's working is that after providing for all revenue charges and setting aside £25,000 for renewals and depreciation, the same amount as was set aside in the preceding year, we have a nett profit of £55,317, or £746 more than in the preceding year. We brought forward £4,600, making an available total of £59,917. The preference dividend requires £9,000, and we propose to make the same allocation of the remainder as in the preceding year—namely, £10,000 to reserve and £35,625 in payment of a dividend of 1s. 7d. per share for the year on the ordinary shares, of which an interim dividend of 7d. per share was paid in May last. This will leave £5,292 to be carried forward. The reserves which have been established and added to on this occasion, including the carry-forward, amount to £203,518, which is more than 20 per cent. of the total paid-up share and debenture capital. Considering the tenure and the terms of purchase by the local authorities—which, as you know, are based on going-concern values—I think the position will be regarded as a strong one. With regard to the current year, our expenses will certainly be largely increased. We shall have to meet much heavier taxation. The present increased scale of pay to our men was operative for only a portion of last year, and the upward tendency in the cost of all materials will undoubtedly continue. Our traffic receipts show some improvement over last year, and we can only hope that the improvement will be maintained to an extent which will enable us to meet the increased expenses without a material reduction in our profits.

Mr. C. Shireff Hilton seconded the motion, which was carried unanimously.

WESTERN TELEGRAPH CO.

The ordinary general meeting of the Western Telegraph Co., Ltd., was held on Wednesday at Electra House, Finsbury Pavement, E.C., Sir J. Wolfe Barry, K.C.B., the chairman, presiding.

The Secretary (Mr. E. S. Hodson) having read the notice calling the meeting and the auditors' report,

The Chairman, in moving the adoption of the report and accounts, said that the revenue for the year ended June 30 last showed an increase of roundly £91,000, of which £66,000 was from message receipts, and £25,000 from interest on investments. On the other hand, the shareholders would not be surprised to find that the working expenses had increased by £46,000, and income-tax and excess profits duty by £14,000. The last item they were fortunate in being able to balance by an increase, of almost similar amounts in the cost of maintenance of cables. After providing £32,747 for debenture interest and £149,226 for income-tax and excess profits duty, there remained a balance of £493,433. To this was added the sum of £38,344 brought forward from June, 1916, making a total of £531,776, which was within £3,000 of the total for the year 1915-16. The directors had transferred £150,000 in further reduction of capital expenditure in excess of the capital and debenture stock issued, £100,000 to the general reserve fund, £30,000 to the land and buildings depreciation fund, and £50,000 to the maintenance ships reserve fund. Three interim dividends of 1½ per cent. and a final dividend of 1½ per cent. and a bonus of 2 per cent. had been paid, making 8 per cent. for the year, free of income-tax, and leaving £35,432 to be carried forward. Since the beginning of April the company had inaugurated a direct telegraph line connecting San Paulo with Santos. The line was operated by the company's staff, and the results so far had been satisfactory. The President of Brazil had recently signed a decree authorising the company to carry out certain work, and also to lay a cable from North Brazil to the Island of Barbadoes. The details of the necessary contract were now being discussed with the authorities. By these new cables the public in Brazil and other countries would obtain increased telegraph facilities. Shareholders would remember that the company in the year 1897 guaranteed the principal and interest of £150,000 4 per cent. debentures in the West Coast of America Telegraph Co., and received from that company in consideration £15,000 of its fully-paid shares of the nominal value of £2 10s. each. The debentures were redeemed on the due date, namely, January 1 last, and this company had to provide £100,000 towards the redemption. In exchange they had received that amount in 6 per cent. preference shares of the West Coast Co. The Western Co. also made an offer to purchase ordinary shares from the other proprietors of the West Coast Co., with the result that a large number availed themselves of the opportunity, and this company now held about 93 per cent. of the ordinary capital.

The Deputy-Chairman (Sir John Denison Pender) seconded the resolution, which was carried unanimously.

ANGLO-EGYPTIAN BANK.

The thirty-first ordinary general meeting of the Anglo-Egyptian Bank, Limited, was held on Friday, at the bank, 27, Clement's Lane, E.C., Mr. Henry Adair Richardson (chairman of the company) presiding.

The Secretary (Mr. Geo. H. Soul) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that Egypt had continued to prosper, and the directors were able to submit record accounts. They had to go back a decade to find figures approaching the total of the balance-sheet and profit and loss accounts which were now being presented. Ten years ago Egypt was at the height of the phenomenal prosperity reached by the land boom which collapsed in 1907, leaving wreckage which it took years to clear away. To-day its prosperity stood on a much surer foundation, with a balance of trade in its favour of over 20 millions, and little or no speculation in land. Since then the deposits at the bank had grown by over 6 millions, and the balance-sheet had shown an increasingly strong position, while they had £1 of liquid assets for every £1 of demand liability. Such a position was only defensible when, as in their case, the business was largely seasonal, and the financial year ended with the season, but it was highly satisfactory for those responsible for its management. In 1907 they showed a profit of £133,000—a record until to-day, when they showed 144,000, after having provided for the heavy taxation required. This really phenomenal increase of actual profits was due to the growth of their deposits, the high value of money in London, and last, but not least, to the care and ability of the officers at all their branches. The prosperity of Egypt was due to its cotton crop and the high price realised for it. The cereal crops were perhaps less than last year in quantity, owing to the large reduction in maize, but they contributed their full share, as there had been a big advance in prices. The presence of large numbers of soldiers in Egypt had much more than made up for the suspension of the tourist seasons. Deposits had increased by 1½ millions, but the figures were even better than they appeared, because a million of what could only have been regarded as temporary money included in last year's total had been repaid and replaced by deposits which should be of a more permanent nature. Bills payable, which used to run into large figures when they had small deposits and made use of their credits, were reduced a quarter of a million, and were now really cheques and time drafts. Advances showed a gratifying increase of half a million, because it represented good outward business, which, but for shipping difficulties, would show a large expansion. They had distributed amongst the shareholders nearly £20,000 more than last year. The dividend and bonus this year was equal to 22 1-3 per cent. if tax was deducted. Expenses, to his surprise, had only increased £3,000. As regarded the current year, the cotton crop was estimated at from 6¼ to 6½ million cantars, and so far as reports showed the quality was a great improvement on recent years.

Mr. R. H. Foa seconded the resolution, which was carried unanimously.

Answers to Correspondents.

Main.—(1) We cannot learn there is anything wrong beyond the labour difficulties. The market looks a little better, and we think you might wait for some recovery. (2) They are a fair purchase, as the property appears to have prospects.

H. G. A.—The position is actually due to the war. Until we have peace again dividends cannot be resumed, but ultimately the value of the properties should much exceed the present value. If you can afford to hold on, we think you should do so.

Greenhorn.—We doubt it, and think you should get what you can for your shares.

Anglo-Indian.—The sinking fund of (1) is expected to produce a larger amount than that of (2).

M. B.—Principally because there is very little stock in the hands of the public now. We see no objection to a purchase of the lower-priced stock—it is fully as secure.

D. R. D.—They are bought to be used as remittances to the country, the present rate of exchange favouring such purchases.

F. R. S.—It is certainly risky, and we should not care to advise such a purchase.

Baltic.—(1) The company is strongly backed, and the dividend will probably be maintained on the new basis, but it cannot exceed this. There is no hurry to sell, but the price cannot rise much in these times. (2) We think you might hold on a little longer, though the profit is tempting. There is, we hear, some arrangement coming which is expected to put the price still higher.

H. M. A.—We cannot advise you to do so, although the outlook is not very reassuring. We still hope the country will pull through, but it will take a long time.

P. E. H.—It is a bearer stock. Quite good. At present it is all, or nearly all, deposited with the Treasury, who have the right to acquire it if necessary—perhaps an unlikely contingency.

A. B. Z.—Yes. Dear on present yield, but prospects thought to be good.

Treasury Chambers,

17th November, 1917.

DEFENCE OF THE REALM REGULATIONS.

TREASURY (SECURITIES) ORDER, 1917 (No. 5).

Whereas the Treasury have power under Regulations 7c, 7d, and 7e of the Defence of the Realm Regulations (inserted in those regulations by an Order in Council dated the twenty-fourth day of January nineteen hundred and seventeen) to apply Regulation 7c to certain securities and to take possession or require delivery of the securities to which the regulation is for the time being applicable subject to and in accordance with the provisions of the regulation:—

And whereas the Treasury are of opinion that for the purpose of strengthening the financial position of the country it is expedient that Regulation 7c should be applied to ordinary shares (including sub-shares and provisional certificates) of the Royal Dutch Company for the Working of Petroleum Wells in Netherlands India, which securities are in this Order referred to as "the Royal Dutch securities."

Now, therefore, in pursuance of their powers under the said regulations, and of all other powers enabling them in that behalf, the Treasury hereby order as follows:—

1. Regulation 7c is hereby applied to the Royal Dutch securities.

2.—(1) Any such securities shall be transferred to the Treasury on or before the seventeenth day of December, 1917, and for that purpose any person who is the owner of any such securities shall, on or before that date, deliver the securities to the American Dollar Securities Committee at the National Debt Office, 19, Old Jewry, London, E.C. 2.

Any such person (in this Order referred to as the transferor) shall also deliver to the Treasury any documents of title relating to the securities which may be in his possession or at his disposal.

(2) Any owner of any of the Royal Dutch securities and any person who has power to dispose of or sell any of the Royal Dutch securities, or has the custody of any of the Royal Dutch securities, or receives on his own behalf or on behalf of any other person the dividends or income of any of the Royal Dutch securities shall (if he is not the transferor) on or before the seventeenth day of December, 1917, give to the American Dollar Securities Committee full particulars of the securities and of his position in relation thereto, delivering at the same time to the Committee any documents of title relating to the securities which may be in his possession or at his disposal and comply with any directions given to him by the Committee for completing the delivery of those securities.

(3) The American Dollar Securities Committee may, if they think fit, on the application of the owner of any Royal Dutch securities which are not for the time being in the United Kingdom arrange for the transfer of the securities to Messrs. Hope and Co. at their Amsterdam Office, and the transfer in accordance with this Order of the securities to Messrs. Hope and Co. at their Amsterdam Office will in such a case for the purposes of this Order be treated by the Treasury as the transfer of the securities to the Treasury.

3.—(1) Subject to the provisions of this Order the Treasury will, within seven days after any securities are transferred under this Order, pay compensation through the American Dollar Securities Committee for the securities at the rate of £51 (fifty-one pounds sterling) per each 100 florins.

(2) The compensation money shall be paid to the transferor of the securities (whose receipt shall be a sufficient discharge) and the compensation money shall be subject to the same trusts, charges, liens, rights and equities (if any) as the securities in respect of which it is paid.

(3) The transfer of securities under this Order to the Treasury includes the transfer of the right to receive all dividends or interest payable or paid on or after the seventeenth day of November, 1917; and all coupons representing such interest or dividends shall be surrendered on the transfer of the securities; and if any coupons are not so surrendered the Treasury will deduct from the compensation money such sum as they consider just in the circumstances of each particular case.

(4) Where securities transferred under this Order are held either on loan or contango, and the loan or contango is carried over under the scheme for providing Government assistance in dealing with account to account loans on the Stock Exchange, special arrangements will be made by the Treasury for postponing the payment of compensation until the securities cease to be subject to the scheme, and for the determination of the compensation as at the time when it becomes payable, and for payment to be made in the meantime in respect of the income of the securities.

(5) Where securities are not transferred to the Treasury within the required time, the Treasury will not be bound to give the compensation for which provision is made under this Order, but may give such compensation as they think just in the circumstances; Provided that any reduction of the compensation under this provision shall not prejudice the recovery of any penalty which may have been incurred.

4.—(1) Securities are excepted from the operation of this Order if it is proved to the satisfaction of the Treasury:—

(a) that the securities come within the proviso to sub-section (1) of Regulation 7c, as set out in Part I. of the Schedule to this Order; or

(b) that the securities have, with the permission in writing of the American Dollar Securities Committee given at the time of purchase, been purchased since the twenty-fourth day of January, nineteen hundred and seventeen, by or on behalf of a person not ordinarily resident in the United Kingdom and that they remain in the beneficial ownership of such person; or

(c) that the securities are securities within the scope of paragraph (a), (b) or (c) of Part II. of the Schedule to this Order.

(2) Where the transferor of any securities claims that the securities are, by virtue of this provision, excepted from the operation of this Order, he shall, on or before the eighth day of December, 1917, give notice to the American Dollar Securities Committee, stating particulars of the grounds on which his claim is based; and if on adjudication his claim is not sustained, this Order shall take effect as respects those securities as if the seventh day after the date of adjudication (if that day is later than the seventeenth day of December, 1917) were substituted for the seventeenth day of December, 1917.

Provided that no notice shall be necessary under this sub-section in respect of any securities where notice has been given to the Custodian as to those securities under section three of the Trading with the Enemy Act, 1914, as amended by any other Act, and no penalty shall be incurred for not giving any such notice.

5. The owner of any securities to which Regulation 7c of the Defence of the Realm Regulations is for the time being applicable (including any person who has power to dispose of or sell the securities, or has the custody of, or receives on his own behalf or on behalf of any other person the dividends or income from the securities) and any person who has any interest in any such securities or is the registrar of any such securities, is under that regulation bound to take all steps and do anything which is necessary or is directed by the Treasury for the purpose of or in connection with the delivery or transfer of those securities to the Treasury; and if he acts in contravention of, or fails to comply with, that provision, he is guilty of a summary offence against those regulations.

6. The Treasury reserve to themselves the right to decline the transfer of any securities of which they have power to take possession in pursuance of this Order, and in that case no person shall be subject to a penalty for not complying with the provisions of this Order as to the transfer of the securities.

7. This Order shall, in its application to the securities which come into ownership or cease to be exempted or excepted after the date of this Order and to persons owning any such securities, be modified as follows:—

(a) In sub-sections (1) and (2) of Article 2 one month after the substituted date as hereinafter defined shall be inserted in lieu of the dates specified in those sub-sections;

(b) In sub-section (3) of Article 3 the substituted date shall be inserted in lieu of the date specified in that sub-section.

(c) In sub-section (2) of Article 4 twenty-one days after the substituted date shall be inserted in lieu of the dates first specified in that sub-section, and the dates specified in the latter part of that Article shall be altered accordingly; and

(d) The rate of compensation to be paid for any such securities shall be varied from the rate specified in Article 3 so as to allow for variations in (a) the market value as shown by the quotations on the Amsterdam Stock Exchange, and (b) the rate of exchange between the day immediately preceding the date of the Order and the day immediately preceding the substituted date.

The expression "substituted date" means, as respects any such securities, the date on which the securities come into ownership, or cease to be exempted or excepted, as the case may be.

8. This Order may be cited as the Treasury (Securities) Order, 1917 (No. 5), and the Treasury (Securities) Order, 1917 (No. 1), the Treasury (Securities) Order, 1917 (No. 2), the Treasury (Securities) Order, 1917 (No. 3), the Treasury (Securities) Order, 1917 (No. 4), the Treasury (Securities) Amendment Order, 1917, and this Order, may be cited together as the Treasury (Securities) Orders, 1917.

Given under our hands this seventeenth day of November, 1917.

J. W. Pratt.

James Parker.

Two of the Lords Commissioners of His Majesty's Treasury.

SCHEDULE.

PART I.

Proviso to sub-section (1) of Regulation 7c.

Provided that no such Order shall apply to any securities as to which the Treasury are satisfied that on the twenty-fourth day of January nineteen hundred and seventeen they were beneficially owned by a person not ordinarily resident in the United Kingdom and that they remain so owned.

PART II.

(a) Securities which are held, in any country outside the United Kingdom, by persons who are not domiciled in the United Kingdom, or by trustees who are prevented by the laws of such other country or by the terms of their trust from placing the securities at the disposal of the Treasury, and are not entitled to the benefit of any indemnity conferred by Act of Parliament in respect of the contravention of those terms, if the securities were so held before the twenty-ninth day of May, nineteen hundred and sixteen, or where such securities are under the jurisdiction of a court in such other country, and it would be contrary to the laws of such other country to place such securities at the disposal of the Treasury;

(b) Securities which are deposited with persons outside the United Kingdom as a security for a loan from persons outside the United Kingdom, if they were so deposited or made security before the twenty-ninth day of May, nineteen hundred and sixteen, or after that date with the approval of the Treasury, and if the Treasury are satisfied that the securities cannot be released without impairing the security for the loan;

(c) Securities which are proved to the Special Commissioners of Income Tax to be held by any company or persons concerned in the trade or business in any country outside the United Kingdom as a condition imposed in that country of carrying on that trade or business.

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CONTENTS.

Passing Events:—Revenue — Tank War Savings Bank — Increased Pay or Fighting Men — Government Largesse — Railways' Demands — Royal Bank of Scotland — Bank of Taiwan — United Railways of the Havana — Argentine Great Western Railway — Thos. Salt — Castner-Kellner Alkali — Cotton Trade — British Guiana — Gramophone Co. — Harrod's (Buenos Aires) — De Beers Consolidated Mines — Fanti Consolidated Mines (pp 547-51).

Leading Articles:—How to Control German Foreign Trade — Muddle-headed Advice: and Sugar — By-the-Way War Notes (pp. 552-5).

American Business Notes:—World's Food Position — Nine Months' Foreign Trade — United States Steel Corporation (p 555).

Money and Credit Notes:—Re-invest Government Dividends — Bank Return — French Defence Loan — Foreign Exchanges — Spanish Chamber of Commerce — Bahia Resumes Specie Payments — War Bond Sales — Big Bank Amalgamation Foreshadowed — Silver (pp. 557-9).

The Week's Stock Markets (pp. 559-60).

London Produce Markets (pp. 560-1).

The Week in Mines (p. 562).

Insurance News:—Atlas War Bond Scheme — Government Air Raid Policy — National Insurance (pp. 561-2).

Tea, Oil, and Rubber:—Rubber Market — Anglo-Persian Oil Co. — Spies Petroleum and North Caucasian Oil Fields (p. 562).

Mining News:—British Broken Hill Proprietary — Rhodesian Mineral Output — West African Gold Output — Gaika Gold — Abosso — Kalgurli — Selukwe Columbia (pp. 562-3).

What Balance Sheets Tell:—United Wire Works — Wright and Greig — Tecka (Argentina) Land Co. — Ilford — Trafford Park Estates — Banque de Commerce de Sibirie (p. 563).

Company Meetings:—Royal Bank of Scotland — Broomhill Collieries — Dalgety and Co. — Buenos Ayres and Pacific Railway Co. — Australian Mercantile Land and Finance — Bahia Blanca and North-Western Railway (pp 564-6).

Oilfields Production (p. 563).

Dividends Announced (p. 566).

Books Received (p. 566).

Traffic Returns (p. 567).

Answers to Correspondents (p. 567).

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CAPITAL—Paid, £3,000,000; Uncalled, £2,300,000;
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BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Sourabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

CANADA. THE DOMINION BANK.

Head Office, TORONTO.

Total Assets - - - \$97,061,000.

SIR EDMUND B. OSLER, M.P. (Canada), President.

W. D. MATTHEWS, Vice-President.

C. A. BOGERT, General Manager.

London Branch, 73, CORNHILL, E.C. 3.

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.
General Banking business transacted. Information furnished regarding Canadian matters.

ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office—38, Lombard Street, E.C. 3.

Subscribed Capital	£1,078,875 0 0
Paid-up Capital	519,437 10 0
Further Liability of Proprietors	539,437 10 0
Reserve Fund	500,000 0 0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION Manager.

HONGKONG AND SHANGHAI BANKING CORPORATION.

Capital (all paid up)	.. .. .	\$15,000,000
Sterling Reserve, held in London at exchange of 2s. per \$	£1,800,000	\$18,000,000
Silver Reserve .. .. .	.. .. .	\$18,000,000
Reserve Liability of Proprietors .. .. .	.. .. .	\$15,000,000

HEAD OFFICE—HONGKONG. Chief Manager—N. J. STABB.

BRANCHES AND AGENCIES:—Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Colombo, Foochow, Hankow, Harbin, Hongkew (Shanghai), Ipoh, Johore, Kobe (Higo), Kuala Lumpur, London, Lyons, Malacca, Manila, Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San Francisco, Shanghai, Singapore, Sourabaya, Tientsin, Tsingtao, Yokohama.

LONDON COMMITTEE:

HENRY KESWICK, Esq., M.P.

W. M. GAIR RATHBONE, Esq.

J. R. M. SMITH, Esq.

A. M. TOWNSEND, Esq.

9, GRACECHURCH STREET, LONDON, E.C. 3.

SIR CHARLES ADDIS,
H. D. C. JONES,

} Manager in London,

JOHN MACLENNAN, Sub-Manager
W. M. BLACKIE, Accountant.

BANKS.

STANDARD BANK OF SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province, to the Imperial Government in South Africa, and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL	£6,194,100
PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

BOARD OF DIRECTORS.

Wm. Reiersen Arbuthnot, Esq.	Horace Peel, Esq.
Sir David Miller Barbour, K.C.S.I., K.C.M.G.	William Smart, Esq.
Robert E. Dickinson, Esq.	Right Hon. Lord Sydenham, G.C.S.I., G.C.M.G., G.C.I.E., G.B.E.
James Fairbairn Finlay, Esq., C.S.I.	H. L. M. Tritton, Esq.

HEAD OFFICE: 10, CLEMENTS LANE, LOMBARD ST., LONDON, E.C. 4.

New York Agency 68, WALL STREET.

OVER 250 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, South-West Africa Protectorate and the Belgian Congo, and with the Bank's Agencies in New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.
DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.
BILLS NEGOTIATED and COLLECTED.
MAIL and TELEGRAPHIC REMITTANCES made.
LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.
THE BANK ISSUES CIRCULAR LETTERS OF CREDIT available in all parts of the world.
COMMERCIAL LETTERS OF CREDIT issued.
PURCHASE and SALE of Stocks and Shares effected.
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EXECUTOR and TRUSTEE BUSINESS undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.
FRANCIS SHIPTON, London Manager.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	Yen 48,000,000
Capital Paid Up	Yen 36,000,000
Reserve Fund	Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Antung-Hsien.	Harbin.	Nagasaki.	Shanghai.
Bombay.	Honolulu.	Newchang.	Singapore.
Calcutta.	Hong Kong.	New York.	Sydney.
Canchun.	Kobe.	Osaka.	Tientsin.
Dairen (Dalny).	Liaoyang.	Peking.	Tientsin.
Fengtien (Mukden).	Rio de Janeiro.	Ryojun (Port Arthur).	Tokyo.
Hankow.	Lyons.	San Francisco.	Tsingtau.
		Seattle.	

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital	£4,000,000
Paid-up Capital	1,800,000
Reserve Fund	2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle San a Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires) URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Valparaíso, Bahia, Vitória, Curitiba, Manaus (Agency). CHILI—Valparaíso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.
Letters of Credit, Drafts and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837. LIMITED. INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,980,000; together	£3,980,000
Reserve Liability of Proprietors	4,000,000
Total Capital and Reserves	£7,980,000

HEAD OFFICE - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

THE WESTERN AUSTRALIAN BANK.

Established 1841.

Paid-up Capital .. £250,000 0 0 25,000 Shares of £10 each.

Reserve Fund .. £700,000 0 0 Reserve Profits .. £16,935

Reserve Liability of Shareholders £292,000.

Drafts issued Remittances cabled, Bills negotiated or collected, Deposits received for fixed periods at rates to be ascertained on application and all banking and exchange business connected with Western Australia conducted through the London Agents, The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

BANKS.

BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital	£3,894,980
Reserve Fund	2,800,000
Reserve Liability of Proprietors	3,894,980
	£10,589,960

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.

H. L. M. TRITTON, Esq.

WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager.

J. S. CAMPBELL, Secretary.

HALKERSTONE MEIDRUM, Assistant Manager.

DAVID GEDDIE, Accountant.

The Bank has 337 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	£1,500,000
Capital Issued	1,125,000
Capital Paid Up	562,500
Reserve Fund	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS, CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

PAID-UP CAPITAL	£2,000,000
RESERVE AND UNDIVIDED PROFITS	914,908
DEPOSITS	26,177,865

Head Office: ST. ANDREW SQUARE, EDINBURGH.

Cashier and General Manager, A. K. WRIGHT. Secretary, J. B. ADSHEAD.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager.

ALEX. DICK, Deputy-Manager.

Glasgow Office: EXCHANGE SQUARE.

A. DENNISTOUN, Agent.

THOMAS LILLIE, Sub-Agent.

167 Branches throughout Scotland.
Banking Business of every description transacted. Accounts opened and Agency business undertaken for Foreign and Colonial Banks and other financial establishments. Drafts, Circular Notes, and Letters of Credit issued—available throughout the world. Cable transfers are also made. Deposits received at interest repayable at call or at notice. Correspondence invited.

THE COMMERCIAL BANK OF LONDON,

LIMITED.

Chairman—The Right Hon. SIR CHARLES HOBHOUSE, BART., P.C., M.P.

CURRENT ACCOUNTS opened, and every description of Banking business transacted. Bills discounted, and advances made to customers on approved security.

SPECIAL FACILITIES GRANTED TO COMMERCIAL AND INDUSTRIAL UNDERTAKINGS.

THE PURCHASE AND SALE OF SECURITIES undertaken, also the receipt of dividends.

COUPONS AND DRAWN BONDS negotiated.

DEPOSITS received at call, or for fixed periods, at rates which may be ascertained on application.

6, Austin Friars, London, E.C. 2.

ARTHUR H. KING, Manager.

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital	£1,000,000.	Subscribed Capital	£525,000
Paid-up Capital	£500,000		
Reserve Fund	540,000		
	£1,040,000		
Uncalled Capital	125,000		
Reserve Liability of Shareholders	625,000		
	£1,790,000		

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.
PERCY ARNOLD, Manager.

The Investors' Review.

Vol. XL.—No. 1,039.
New Series.

SATURDAY, DEC. 1, 1917.

(Registered as a Newspaper.) Price 6d.

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The Investors' Review is a Subscription Journal, and will be delivered to subscribers in London by the first post, or sent to the country and abroad by the first mail, on Saturday Morning, on the following terms:—

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Norfolk House, Norfolk Street,
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Telephone No.:
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Telegraphic Address:
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The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and they cannot accept responsibility for statements made therein.

ANSWERS TO QUERIES.

One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

Telegrams advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

Private Letters in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

Passing Events.

Many depressing thoughts crowd in upon one as the items of the weekly Treasury return are scanned. The total expenditure last week was £102,341,000, which was £6,542,000 below the previous week's; but the actual disbursements of fresh credit for "supply" were larger at £48,810,000. That compares with £46,750,000 in the previous week, and shows an average of £6,944,000 a day. Adding £783,000 paid as interest on war debt, the entire disbursements of fresh money came last week to £49,593,000, or £7,085,000 a day; so it was in the credit operations that economy was exercised, and in these it is curious to note a surely unprecedented fact—the repayments of Treasury bills fallen due exceeded the creation of new bills by £5,574,000. That is to say, £45,549,000 of supply Treasury bills was paid off and £40,475,000 new bills sold. How did the Government manage to reduce the floating debt in bills after this fashion to £1,001,559,000 when it was actually spending more money? It got no help from the current revenue from taxation and State monopolies, for that was only £8,411,000, or £2,248,000 less than the previous week's. Nor, as we have just seen, did larger sales of National War bonds supply the money. No, it had just to be borrowed in other forms, and chiefly on temporary floating loan, the total of "temporary" borrowings last week having been £23,500,000, compared with £5,000,000 paid off. Also £19,172,000 came to hand from "other war debt," none of which seems ever to be repaid, and so, with the help of £900,000 from War Savings certificates, all except £76,286 of the week's disbursements was provided for. That small amount was withdrawn from the Exchequer balances, reducing them to £20,304,000. In the same week of 1916 they were £27,637,000, so that the finance of the war has been wonderfully well managed so far as the banking and City assistance goes. More than half of last week's actual income came from excess profits duty, including munitions levy. They produced £4,319,000. Up to date the total revenue for the current fiscal year has been £341,130,000.

Does the Government expect to produce a large increase in the supply of money through the sale of National War bonds by its pageant in Trafalgar

Square? In that central position a tank has been quartered, and called the Tank War Savings Bank. Business was opened by it on Monday morning, and newspaper reporters tell us that from early morning until the light failed in the afternoon, there was a continuous procession of people eager to buy bonds and certificates handed out from the interior of the monster. An early example was set by the Prime Minister himself—supported by the Chancellor of the Exchequer, by Lady Rhondda, the Lord Mayor of London, Mr. George Robey, and other great ones. An immense poster on the Nelson column shone afar down Whitehall to attract. Wounded soldiers and a miscellaneous crowd looked to fill the Square, and was too large for this writer to penetrate. But he hopes a great business was done. Did the inaugurators, he wonders, of this new device for raising money imagine that they were going to capture by their comedy the £1,500,000,000 of "idle deposits" lying in the banks? Or on whom was the magic of the display assumed to be effective? Sanguine as we are about the more distant future; and strong as we are in the faith of a triumphant end to the war, we could not help a spasm of dread at sight of all this simulation of zeal in thrift by plutocrats and play-actors. It seemed to proclaim the Government at its wits' end for means, and in danger of losing its wits altogether in the chase after the still too elusive cash the public wastes each week in millions. None of this kind of mumming is required by intelligent and thoughtful citizens, by those who are instructed in affairs and who have been taught to understand the responsibilities lying upon them, and we are equally sure that such displays will hardly stir an impulse of any kind in the minds of the millions and millions of recipients of credit-generated Government money, who are now squandering their wealth in all manner of ways of no use to the nation and often hurtful to themselves. But we shall say nothing in discouragement of this or any effort. By all means let Sir Robert Kindersley and his committee, with their army of helpers, voluntary and other, throughout Great Britain, go ahead and by every device they can fall upon press the people to come along with the cash. The money is wanted, and one day, if this campaign is not sufficiently productive of it, perforce other methods will have to be fallen back upon. For if all the gold, all realisable wealth in the Empire has to be commandeered, the war must be completely and finally won.

Nobody can object to the decision come to by the Government to raise the pay of our fighting men, for that should have been done long ago. Mr. Bonar Law, in answer to questions put to him by various M.P.'s, announced on Monday evening that as from September 29 last for the Army and October 1 last for the Navy, the pay of Army privates will be increased to a clear 1s. 6d. a day, and that of the sailors by from 2d. to 6d. a day, according to rating, and that this will mean an addition of about £65,000,000 to the cost of the fighting forces in the present year, and about £69,000,000 next year. Earlier promises of increase were made which had added only £50,000,000 to £54,000,000 to the Army burdens, so that the additional concessions now made do not so materially increase the load upon our backs, but it is onerous enough. We have one consolation, the heavier the burden, the sooner must it be thrown off. To look forward to the maintenance of a great fighting organisation after the present war has died to a close, and in addition to take into account the enormous mass of our debt obligations to be shouldered, would be to cause despair to get the mastery. If, however, we regard the new burden imposed for the comfort of our soldiers and sailors as merely a war-time burden, we can brace ourselves to endure, resolved that when there is no further necessity for the maintenance of such machines of destruction and slaughter, they shall be laid aside. The more severe the pressure now the more thorough should be the eradication of militarism and its ideals after the war.

It is not merely in regard to soldiers' pay that the Government is full of an imperative prodigality; it is as magnificent in its largesse in all directions. A week ago, for instance, an additional grant was bestowed on the women contributors under the National Health Insurance scheme. Sir Edwin Cornwall explained it all to the House of Commons on the 23rd ult., telling us that from 1912 to 1916 £99,000,000 was the total income of this insurance, and that of this total £82,000,000 came from the contributors, the remaining £17,000,000 being drawn from the Exchequer. Last year employers and employed contributed £18,500,000, and the State £5,000,000, a total of £23,500,000. Sickness and disablement benefit and medical service took £10,800,000, another £1,250,000 went in maternity benefits, and a smaller sum of £750,000 to sanatorium benefits, while working expenses required £2,250,000, a balance of £8,500,000 being left to invest. Under pressure from outside the Government has now agreed to an additional grant of £250,000 per annum to the women from the Exchequer. It looks small, but "many littles make a mickle," as the oft-misquoted Scotch proverb has it. Far more important, however, at least to us, was the announcement made by Mr. Churchill on Wednesday afternoon, because it illustrates the almost cringing subserviency of the present administration towards labour. In a matter of fact fashion, just as if it were a mere detail in house-keeping expenses, Mr. Churchill reminded the House that time-workers in munition factories have got an advance of 12½ per cent. in their pay, to which bonus another 600,000 men are now to be admitted, and that this concession means an ultimate £14,000,000 added to the war expenses. "Skilled labour" is a term which now embraces a very wide range of workers—really skilled, semi-skilled, and the workers whose aptitude is confined to the monotonous repetition of a single mechanical act. Under the decision the skilled engineers and smelters and shipyard workers, numbering approximately 300,000 men, first obtained an advance costing the Exchequer £6,500,000, and the additional 600,000 miscellaneous jumble of semi-skilled men now take the other £7,500,000 to make up the aforesaid £14,000,000. Women classed as skilled workers are agitating to obtain the same concession, and from all we can hear they will probably succeed. After-war problems are going to be tremendous in their magnitude and complexity, thanks to this readiness of the Government to endow regardless of consequences or equity.

Surely the men are unwise in pressing such heavy fresh demands upon the Government-controlled railway companies, for it is the Government that will have to find the money, that is to say, the citizens at large, including these railway servants themselves. The National Union of Railwaymen has demanded an advance of 10s. a week on their present wages, and the companies offered 5s., an offer which has been compromised at 6s. The men evidently think that they have the whip hand, and our experience is that the attitude of labour everywhere is based upon that assumption, an assumption only too uniformly supported by Government action. It is a very short-sighted view, nevertheless, although the men may not discover it to be so until too late. The pressure of excessive demands by workmen awakens always efforts to escape from their tyranny, and in many directions, apart from the railways, these efforts have already fallen upon mechanical inventions which have brought a measure of relief.

Economically, moreover, these repeated demands of railwaymen are unsound. We say repeated because in February, 1915, those of the staffs earning less than 20s. a week got a rise of 3s., and men earning 30s. a week or more, one of 2s. In October, 1915, the February bonus was increased to a uniform 5s. a week, and this was declared to be a final demand, but in September the following year the 5s. bonus was doubled, and in April of the present year another 5s. a week was granted. If, therefore, the men now succeed in obtaining an additional 10s., they will have added 25s. a week all round to their wages, and £16,000,000 a year, it is estimated, to the cost of working the railways. But what is the effect of this class rapaciousness upon the community? The railways are forced to restrict facilities, and to increase their fares and goods charges in order to try and save their finances from tumbling into inextricable confusion. In consequence, food, raw materials of all kinds, manufactured products, everything demanded by our civilisation, grow dearer, and, as the previous advances might have shown the men, each step in their success lands them before long, as poor as ever, in the same difficulty they were called on to face before it was taken. And at the end of the lane the men are confronted with the danger of reduced employment after the war, or risk lack of work altogether, for if they oppress business now by rendering the movement of commodities and passengers more costly, that will mean reduced output and less work when peace withdraws the present enormous war traffic from the lines.

And from another point of view arrogant labour runs grave danger sooner or later of being reduced to subservience by the adoption of mechanical aids in the handling of goods. Intelligent railway workmen should read those articles by Mr. J. Owen that have been appearing in the *Westminster Gazette* descriptive of Mr. A. W. Gattie's wonderful inventions for reducing the labour of handling goods in a central clearing house. So far railway directors, after their manner, have resisted any attempt to put Mr. Gattie's system into action, but the public will force the hands of boards, or of the Government, all the sooner should the men continue to pile demand upon the top of demand, and the managements will be driven in self-preservation and in fear of their shareholders to strain every nerve to deliver the industry from the tyranny of the workmen.

Many shareholders in the Royal Bank of Scotland may be disposed to think that it did less well last year than the year before. Its accounts are made up to October 13 this year—to the second Saturday in October that is—and the nett profit brought out shows a reduction on the previous year of £34,438 at £303,081, but the gross profits, amounting to £544,244, were only £14,304 down, and that total is arrived at after deducting rebate income-tax and the allowance for bad and doubtful debts. Working expenses, on the

other hand, were £20,135 up at £240,262, but in this figure is included £8,606 paid as bonus to the staff in December last. A year ago, moreover, £174,420 was taken from the profits to write down investments. Looking at the difficulties bankers have had to encounter in the conduct of their business during the year, this result looks fully satisfactory. The dividend is maintained at 10 per cent. for the year, less income-tax, and absorbs £150,000, the second half of which will be paid at Christmas. A year ago £157,500 was required to pay this dividend, and that in turn was £15,375 less than the amount absorbed in the preceding year, whereas for the year now dealt with the deduction is only £7,500. This means that income-tax, although now absorbing more of the profits, has not been severely increased during the year. This year £10,000 has been written off bank buildings and real estate owned, or £3,500 more, while £30,000 has been carried to the pension fund reserve, which did not get anything for 1916. The balance then left to carry to the reserve or "rest" is £113,982, increasing it to £914,968. And all depreciation on the bank's securities has this time been in addition provided for out of current revenue. The balance-sheet shows progress, the increase in the deposit liabilities, for instance, being £4,211,154, making them £26,177,865. There is also an increase of £499,168 in the note circulation, raising it to £2,590,251. Other smaller items, including drafts outstanding and acceptances and endorsements, a cross entry of £335,034, down £235,299, and drafts outstanding, up £248,148 to £771,042, bring up the total increase in the bank's liabilities towards the public to £29,874,192, an increase of £4,753,171. Few changes have taken place in the fixed assets and cash, but cash of the mixed kind the fashion with Scotch banks is £833,315 larger at £3,930,482, floating money in the London market, cheques, &c., form an item £301,126 larger at £4,184,063, and the holdings in British Government securities are £108,302 higher at £5,950,989, but there are decreases in the holdings of Indian and Colonial Government securities, British Railway debenture and Corporation stocks, &c., and in Foreign Government and Indian Railway stocks, &c., the one group being £180,259 down at £600,657, and the other £147,592 smaller at £453,473, so that the total of cash, floating market money, and investments is only £914,892 larger at £15,119,665. Bills discounted, including £8,090,000 of British Treasury bills, show an increase of £2,734,593 at £9,921,963. Advances are also £1,627,045 larger at £5,907,291, the other changes being all downward, but all insignificant except the cross entry, acceptances, &c., already noted, and the loans on stocks and securities which, at £968,949, are lower by £195,176. Altogether the balance-sheet shows an increase of £4,867,153, and now totals £32,864,160.

A further large expansion in business is shown in the report of the Bank of Taiwan, Ltd., for the half-year to June 30. The balance-sheet now totals at 306,300,000 yen, an increase of 126,000,000 yen as compared with a year ago, and nearly every item reflects greatly increased activity. Note circulation has expanded 9,000,000 yen to 26,840,000 yen, deposits and current accounts have risen 60,000,000 yen to 145,010,000 yen, and bills payable, &c., are 57,000,000 yen up at 107,910,000 yen. Cash in hand has fallen 1,200,000 yen to 8,770,000 yen, and at bankers 770,000 yen to 4,230,000 yen, but bills and advances have increased no less than 120,000,000 yen to 252,915,000 yen. Investments are 6,000,000 yen higher at 16,312,000 yen, and foreign money and bullion 9,000,000 yen at 13,425,000 yen. Capital unpaid has been reduced by 5,000,000 yen to 2,520,000 yen. Nett profit for the half-year was 304,000 yen larger at 1,180,700 yen, and the reserve fund gets an additional 100,000 yen at 300,000 yen. The dividend is maintained at 10 per cent. per annum, but it is paid on a larger amount, and requires 143,000 yen more, leaving 326,300 yen to be carried forward, an increase of 64,000 yen. Mr. T. Sakurai, the president of the bank, in

his speech at the thirty-sixth meeting, held in Tokyo on September 1, stated that economic conditions in Japan showed continued prosperity in exports in spite of complications caused by the entry of the United States into the great war, by the Russian revolution, and by the more stringent restrictions on foreign trade among the belligerents. As a result the ever-increasing influx of specie has brought activity to industrial enterprises, and the Stock Markets as well, investment being encouraged to a great extent both in domestic and foreign securities. Foreign trade in Formosa for the first half of the year amounted to 134,700,000 yen, an increase of 26,600,000 yen, but trade with China has been depressed by frequent political disturbances. The bank has opened new offices at Semarang in Java, in Yokohama, and in New York, and the business appears to be soundly progressive at all points.

Although the United Railways of the Havana and Regla Warehouses, Limited, has not quite repeated the magnificent spurt made in 1915-16, the year to June 30 last proved a highly prosperous one. Gross receipts amounted to £2,287,730, an increase of £197,000, while expenses rose £174,000 to £1,303,530. Consequently nett revenue comes out at £984,200, an increase of £23,000, which follows a gain of £163,000 last year. Miscellaneous receipts and minor adjustments bring out a balance of £1,004,770, or £34,000 more, but taxes, including excess profits duty for 1915-16, require £207,000 more at £268,000, and, after meeting fixed charges, the balance available is £220,000 less at £403,940. The dividend of 5 per cent. for the year is repeated, £150,000, or £50,000 more, is transferred to renewals reserve, and insurance fund gets double at £10,000, but nothing is placed to general reserve, as against £300,000 last time. The balance forward is £23,000 larger at £37,840. Passenger traffic gave an increase of £72,000, or 14 per cent., which is satisfactory, when it is recalled that for a time traffic was entirely suspended owing to the revolution. Goods traffic yielded an increase of £94,700, or 7.65 per cent. The company carried 968,000 tons of sugar, being 32.93 per cent. of the total production of the island, but in 1915-16 it carried 988,000 tons, or 33.43 per cent. of the total production. Of cane the total amount handled was 5,660,000 tons, an increase of 850,000 tons over the previous year. As regards expenses, £38,000 was saved on maintenance, but locomotive running cost £90,000 more, traffic expenses advanced £77,000, and miscellaneous expenses £42,000. As is the experience elsewhere, higher wages had to be paid, and, even so, the labour force was insufficient owing to the competition of sugar mills and other industries, which are able to be more generous in these flourishing times. However, the company is doing extremely well, and the prospects appear to be very encouraging.

Interest in the results of the Argentine Great Western Railway Co., Ltd., is diminished by the fact that the line is leased to the Buenos Ayres and Pacific on a basis which does not allow for much fluctuation once the latter concern has announced its distributions.

*Eat less
Bread*

In respect of the year to June 30 the Great Western received £90,400, or £70,000 less than a year ago, and this only allows of a dividend of £1 15s. 1d. per cent. (the odd penny might very well have been dropped), as against 5 per cent. last year. This looks rather unsatisfactory, especially as the gross receipts of the line were £26,000 higher at £998,400, but on the average it is likely that the Great Western will gain more than it loses by the pooling arrangement made with the B.A. and Pacific Co. Passenger traffic showed an increase in numbers, but a small decline in receipts and goods gave a very satisfactory gain both in tonnage and revenue, the latter being £21,000 higher at £711,000. Cereals showed a rather serious falling off, but the company's great mainstay is its wine traffic, which was wonderfully well maintained—indeed, it produced 3,000 metric tons more than last year, while freight receipts from this source were £5,000 up at £375,770. Livestock traffic produced better returns, and some of the miscellaneous revenue also showed to advantage, but there is no particular point about which it is necessary to go into minute details.

In these days of brewing trade prosperity one expects to see, in the vast majority of cases, good reports. But we must say we were scarcely prepared for the astonishing recovery revealed by the report and accounts of Thomas Salt and Co., the Burton-on-Trent brewing firm. Profits have gone up £39,600 to £98,130, and after writing off £3,000 more in respect of depreciation and providing for debenture interest, there is £33,050 more available at £49,980. The preference and preferred ordinary stocks get their dividends against nothing a year ago, and the deferred stockholders receive 4 per cent. These are the first dividends that have been paid upon the share capital since the reconstruction in 1908. After providing for these distributions there remains the large surplus of £37,670, which added to the amount brought in leaves £56,620 to go forward. This improvement is naturally reflected in the balance-sheet. Cash is up £32,000 to £78,800, and creditors are down £65,000. Stock of beer is £33,620 lower, and the liquid position exhibits a material improvement. The sinking fund now totals £45,000, and mortgages have been reduced £13,000 to £56,000.

Castner-Kellner Alkali Co.'s report for the financial year ended September 30 last has doubtless occasioned a certain amount of disappointment. For the company has only earned a slightly larger profit than in the previous year, and reduces its dividend from 22 to 20 per cent. In May last, it will be recollected, the company issued £256,000 shares in exchange for £200,000 of Brunner, Mond shares acquired by reason of the arrangement entered into between the two undertakings, and the reduced dividend now announced takes a larger sum than in the previous period. Still, shareholders four years ago received a 50 per cent. bonus, and cannot be said to have come out so badly. Profit, less excess profits duty, amounts to £263,320, an increase of £1,100, and after providing for debenture interest there is £255,670 available. The dividend absorbs £200,000, and after again setting aside £50,000 to depreciation reserve there remains a surplus of £5,670. From the previous year £23,000 more was brought in, so that the amount to go forward is £5,570 up at £45,070. A considerable expansion has taken place in most of the balance-sheet items. Land, buildings, plant, &c., are £114,300 up at £1,341,600. Other investments and stocks show increases of £72,650 and £26,000 respectively, and creditors have gone up £200,000 to £443,100. What the item other investments, £559,000, consists of it is impossible to tell, but unless a very substantial proportion of it is liquid the company does not appear to be over-burdened with working capital. The depreciation reserve will now amount to £537,500, apart from the general reserve of £79,360.

Many cotton spinners and manufacturers seem to be enjoying substantial prosperity at the moment. Working costs, of course, rule at a very high level, but demand has greatly overtaken supplies, and orders have, it is understood, been booked at a very fine profit indeed. Although, on the whole, the trade is in a more prosperous condition than has been the case for many years past, the immediate outlook seems to be very uncertain. If the freight space for December is not sufficiently increased, it is feared that a further considerable amount of work will have to be stopped early next year in addition to the stoppage of 40 per cent. of the machinery, which became effective as from November 24. Discussions are now taking place in connection with some curtailment of the output in weaving, and it seems not unlikely that only 65 per cent. of the looms may be compelled to run. The labour position is far from satisfactory. Workpeople are pressing for increases in nearly all branches, and in the weaving section the workpeople are asking for an increase of as much as 30 per cent. During the last week or so there has been a heavier demand for cotton shares than for some time past, but investors would, we think, be well advised to tread warily.

A great deal of useful information is always contained in the official report on British Guiana, and the report for 1916 makes interesting reading. The area under rice amounted to 57,000 acres, yielding 72,000 tons of paddy against 36,000 tons of rice the year before. There are large tracts of land in the colony eminently suitable for the cultivation of the staple, and larger areas are being devoted to its cultivation year by year. The sugar crop of the colony was somewhat below the average, but the export of coffee during the period amounted to 4,474 cwts. as against 1,538 cwts. in 1915. Most of the coconuts are used locally for the manufacture of oil, of which 18,000 gallons was exported. Under proper cultivation and drainage it is said the yearly crop will be largely increased in the near future. The livestock industry is beginning to attain to dimensions of importance. It is conservatively estimated that there are 100,500 head of cattle in the colony—22,800 sheep, 22,800 goats, and 12,500 swine. Of the cattle, 620 head were exported during the year, a small number, it is true, but a beginning. There are large areas of land suitable for cattle-raising, and it is to be hoped that this field of effort will receive increasing attention. During the year the output of diamonds amounted to 16,408 carats of an estimated value of £34,184. The average came out at 5.72 stones to the carat, an improvement in size on the stones won in previous years. In gold the output was disappointing, the amount won being less than half that of average years. This falling off, it is stated, is attributable to the fact that the high cost of provisions precluded many miners from seeking the precious metal. The returns for dredging were higher than for many years past.

In normal times the Gramophone Company does a large foreign business, and the outbreak of war hit it a severe blow. The management, however, at once put forth every effort to employ the capital, factories, and resources of the undertaking on the manufacture of munitions of war. Large contracts were secured, but the first year of war was largely occupied in preparatory work, and it was not until after the close of the financial period ended June, 1915, that the company began to derive any material benefit from the pursuit of this line of endeavour. The result was that the profit, which in the last year before the war amounted to some £105,000, was insufficient to meet the debenture service, which had to be provided for out of the amount brought in from the previous year. From June, 1915, onwards, however, a great improvement set in, and in November, 1916, the company was able to declare a dividend of 10 per cent. on the ordinary shares. Now the accounts for the two years ended June 30 last, which have been delayed owing to difficulties in settling questions relating to munitions levy and excess profits duty, are to hand,

and show an extraordinary recovery in the position of the undertaking. True the profit for 1916-17 is somewhat below that of the previous year, but this is probably not unconnected with excess profits duty and munition levy adjustments, these imposts having been provided for before striking the balance of profit. For the year ended June 30 last profit amounted to £168,300, and for the previous period £181,100, a total profit for the two years of £349,400. Income-tax calls for £42,500, and depreciation of investments for £5,570, and after providing for debenture interest and sinking fund instalment, which require £30,000 and £15,600 respectively, there is £250,500 available. Three years' preference dividend then takes £12,350, and the 10 per cent. on the ordinary paid in 1916 £41,250. After allocating £132,620 to war contingency fund as a provision against loss of assets in foreign countries and writing £6,000 off debenture issue expenses, eliminating that item from the balance-sheet, there remains, including £14,300 brought in, a balance of £72,500, out of which the directors recommend the payment of a dividend of 10 per cent. These results are distinctly satisfactory, and it is also encouraging to note that notwithstanding the Government contracts the trade in gramophone goods has been well maintained, the actual sales in the past two years having been in excess of the average of previous years. The increased cost of material and labour has, however, diminished the margin of profit. In the balance-sheet the reserve of £482,800 in respect of patents, goodwill, &c., has been written off against that item in the balance-sheet, which now appears at the nominal figure of £1. The war contingency fund amounts to £175,000, while there is the credit profit and loss balance of 1912 amounting to £267,600. Stock-in-trade has gone up £416,000 to £746,700, and sundry debtors and bills receivable are up £292,250 higher at £737,760. On the other hand, creditors on open accounts and advances in respect of contracts have risen by £440,000 to £864,000. Altogether liquid assets, apart from stock, exceed current liabilities by about £325,000. After deducting liabilities and debenture stock there remains a surplus of nett tangible assets of £1,148,540, against a share capital of £600,000, a good enough margin apparently for any likely depreciation of investments.

In spite of the very unfavourable conditions which have consistently prevailed since the incorporation of the business of Harrod's (Buenos Aires), Ltd., the trading for the year to August 31 shows a substantial increase upon that of the previous year, the nett profit of £83,614 being £30,000 more than in the preceding period, although no dividend has been received on the company's investment in Sociedad Anonima Thompson Muebles. These figures, however, will not bring much comfort to shareholders, as practically the whole amount is utilised to begin the liquidation of the promotion expenses, the business having been acquired on very onerous terms. Of the past year's profit £50,000 is written off underwriting and £29,589 off the preliminary expenses, leaving £6,326 to carry forward against £2,300 brought in. There is still £155,000 to be cleared off before promotion expenses disappear from the balance-sheet as an asset, and dividends accrued to date on the £600,000 preference shares amount to £134,063, while there is still a loan from the company's bankers of £50,000. Two years ago there was a debit balance of £51,300 as the result of the first 17 months' trading, so that the expansion of the business has been rapid.

Despite the war, the De Beers Consolidated Mines made a very substantial recovery in the year ended June 30. Revenue from diamonds amounted to £4,629,772 (against £2,652,562), though the actual sales amounted to £4,606,751, the difference between these figures representing the increase in stocks taken at cost of production. The actual sales were more than double those of the preceding year, when the total was £2,142,092. The profit rose from £1,037,320 to £2,971,587. This enabled the company to pay off all

arrears of dividend on the preference shares, and in addition a dividend—the first since the outbreak of war—of 20s. per share on the deferred shares. The total revenue was £4,875,665, and the total expenditure £1,904,078. After payment of the dividends, £1,850,861, against £1,277,574, is carried forward. A steady, though limited, demand for diamonds continued throughout the year, according to the directors, and the fact that there was such a big increase in the financial results is probably attributable to the acquisition of a controlling interest of the Premier (Transvaal) Co. in January last. This acquisition enabled prices to be substantially increased, for it practically completed the monopoly of the De Beers Co. The Cape Explosives Works, owned by the company, continued its operations during the year very successfully, producing 437,158 cases as against 386,741 cases for the previous year. Prospects for the diamond industry this year must be regarded as much poorer than they were last year, owing to the entry into the war of the United States, from which the demand for diamonds since the war has mainly come.

The directors of the Fanti Consolidated Mines have decided to reduce the capital, a step which has been long overdue. After writing off 2s. 6d. per share on account of 300,000 Prestea shares and crediting the profit and loss account with £8,677, the amount written off properties in 1914 and 1915, now reinstated, there is shown in the accounts for 1916 a loss of £894. Deducting this amount from the credit balance brought in there remains £5,232 to be carried forward. Notwithstanding the amounts written off shares and interests there is a depreciation of £129,176 in the value of some of the share holdings, rendering the payment of dividends impossible. It is therefore proposed to reduce the capital from £750,000 divided into 10s. shares to £600,000 divided into 8s. shares by writing off 2s. per share. With the reduced capital it is hoped to distribute dividends out of profits as earned. The valuation of stocks and shares held on October 31 was £377,987, which stood on the books at that date at £507,163. With regard to the manganese deposits, owned by the Wassaw Exploring Syndicate, from which considerable profits are supposed to have been earned recently, it appears that shipments began in September, 1916, and up to November 7 last 24,305 tons had been shipped and sold. From a smaller deposit 4,160 tons have been shipped. The former is estimated to contain 500,000 tons of good ore, and the latter 100,000 tons.

Viscount Goschen having resigned the chairmanship of the London County and Westminster Bank, owing to the pressure of important public business at the Board of Agriculture, the board have elected Mr. Walter Leaf chairman, and Sir Montagu Turner deputy-chairman, for the year 1918.

LLOYDS BANK LIMITED.

HEAD OFFICE : 71, LOMBARD STREET, E.C. 3.

CAPITAL SUBSCRIBED	- £31,304,200
CAPITAL PAID UP	- 5,008,672
RESERVE FUND	- 3,600,000
DEPOSITS, &c. (Oct., 1917)	159,041,262
ADVANCES, &c. do.	62,433,784

FRENCH AUXILIARY:
LLOYDS BANK (FRANCE) AND
NATIONAL PROVINCIAL BANK (FRANCE) LTD.

How to Control German Foreign Trade.

This journal has been for Free Trade always. And to-day it is more "Free Trade" than ever because the age of protection by tariff is gone, or about to go, for good and all. Mr. Gerard sees that as clearly as we do, although he has been born and brought up in perhaps the hardest school of protectionism in the world. In his remarkable book, "My Four Years in Germany," he says: "The nations and business men of the world after the war will have to face a new condition, which we may call socialised buying and selling," and he instances the effort of Germany to centralise the control of its foreign trade by help of a controlling board. The German idea is that this one board will be able to "force sellers abroad to compete against each other in their eagerness to sell," and that, by holding off, it will be easy to beat prices down. Here we see the natural working of the German mind—ever intent on dominance, coercion—but the conception of unity is good and capable of being turned to high purposes by the Allies when their time arrives. "Free Trade" and "Protection" have in truth become antiquated shibboleths, and the advocate of "international Free Trade" is, consciously or unconsciously, at the present juncture essentially a traitor, not merely to his country but to mankind. The unconsciously disloyal among such are still enamoured by German *kultur*, still deceived by German sentimentality—the sentimentality which for the most part places the woman in the same relation to the man as that of the sow to the boar, and which yet weeps over the illness or death of a favourite horse or dog—and goes on repeating, "we must treat the Germans as repentant brothers when the war ends," must welcome, that is, the German brutes within President Wilson's "League of Nations," and help them to heal their wounds, poor fellows. To this type of being the sufferings of the countries invaded are as nothing, the untiring, cunning of German efforts to undermine and supplant, the unscrupulousness of German deceptions and subornings are mere evidences of the surpassing cleverness of the race, and the ruthlessness with which the tyrants of Prussia sacrifice the lives of the grovelling serfs they oppress is but proof of super-mannish courage. So the Germans would be welcomed as brothers by such people when they have laid down their arms, and be admitted to all the privileges of unshackled trade.

Things cannot be shaped quite in this blubbering-brother style after the war. Instead we shall have in sheer necessity to establish some kind of "socialistic buying and selling," as Mr. Gerard says, in order to protect and sustain our peace and to compel the Germans to make reparation and restitution. And as a preliminary, or foundation, for the new social order the losses and burdens of the war are forcing us to institute, the Allies must form themselves into, not exactly a "League" of Peace—league smacks of the warlike; nor a "brotherhood" of nations, for that looks lachrymose, sentimental—but into a *fellowship* of nations, firmly rooted in mutual goodwill and mutual helpfulness. In this union all participants will be proportionately equal in rights. "Tariffs for revenue" will be out of place, and tariffs for protective ends impossible. The fever of individual fortune hunting must give place to a public spirit, and the governing motive in trade and industry must be the common good, not personal aggrandisement. Again and again this conception of the future has been alluded to and sketched out in these columns, and we are glad to see that Mr. Walter Runciman and others are at last beginning to talk about it. It is not Socialism as many suppose, for Socialism is an uninviting form of selfishness; it is fellowship.

Assume this fellowship of nations to be in practical operation—it is an immense assumption—and where will Germany come in? The answer must be, "Nowhere until she has made restitution and reparation." That is an ultimatum from whose peremptoriness there must be no departure. "Would you, then, establish Free Trade among all the Allies and erect a tariff

against the two criminal Empires?" Nothing so foolish or suicidal. A tariff against German goods would hurt the Allies infinitely more than it could serve them or hurt the Germans. The true way is indicated in the quotation from Mr. Gerard's book with which this essay began, and long before that book appeared has been again and again insisted upon in THE INVESTORS' REVIEW. Germany must be dismembered and shut in on herself, dismembered in the sense of freeing her races and component States and territories from the scourge of Prussian brutality; shut in, above all, by being forbidden to trade with any outside country except through the central controlling board of the Allies established for the purpose. That method of solving the problem may be found mentioned again and again in THE INVESTORS' REVIEW, and first in articles gathered together under the title "No Deluding Peace," and published within the first year of the war; but it was then suggested mainly with reference to the exaction of a general war indemnity levied over and above the actual cost of reparation and restitution. Now we fear an indemnity in the Prussian signification of the word will prove impossible of exaction. The two Empires are up to their eyes in debt and destitute, probably far more destitute than even their masters yet have an idea of. The depth of their misery will only be brought to their full cognisance when the fighting is over and only the famine remains.

But every day that the obstinacy of the Prussian-trained barbarism prolongs the murder and waste makes the after-war policy of the Allies more easy of application. And what should that policy be?

As originally sketched out according to our ideas, it embraced the confiscation of the estates, all the possessions, of the two King-Emperors, their nobles and *hobereaux*—squires and squireens—and, in Austria-Hungary, of the enormous territorial wealth of the Roman Church as well, and the appropriation of the revenues—less a sufficient living allowed to the cultivators—to the payment of the war indemnity to be imposed by us, the victors. The war has gone on so long that a far-reaching plan of that kind looks no longer practicable. The Allies have neither the men nor the time and means to spare for the bum-bailiff mode of chastisement.

But a boycott and a trade control by the Allies is completely practicable. And so is a preliminary dismembering of the German States. As we insisted at the outset, with the internal governments of Germany the Allies ought not to interfere, and they have really no necessity to do so, beyond abolishing the empire. But so much of the territories now tyrannised over by the Habsburgs and Hohenzollerns as may be necessary to shut them out from the sea, to deprive them of the mastery over the Rhine and the Danube, and to free Poland and Russia from Prussian dominance in the Baltic, must be accomplished. The Rhine must be delivered from German control all the way from Basle to Rotterdam; Serbia and Rumania must be given the guardianship of the freedom of the Danube, Poland must get back her Vistula, with Dantzig; and Constantinople and the Straits ought to be placed in inter-Allied keeping, all as preliminary to the establishment of the supreme trade-controlling board. What else may be necessary—in Asia Minor, on the Adriatic shores, on the Ægean, or elsewhere, we need not now pause to elucidate. All we set out to do was to outline the preliminaries requisite to the inauguration of such an effective supremacy over the enemy's peace activities as would render easy the application of the industrial boycott to whatever degree of severity may be requisite to procure compliance.

That boycott does not at all imply "no trade" with the Germans or Austrians. It would be the height of short-sightedness to shut our doors against them. What should be aimed at is "no trade except on our terms and to our advantage." In other words, we must be in a position to say to the enemy: "Until you have made good the damage you have done, and restored the property you have stolen or wantonly

destroyed, you will not be allowed to sell anything to us except at prices that will leave us a profit to go towards liquidating your debts to us, or to buy anything except on terms equally advantageous to us." Our sailors talk of boycotting German shipping and seamen for 20 years or more after the war. We sympathise with this idea, but it may prove far more effective as a punishment and more profitable to the Industrial Fellowship of the Allies, if German merchant ships are allowed to plough the ocean under restrictions, and if the goods they carry always go to the established inter-Allied control board, nowhere else. It would then be open to the Allies to enlarge or contract the liberties of the pariahs according to behaviour, the essential point being to place all Austro-German manufactures, raw products—everything they have to sell—outside the market until sold on terms calculated to provide something towards paying their debts to us. What the Germans wanted to buy would in turn be sold to them only on the board's terms.

"This would bear hardly on the less guilty sections of the population, on the Bohemians, Moravians, Slavs, Czechs, &c., in the Habsburg Empire, and on the Poles, perhaps even on the Badenians, Saxons, Hanoverians and Westphalians in the Hohenzollern Empire." Possibly; but we do not think much weight attaches to that objection. The Poles, Czechs, Slavs, and Romans will be free, and the Inter-Allied Trade Board should have power to deal with them as facts determine.

Much more could be said, but space does not allow us to say it now. One other point, however, may be touched upon. "Our insistence upon this comprehensive plan will stimulate the enemy to prolong the war," we have been told, in minatory fashion, too. Well, if so, we can only rejoice. That looks a cruel saying, but is in truth most humane, for nothing could be worse for the future of mankind than an ineffective peace. We are, therefore, delighted to see the Prussian savages so obstinate in their mad, baffled rage. They are finding out that this is not a Franco-Prussian war of 1870 they are fighting. In 1914 they started out to repeat that cynical crime on a more grandiose scale, and felt sure of emerging from their long-prepared-for new war masters of the world. Instead of carrying all before them in vandalic triumph, they are now doing their utmost to escape from the strife without becoming the slaves of civilised nations henceforth. We see the best hope for mankind in just that conclusion, and would urge the unclean monsters to go on with ever-mounting rage pouring the lives they oppress into the Moloch furnace they have heated by the tens and hundreds of thousands, until none are left able to stand up in opposition to our will. "Treaties of peace?" Talk not of them! There can be no treaties of any sort either with Hohenzollern or Habsburg, or with their Ministers, who are but their tools and trained liars. Their victimised subjects must be told our purpose, and made aware of our arrangements, and will have to obey. The war goes well which hastens us towards that goal.

Muddle-headed Advice—and Sugar.

It is not often that we read "leaders" in the paper written "by office boys for office boys," but by chance the eye caught the other day a sentence in what was meant to be a rousing appeal to the patriotic cupidity of the citizen. What the actual words were we do not remember—the cook carries off our copy of the paper, because it costs a penny—but it was to the effect that the banks in this country have the keeping of £1,500,000,000 of deposits, and the owners of that mountain of credit were ordered forthwith to withdraw their "money" to the utmost available point in order to hand it over to the Treasury in exchange for National War bonds. This bawling nonsense reveals with what financial knowledge our steps are often guided. It would be quite useless to try to explain to such guides what bank deposits really in great part consist of, or to

try to make them understand the importance of leaving the banks to manage their own business. That is not at all the idea of doing things now prevalent, and when one turns away from the heroic troops fighting desperate battles at the front to gaze upon the turmoil and confusion in the civil administration at home, one's high hopes of victory are prone to turn into something akin to despair. Can it really be, one often asks, that ours is, after all, a decadent civilisation, destined to be swamped beneath the loathly mud wave of barbarism?

It would be easy to fill several numbers of THE INVESTORS' REVIEW with illustrations of the waste which the swarming of offices and officials gives rise to, but other things demand attention, and we shall refer to the sugar muddle alone this week. That has been made almost intolerable for the citizen, and the more anxious he may be to do his duty, the more confused is he by the ineptitudes and blunders of our multiplicity of directors. First every householder had to fill up a form and hand it to a selected grocer, who made due note of it—there is always plenty of stationery available for use in Government offices—but before the plan under which that involved routine was instituted could be put into execution, the whole *modus operandi* was changed, the individual substituted for the family or group, and ordered to fill up and sign new papers. At least, that was one statement, but for some days contradictory directions were afloat, how originating we cannot discover. Two masters may have pulled opposite ways, perhaps. In one seemingly inspired journal the worried citizen would read that if he had already registered his claim for his household *en bloc*, he need not bother his head to wade through and waste the new pile of forms, and the next journal opened would assure him that his previous efforts were entirely useless, and that the whole process would have to be repeated, with additional obligations to apply to post offices for sugar coupons when going week-ending or otherwise changing the address, and so on. No more instructive illustration of the confusion of mind and lack of administrative clear-sightedness could be instanced. At the present hour we do not know what to do—but by waiting may be saved by a fresh theory of how it should be done next week.

It is probably true that sugar is going to be very short this winter, for the surplus supply does not exist, and the German submarines continue to take grievous toll of the world's over-strained merchant shipping. Therefore we have all made up our minds to privation in this article of food, and most of us have been practising economy in its use without compulsion or official hustling. And when prodding was required, was there no simpler process to be found? Could not the Government have leant upon the citizens themselves for help? Doubtless, in every rank of society there are shirkers, careless individuals, selfish people who would do nothing unless compelled; but that is not the attitude of the bulk of the citizens, not even amongst the working classes, and we are unable to see that the loss and waste which the numbers of the selfish and indifferent might have caused would have made any appreciable difference to the anxieties of the Sugar Commission. Could not that Commission have ascertained without great expenditure or the employment of brigades of assistants, what the population of each district of London, of any part of the country, was, and would it not have been possible to sub-divide the available stocks of sugar week by week, or month by month; so that each district would have received its quota measured by the number of its population? And could not the local grocer have been trusted to distribute this sugar with fair equality, under supervision of, perhaps, a local committee of householders, especially if he had to do so with penalties hanging over him in the event of failure to deal fairly? The feeling becoming daily stronger in the minds of the community is that our civil administration is not only becoming Prussianised in its routine and in the finicking minuteness of its rules and regulations, but is swarming to such magnitude as must end in swamping individual liberty and the patriotic initiative of citizens.

By-the-Way War Notes.

So much is said elsewhere in our columns this week about the peace to come that we have little space left in which to deal with the war. Happily no laboured exposition of the present state of affairs at the front is necessary. Two facts stand out in shining relief: the successful hold of the British troops in and around Bourslon Wood over against St. Quentin, and the glorious, thus far victorious, resistance of the Italian armies to the Austro-German raid. Take the latter great performance first. For surely in all this horrible war no heroism has been more impressively sublime than that of the Italian rally and stand in defence of the Venetian and Lombardy plains. Three weeks ago, by a carefully planned surprise rush, of the invariable Teutonic pattern, masses of Austro-German troops broke through across the Isonzo and swooped forward to envelop and destroy the Italian hosts. The left wing of Italy's armies was overwhelmed, driven back in disorder, deprived of much of its artillery, and, according to German assertions, lost some 300,000 of its men. It looked like complete dissolution, the annihilation of Italy as a dependable fighting ally in the war. But no, Italy was not beaten, refused to be beaten, rallied almost at once, and now her deficiency in artillery is gradually being made good, while the heroic self-sacrifice of her troops has blocked the enemy's progress, upset his plans. As we said at the outset, he commenced his foray too late in the year, pride-inflated as usual, for his insolence is as measureless as it was in the first days of the war. Witness the terms of General von Keppler's orders captured in the recent fighting. They are a time-table of the advance ordered and arranged beforehand as if for a parade show. "At 8 o'clock the Italian first line must be stormed;" at 8.15 "the supporting line;" in another half-hour "the Capra Valley is to be taken." That valley is not taken yet, and it looks now far more than merely probable that Austria's striking power will be practically annihilated as the result of this cunningly planned brigand's stampede into Italy. Enormous masses of troops and artillery of all kinds have been hurried through the passes leading from the Trentino by the German-driven Austrians, and we were delighted to note the fact, for snow is beginning to fill these passes, and the chances are that the troops may soon have to choose between surrender and starvation. Let us hope that they may have to choose soon, for the whole population of Austria and Hungary is now confronted with ruin, hunger, and miseries unspeakable.

And in the West, are we not consuming the rest of Germany's fighting pawns in effective style? The miserable wretches have sold their souls and are now getting their due. War correspondents at headquarters vie with each other in writing vivid descriptions of the German massed assaults upon Bourslon Wood, of the repeated takings and retrievings of Bourslon and Fontaine Notre Dame villages. They all indicate that this fighting is gigantic, furious almost beyond example. And on all this front the enemy still possesses an abundance of guns and ammunition. In these still rests his waning hope of triumph, and the toll they take on our brave men's lives is most grievous. Yet is it not best that the fighting should be of this gigantic and ruthless character? What has Germany to take the place now of these swarms of trained dupes her barbarian war leaders are flinging in tens of thousands against the British and French lines and entrenchments? We goad the tyrants to a daily gamble with the lives of their troops in precarious off-chance. Will there be any German reserves left to take the place of the men now being daily slain, wounded, and captured? What will become of the German race if this murder goes on? Can Germany resume operations in Courland, or push forward into Little Russia should necessity arise impelling her to do so? Is the Prussian tyranny capable of a mastering offensive now on any field? No again; this huge and continuous strife in Flanders and the simultaneous consumption of men and material proceeding in Italy are

releasing the Allies from danger at many points elsewhere. Rumania is protected against temporary extinction, perhaps; Bulgaria and Turkey both rendered impotent for serious aggression by the heroic fighting of the French, British, Belgian, and one may say above all in its heroic abandon of Italian armies in Flanders, Northern France, and Northern Italy. We are, therefore, increasingly hopeful that the larger war is nearing its end, and would be confident even, were it not that we deal with an enemy so blinded still by his lusts as to be bereft of every shred of reason, every instinct of self-preservation.

"But Russia. Is not the condition of Russia perfectly horrible—a betrayal, in fact? The man Lenin at top of the revolutionary wave hurling demands for peace at the Allies, and threatening them with Russia's open bankruptcy as punishment for paying no heed, armies starving everywhere." It is a black picture, and may grow blacker at some points before it lightens; but there are gleams of promise even now, and we should make a mistake if we despaired of Russia, that vast agglomerate of races, unannealed, swayed by divergent ideals and aspirations, and now tending to divide what was an empire into at best a congeries of federated States, at worst a bear-pit. But Russia is not all anarchic even to-day. In the south Russian troops are loyally helping the Rumanians to keep down the Teuton enemy. In the Caucasus Russian battalions continue to maul the Turk, and in Middle Russia we have not yet seen evidence to support the assertion that the Extremists are gaining in strength. In prestige certainly they do not gain. The Cossacks defy them, and forces making for order seem to be gathering coherence in Moscow. So although we should have been saved many miseries and disappointments had the Russian people held firmly to our alliance, and fought by our side now as they did last year even, or two years ago, all is by no means lost, and if the anarchy should continue, the after-war arrangements necessary to a world-peace may be considerably simplified by the temporary eclipse of the Russian peoples as a homogeneous "Great Power." And as often, German owlsh diplomacy gives a comic relief. Lenin's "armistice," the new German Chancellor Hertling proclaims, is accepted with reserves. Especially with "reserves," we should say. Russians have long acquired the habit of killing their oppressors. "Fraternalisation" might have unpleasant consequences.

From Palestine the news continues satisfactory, and in Mesopotamia, where the lamented death of General Maude may have caused delay in the campaigning, all looks satisfactory for our armies, while in East Africa there is now but one German force remaining in existence, the other band that we have been pursuing having surrendered at discretion in the middle of the present week. The prisoners include the commanding Colonel Tefel, with 12 German officers, 6 medical officers, and 92 Germans of other ranks, besides native levies and their followers to the number of 3,412. The remaining force may surrender any day, and then good-bye German dominion in Africa, we trust, for ever.

Did Mr. Lloyd George's vaunt about the diminution in German submarine depredations stimulate those inhuman foes to deride his boastfulness? Perhaps. No doubt a motive of that kind would be powerful with mentalities of the kind the war has revealed to us as German, but it is more probable that Mr. Hurd's suggested explanation is the reasonable one, that there are now fewer U-boats available, and that they have to be sent home to refit from time to time, thereby bringing us respites. All that has happened since that "one ship sunk" week is that refitting has been hurried up, and every available boat sent racing back to prey on the world's shipping, especially on ours, with devilish ruthlessness. So last week the number of British ships of 1,600 tons and upwards that was sunk rose to 13, allowing for one sunk in the previous week, but not then reckoned. In addition, seven smaller ships were sent to the bottom, and so active was the enemy that another seven ships were unsuccessfully attacked. Altogether, therefore, the recorded encounters last week

numbered 27, or six more than in the previous week, and, as regards the vessels actually sunk, 1.8 more than the average for October. Did the Prime Minister's tactical or strategic vapouring—for it now looks just that—betray our people into consuming more food, more bread especially, than they would have done had the fear of scarcity through submarine destruction continued to hold them back? We do not know, but that more bread than is prudent is being consumed is anew proclaimed in warning language by our Food Controllers. And really the loss of nearly 1,100 of our ships alone since the run-amok piracy began must have deprived us of much grain and of many things besides. It will be better to hold our tongues, and try to do our duty. Most people could live and keep fit and well on half the food they have been in the habit of eating. We have tried, and know.

American Business Notes.

A review of the world's food position was made public some time ago by Mr. Hoover, the United States Food Administrator. Some of the statements he published in the end of October have already been noted, but it is none the less interesting to recall the main facts. From investigations made by his department, Mr. Hoover ascertained that the deficiency in food grains for the four countries, France, Italy, the United Kingdom, and Belgium, is 196,905,000 bushels for the present harvest year. The average annual imports of these four countries from all foreign parts in the three years immediately preceding the war was 380,804,000 bushels, and their average domestic production 590,675,000 bushels, but this harvest year has given them only 393,770,000 bushels. Accordingly the amount required to supply the people in these countries with their usual amount of grain is 577,709,000 bushels, and it is encouraging to be told that there is not only enough surplus wheat in existence, or in immediate prospect, to provide all this quantity, but a balance of upwards of 130,000,000 bushels over. These figures relate to wheat, and taking the estimated surplus of wheat from the 1917 crop available for export, Mr. Hoover arrives at a total of 770,000,000 bushels to meet 578,000,000 bushels estimated shortage. Unfortunately this wheat cannot be brought to the countries where it is required with the facility and in the quantities demanded. For that we have to thank the war, not merely submarine devastation, but the absorption of the world's shipping in war services. Thus, for instance, there should be two years' harvests in Australia available at the beginning of 1918, viz., the past harvest of 120,000,000 bushels still unshipped, and the 1917-18 crop of equal amount soon to be gathered in. Hence the strenuousness with which the construction of new ships is being pushed forward in America and amongst the Allies of Europe. But six months, perhaps, must elapse before the new ships bring appreciable relief, and therefore during the hardest period of the year, the winter now upon us, privation will probably increase. It is our duty to face the ordeal with courage and self-denying prudence.

Looking ahead, Mr. Hoover further points out that if peace should come soon large numbers of ships will be released, and wheat production in Europe increased. He thinks that, given suitable climatic conditions next year, the wheat crop of the United States might reach 1,000,000,000 bushels, and if the war should meantime end, 400,000,000 bushels of that will find no market in Europe. We think he is rather lugubrious in forecasting thus. Were the war to end by next spring the harvest of 1918 would not be a bumper one, no matter what the weather was, and there is little danger of the United States Government losing, as Mr. Hoover apprehensively estimates, from £60,000,000 to £100,000,000 because of an excessive wheat crop. The starving central Empire would probably want much of the overplus, and could get it on terms beneficial to America and her Allies.

Up to the end of the third quarter of the year the foreign trade of the United States maintained its

dominant position, the value of the exports having been about £922,000,000. In the same part of 1916 the value was little more than £790,000,000, and in 1915 £506,310,000. It follows that the margin visibly due to the United States, that is to say the excess value of exports over imports, is £456,400,000 so far for this year, and for the same period of last year it was £366,200,000. The gold movements have none the less of late shown a tendency towards a reduction of stock. In August, for instance, the nett loss of gold to the United States was £5,232,000, and that loss followed previous ones, so that the nett gain of gold this year is reduced to about £36,000,000. That is for the nine months. Last year the same nine months showed a nett import balance of £57,700,000, and during the 39 months from July 1, 1914, to September 30, 1917, gold from abroad has come into the United States to the value of almost £340,000,000. Exports were £135,000,000, so that the nett increase in the country's stock has been about £204,000,000 within the war period.

For the September quarter the figures of the United States Steel Corporation are most interesting. Nett earnings are shown at \$49,732,000, which is almost \$20,000,000 below the earnings for the September quarter of last year, which were \$69,601,000, these figures being nett after meeting sinking fund charges and redemption payments. Actually the nett earnings for the quarter just passed were \$68,244,000, which compares with \$85,817,000 in the same quarter of last year. Has the Steel Corporation then been doing a smaller or less profitable business? No, it appears to be just handing its enormous profits in larger measure to the Government. For the past quarter, that is to say, the nett earnings shown were arrived at after deducting not only all current expenses of the usual kind, but an estimated allowance of \$63,733,000 for war income and excess profits taxes. In the previous quarter the similar deduction was nearly \$10,000,000 less at \$53,919,000. Furthermore, \$12,717,000 was deducted as additional estimated allowance for the first quarter's war income and excess profits taxes, against \$33,865,000 allowed for the preceding three months ended June 30. It is not disclosed, however, what the total of the additional charges were originally made on this account during the first quarter, but for the nine months of this year the nett earnings have been \$271,944,000 against \$227,657,000 for the first nine months of 1916, \$79,118,000 for the same period of 1915, and only \$60,728,000 for the first nine months of 1914. From these profits the above-mentioned deductions have been made, leaving sufficient to make up the dividend on the common stock to a 12½ per cent. per annum rate, with \$80,963,000 of surplus left over. It must not, however, be forgotten that the board paid an extra 1 per cent. dividend in July, which took \$5,083,025, and the whole of which was handed to the Red Cross fund.

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ISSUE OF FOUR PER CENT. RENTES.

Both Capital and Interest will be exempt from all taxes, present and future, of the Government of the French Republic.

Interest payable Quarterly on the 16th March, 16th June, 16th September, and 16th December, the first Coupon (for a full quarter's interest) being payable on the 16th March, 1918.

Price of Issue—£2 10s. 6d. per Fcs. 100 NOMINAL CAPITAL.

(Being the approximate equivalent, at the exchange of Fcs. 27.40 per £, of Fcs. 69.20, the price at which allotments, when paid for by instalments, are being issued in Paris.)

Applications, which must be accompanied by a deposit of Eight Shillings and Nine Pence per Fcs. 100 applied for, will be received at the Bank of England Loans Office, 5 & 6, Lombard Street, London, E.C. 3, and at the Bank of Ireland, Dublin. Applications must be for multiples of Fcs. 100 nominal Capital (i.e. Fcs. 4 of Rente).

The amount payable in respect of each Fcs. 100 will be required as follows, viz.:—

	s.	d.
On Application	8	9
On or before Friday, the 28th December, 1917	14	7
On or before Friday, the 8th March, 1918 ...	12	7
On or before Friday, the 3rd May, 1918	14	7

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or any allotment applied for may be paid up in full at the time of application by a single payment of £2 10s. in respect of each Fcs. 100 nominal Capital applied for (being the approximate equivalent, at the exchange of Fcs. 27.40 per £, of Fcs. 68.60, the price at which fully-paid allotments are being issued in Paris).

THE GOVERNOR and COMPANY of the BANK of ENGLAND and the GOVERNOR and COMPANY of the BANK of IRELAND, with the consent and approval of His Majesty's Government, are authorised by the Government of the French Republic to receive applications for this issue.

The French Government undertake that the issue shall not be redeemed prior to the 1st January, 1943; but they reserve to themselves the right to redeem the issue in whole or in part at any time on or after that date.

Both Capital and Interest, which will be exempt from all French taxes, present or future, will be a charge upon the general revenues of the Government of the French Republic.

For the purpose of providing against depreciation in the market prices of the National Defence Loans, the French Government undertake to set aside monthly, until otherwise decreed by law, a sum of Fcs. 60,000,000, to form a Fund to be used for the purchase of Bonds of these Loans in the market. Such purchases will in no case be made at prices in excess of the following:—

In the case of the present issue—Fcs. 68.60 per Fcs. 100 nominal Capital, plus any interest accrued to date of purchase.

5% Rentes issued in November, 1915, 5% Rentes issued in October, 1916—Fcs. 87.50 per Fcs. 100 nominal Capital, plus any interest accrued to date of purchase.

Whenever the unexpended balance of the Fund exceeds Fcs. 360,000,000 the monthly payments will, for the time being, be suspended, but they will be resumed as soon as the unexpended balance falls below Fcs. 360,000,000.

The Fund will be administered by the Caisse d'Amortissement, who will make the purchases according to the conditions laid down by the Committee of Inspection established by the laws of 28th April, 1816, and 6th April, 1876. Bonds purchased under this arrangement will be cancelled forthwith.

The issue will be made in the form of Scrip Certificates to Bearer, exchangeable after the 16th June, 1918, for Bonds to Bearer with quarterly Coupons attached. Scrip Certificates will bear Coupons for the interest payable on the 16th March and 16th June, 1918, and these Coupons will be paid at the Head Offices of the Banks of England and Ireland at the fixed exchange of Fcs. 27.40 per £. Coupons on Bonds to Bearer will be payable

in sterling, during the continuance of the War, at the Head Offices of the Banks of England and Ireland, at rates of exchange which will be announced from time to time, or in francs in Paris; after the conclusion of Peace the Coupons will be payable in France at the offices of the appointed agents.

French Government Sterling Treasury Bills due 15th January, 1918, and 7th October, 1918, may be tendered in lieu of cash where payment in full for an allotment of this issue is made at the time of application. For the purpose of such payments the Bills will be accepted at the following rates for each £100 nominal of Bills surrendered, such rates being in each case the equivalent of par less interest at 5½ per cent. from the 16th December, 1917 (the date from which interest accrues on the new issue), to the respective due dates of the Bills:—

Bills due 15th January, 1918, at the rate of £99 11s. 2d. cash for each £100.

Bills due 7th October, 1918, at the rate of £95 13s. 1d. cash for each £100.

A declaration which is embodied in the Form of Application will be required in the case of Treasury Bills so tendered, to the effect that they have not been in enemy ownership, and have remained in physical possession in the United Kingdom since the date of their issue.

In any case in which the sterling equivalent of Treasury Bills tendered does not represent the exact amount required to secure an allotment which is a multiple of Fcs. 100 nominal Capital, the additional sum necessary to secure such an allotment must be provided in Cash.

Instalments may be paid at the Head Offices of the Bank of England and the Bank of Ireland. In case of default in the payment of any instalment by its proper date, the deposit and any instalments previously paid will be liable to forfeiture.

A commission at the rate of 1½d. per Fcs. 100 nominal Capital will be allowed to Bankers and Stockbrokers on allotments in respect of applications made on forms bearing their Stamp, whether payment be made in Cash or Treasury Bills.

Application will be made in due course for Quotation for the Bonds on the London and Dublin Stock Exchanges; the Bonds will not be negotiable in France until after the conclusion of Peace.

The necessary Forms of Application, viz.:—

1. For Subscriptions by Single Payment, whether in Cash, Treasury Bills, or both.
2. For Cash Subscriptions payable in Instalments,

may be obtained at the Bank of England Loans Office, 5 and 6, Lombard-street, London, E.C.3; at the Bank of Ireland, Dublin; and at any of the Branches of those Banks; of Messrs. Mullens, Marshall & Co., 13, George Street, Mansion House, E.C.4; at any Stock Exchange in the United Kingdom; and at Offices in the United Kingdom of the following Banks:—

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Crédit Industriel et Commercial.
Crédit Lyonnais.
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The List of Applications will be closed on, or before, Friday, the 14th December, 1917.

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26th November, 1917.

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

There is nothing at all to be said about the Money market this week. It has developed, and can indeed develop, no new conditions. To-morrow more than £50,000,000 in dividends on Government stocks will be released, and will perhaps look like swamping the short loan market for a brief season. That money, however, ought not to be spent, or, indeed, handled at all for personal use by those who receive it. The best way, the one patriotic way, is to reinvest it by adding it, and as much more as can be spared, to the National War bond pile. Most people ought to be able to do this by exercising self-denying prudence, and a contribution of £50,000,000 to the National War bond loan would have a fine effect. Already up to Saturday last £115,438,450 has been gathered in, but fine though the sum looks, and would be in ordinary times large, it does not equal three weeks' expenditure at the present speed. Therefore, reinvest the dividend credits and help the Government.

The Bank return shows no movements of importance. Public deposits are down £649,000, and other securities £616,000, but other deposits are £147,000 larger, and there is an increase of £605,000 in the note circulation, which nearly neutralises the increase of £650,000 in the coin and bullion, so that the reserve is barely £46,000 up. Its proportion to liabilities remains at 19½ per cent., the same as last week.

We hope there is still a little money to spare for the National Defence Loan now offered here by the Govern-

ment of the French Republic, because we ought to invest in it for good fellowship's sake, and it is a loan decidedly attractive in its cheapness. It takes the form of 4 per cent. Rentes, and both interest and capital are exempt from all taxes present and future of the Government of the Republic. The loan, moreover, cannot be redeemed until after January 1, 1943, and it is offered at a price so low that it will yield to the investor 5½ per cent. That is to say, each Fcs. 100, nominally of £4 value, can be bought for £2 10s. 6d. if paid for by instalments, or if by a single payment for £2 10s. This is the approximate equivalent at the exchange of Fcs. 27.40 per £1, of Fcs. 68.60, the price at which fully-paid allotments are being sold in Paris, and the loan is repayable at par. Moreover, for the purpose of providing against depreciation in the market price of the National Defence Loans, the French Government undertakes to set aside monthly, until otherwise decreed by law, the sum of Fcs. 60,000,000 to form a fund to be used for the purchase of bonds in the market at or below fixed maximum prices. Subscriptions to this loan will be received by the Governor and Company of the Bank of England and the Governor and Company of the Bank of Ireland with the approval of the British Government, and we hope that the French Government's sterling Treasury bills due January 15 and October 7 next, of which a good many must be held in this country, will be converted into this more permanent security; also many French people here and not a few British will be able to spare some money to place in this issue.

The principal event in the foreign exchange market has been the activity, accompanied by wide fluctuations, in the Italian exchange. The news that our Allies have arrested the advance of the enemy caused a good demand to spring up for lire, and their value in sterling is now not much lower than it was before the debacle. On November 8 the quotation was 37.85 lr. to the pound; last week it rose to 42.21 lr., but this week it has touched 38.20 lr. The rouble has improved in value, the rate of exchange being 355, as against 375 a week ago. Scandinavian rates have moved against this country slightly. The Brazilian milreis has risen sharply in value, and is 13-32d. higher at 13 15-32d.

A committee has been formed by the Spanish Chamber of Commerce to deal with the Spanish exchange difficulty. Mr. J. E. Roura, of Messrs. Roura and Forgas, is chairman of the committee, and other members include Mr. H. Kaye, of the London City and Midland Bank, Mr. Alexander Burns, of the Banco Espanol del Rio de la Plata, and Mr. Rojo, of the Credit Lyonnais. The committee has taken the opinion of leading bankers specially concerned with the Spanish exchange, and it proposes to submit a scheme to the British and Spanish Governments for stabilising the exchange, which is notoriously erratic in its movements, and if possible to raise it to a higher level. It is to be hoped that the committee's efforts will meet with success, for a solution of the present difficulty is desired by business people in both countries.

The State of Bahia will resume cash payment of interest on its External Loans of 1888, 1904, 1910, and 1913, as from December 31, when the funding scheme expires. This is a further illustration of the financial improvement which has taken place in Brazil recently. Nicaragua has ratified the agreement with the holders of the 1909 loan, under which two years' arrears of interest will be paid in cash, and interest from January 1, 1917, to January 1, 1920, will be paid partly in cash and partly in scrip.

TOTAL SALES OF NATIONAL WAR BONDS.

	£
Five days to October 6	16,596,450
Week ended October 13	21,394,600
Week ended October 20	18,235,150
Week ended October 27	13,927,750
Week ended November 3	12,338,000
Week ended November 10	9,791,000
Week ended November 17	10,806,350
Week ended November 24	12,339,150
Total	115,438,450

Negotiations are understood to be in an advanced stage for the amalgamation of two of the leading London banks. The combined resources of the two banks, if the scheme goes through, would place the amalgamated concern almost in the front rank as regards the size of its deposits.

SILVER.

Small business has been done in the Silver market this week, and the price stands at 42 $\frac{3}{4}$ d. per oz., which compares with 42 $\frac{1}{8}$ d. a week ago. The China exchange has remained firm and above parity, Messrs. Mocatta tell us in their circular, and a little buying from San Francisco has occurred, probably as a "hedge" against whatever demands may arise in connection with the Chinese New Year early in February. Messrs. Samuel Montagu state the Bombay stock on November 27 at 3,700 bars, no change. In Shanghai, on November 24, the stock was 23,900,000 ozs. in sycee, and \$14,400,000, an increase of 600,000 ozs. and \$400,000 on the week.

Applications for the Rs. 60,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,13,55,000. Of these Rs. 55,37,000 were allotted in deferred transfers, and Rs. 4,63,000 in immediate transfers. Tenders for bills and deferred transfers at 1s. 4 20/32d. and for immediate transfers at 1s. 5d. received about 28 per cent. Since April last Rs. 35,40,00,000 have been sold, realising £24,200,760. Next week 60 lakhs will again be offered.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, November 28, 1917.

ISSUE DEPARTMENT.

Notes Issued	£	Government Debt	£
.. .. 73,381,360		.. .. 11,015,100	
		Other Securities 7,434,900	
		Gold Coin and Bullion 54,931,360	
		Silver Bullion —	
	£73,381,360		£73,381,360

BANKING DEPARTMENT.

Proprietors' Capital	£	Government Securities	£
Rest 3,204,904		Other Securities 58,814,870	
Public Deposits (including		Notes 30,304,310	
Exchequer, Savings		Gold and Silver Coin 1,575,282	
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	41,526,139		
Other Deposits	122,742,622		
Seven Day and other Bills	10,126		
	£182,036,791		£182,036,791

Dated November 29, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year.	Nov. 29.	Nov. 21.	Nov. 28.	Increase.	Decrease.
£	£	£	£	£	£
3,217,403	Rest	3,193,261	3,204,904	11,643	649,168
56,236,730	Pub. Deposits ..	42,175,307	41,526,139	146,560	—
109,268,585	Other do. ..	122,596,062	122,742,622	21	—
20,132	7 Day Bills ..	10,105	10,126	21	—
42,188,117	Gov. Securities ..	58,735,870	58,814,870	—	79,000
104,279,976	Other do. ..	91,958,028	91,342,329	615,699	—
36,836,757	Total Reserve ..	31,833,837	31,879,592	—	45,755
				773,923	773,923
				Increase.	Decrease.
£	£	£	£	£	£
37,656,285	Note Circulation ..	42,472,485	43,077,050	604,565	—
56,043,042	Coin and Bullion ..	55,856,322	56,506,642	650,320	—
22 3 p.c.	Proportion ..	19 3 p.c.	19 4 p.c.	1 p.c.	—
6 "	Bank Rate ..	5 "	5 "	—	—

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
£	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,445,416,000	333,290,000	—
June	1,486,612,000	1,147,630,000	338,982,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August	1,628,368,000	1,364,782,000	263,586,000	—
September	1,348,317,000	1,156,590,000	211,727,000	—
October	1,877,534,000	1,619,967,000	257,567,000	—
November 7	369,737,000	312,043,000	54,694,000	—
" 14	378,994,000	322,327,000	55,667,000	—
" 21	367,420,000	323,713,000	44,707,000	—
" 28	357,716,000	322,618,000	35,098,000	—
Total ..	17,597,746,000	13,978,788,000	3,606,958,000	—

CURRENCY NOTES.

Return of Currency Notes for the week ended November 28, 1917.

	Issued.	Cancelled.	Outstanding.
£	£	£	£
£1 notes	4,052,202	2,649,788	138,826,796
10s. notes	1,224,880	1,066,557	33,968,022
Note certificates	650,000	20,000	21,349,000
Previous total	754,701,014	562,717,832	—
	760,628,996	566,494,178	194,134,818

Ratio of gold held against notes, this week, 16.49 p.c.; last week, 16.64 p.c.

PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended Nov. 24.)

REVENUE.	EXPENDITURE.
£	£
Customs	National Debt Service ..
Excise	Interest, &c., on War Debt ..
Estate, &c., Duties ..	Development & Road Improv ..
Stamps	Payments to Local Taxation ..
Land Tax and House Duty ..	Other Consolidated Fund ..
Property and Income Tax ..	Charges
Excess Profits Tax	Supply Services
Land Values	Bullion Advances
Post Office	For Advance for Interest ..
Crown Lands	on Exchequer Bonds under ..
Sundry Loans	Capital Expenditure ..
Miscellaneous	(Money) Act, 1904
Bullion advances repaid ..	For Treasury Bills
For Treasury Bills for Supply ..	Expenditure
5% Exchequer Bonds, 1922 ..	under War Loan Act, 1916 ..
6% Exchequer Bonds, 1920 ..	Other Debt under War Loan ..
National War Bonds	Acts, 1914-16
War Expenditure Certificates ..	For Exchequer Bonds under ..
War Savings Certificates ..	Section 61 of Finance Act, ..
4% War Loan, 1929-1942 ..	1916, and Section 54, 1917 ..
5% War Loan, 1929-1947 ..	Under Telegraph (Money) ..
Other Debts created under ..	Act, 1913
War Loan Act, 1915, and ..	Under Post Office (Lon- ..
Finance Act, 1916	don) Railway Act, 1913 ..
Telegraph Money Act, 1913 ..	Under Military Works Acts ..
Under Post Office Rly. Act, ..	Under Housing Act, 1914 ..
1913	Public Buildings Expendi- ..
Under Military Works Act, ..	ture Act, 1903
1897-1903	Old Sinking Fund, 1907-8 ..
Under Public Buildings ..	Sinking Fund, 1914
Under Housing Act	China Indemnity
Repayment of Advance for ..	Depreciation Fund
Interest on Exchequer ..	Suez Canal Drawn Shares ..
Bonds	Temporary Advances Repaid ..
China Indemnity	Increase in Exchequer ..
East African Protectorate ..	balances
Loan repayment	
Suez Canal Drawn Shares ..	
Ways and Means Advances ..	
Decrease in Exchequer ..	
balances	
£100,340,932	£102,340,932

* Excluding sales through banks which have not yet been brought to account.

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Oct. 26, 1917.	Oct. 19, 1917.	Oct. 27, 1916.
£	£	£	£
Gold coin and certificates ..	92,222,500	83,839,000	54,800,200
Gold Settlement Fund ..	72,793,400	73,959,800	24,517,400
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks ..	175,516,000	168,298,800	79,317,600
Gold with Federal Res. Agent ..	122,938,400	123,765,400	43,900,400
Gold Redemption Fund ..	2,232,800	2,243,600	278,200
Total gold reserves ..	300,687,200	294,307,800	123,496,200
Legal tender notes, silver, &c. ..	9,001,200	9,794,600	1,995,200
Total reserves	310,588,400	304,102,400	125,491,400
Bills discounted—Members' ..	79,418,800	57,323,000	4,826,200
Bills bought in open market ..	35,518,000	34,322,200	17,217,000
Total bills on hand	114,936,800	91,645,200	21,443,200
U.S. Gov. long-term sec. ..	18,533,200	11,917,600	8,093,800
U.S. Gov. short term sec. ..	11,175,200	9,451,000	2,287,000
Municipal warrants	46,600	46,600	5,978,000
Loans on gold coin and bullion ..	—	—	—
Total earning assets	136,991,800	112,160,400	37,802,000
Due from other Fed. Res. bks—n. ..	1,379,200	6,508,000	6,639,400
Uncollected items	56,335,400	66,460,400	—
Total deducts from gross dep- ..	57,714,600	72,968,400	6,699,400
5% Red. Fund ag Fed. Res. bks ..	107,400	100,000	84,000
All other resources	270,800	237,000	741,600
Total resources	505,673,000	489,568,200	170,758,400
Capital paid in	12,525,800	12,369,400	11,140,000
Government deposits	26,444,200	15,273,000	5,996,400
Due to members—Res. account ..	252,864,600	246,111,400	—
Due to non-mbrs—clearing ac. ..	7,067,000	8,452,400	—
Members' bank deposits—nett ..	—	—	110,383,600
Collection items	34,893,400	42,009,600	—
Total gross deposits	321,274,200	311,846,400	116,380,000
F.R. notes in actual circulat'n ..	169,501,200	163,042,000	42,924,000
F.R. bk nts in circn—nett liab. ..	1,600,000	1,600,000	206,200
All other liab. in for Gov crdts ..	771,800	710,400	107,200
Total liabilities	505,673,000	489,568,200	170,758,400
Gold res. ag nett deposit liab ..	66.5%	70.4%	72.3%
Gold & lawful money reserve ..	70.3%	74.5%	74.1%
against nett deposit liabilities ..	73.8%	77.3%	102.9%
Gold res ag F.R. nts in act circ ..	—	—	—

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Nov. 24, 1917	Nov. 17, 1917	Nov. 10, 1917	Nov. 25, 1916
£	£	£	£	£
Loans	938,318,000	924,462,000	911,212,000	689,312,000
Reserve held in own vaults ..	4,296,000	5,920,000	7,774,000	81,280,000
Reserve held in Fed. Res. Bk. ..	103,982,000	103,998,000	100,324,000	35,610,000
Cash in own vaults	22,660,000	22,576,000	20,508,000	—
Reserve held in Other Depos. ..	2,035,000	3,364,000	6,356,000	11,226,000
Nett Demand Deposits	684,844,000	720,482,000	919,148,000	677,514,000
Nett Time Deposits	42,535,000	44,400,000	43,618,000	33,372,000
Circulation	6,618,000	6,600,000	6,576,000	6,030,000
Excess Lawful Reserve	18,632,000	16,616,000	16,916,000	11,394,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Nov. 24, 1917.	Nov. 17, 1917.	Nov. 10, 1917.	Nov. 25, 1916.
	£	£	£	£
Loans	185,528,000	187,116,000	187,184,000	150,140,000
Specie	6,605,000	7,742,000	8,164,000	12,322,000
Deposits	165,588,000	174,942,000	175,494,000	160,676,000
Legal Tenders ..	12,156,000	11,838,000	12,008,000	2,070,000

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Nov. 15, 1917.	Nov. 7, 1917.	Oct. 31, 1917.	Nov. 15, 1916.
	£	£	£	£
Total Coin & Bullion ..	126,453,750	126,132,900	125,932,050	126,650,000
Treasury Notes ..	49,908,850	49,902,800	51,196,750	15,028,750
Reils discounted ..	584,401,900	575,747,300	586,852,600	411,540,650
Advances	437,650	402,050	67,700	688,650
Note circulation ..	518,166,700	520,186,300	520,013,200	358,933,590
Deposits	35,602,750	33,373,750	284,302,800	196,654,550

Clearing House return during October £505,402,450, against £404,766,500 in September.

SWISS NATIONAL BANK (25 francs to the £).

	Nov. 15, 1917.	Nov. 7, 1917.	Oct. 31, 1917.	Nov. 15, 1916.
	£	£	£	£
Gold and silver ..	16,144,955	16,128,772	16,158,296	13,584,604
Bills	10,442,833	9,584,252	9,055,620	7,406,636
Note circulation ..	24,310,079	24,480,900	24,524,164	18,832,736
Current and deposit accounts ..	5,111,853	4,000,016	3,559,824	4,100,996

BANK OF NORWAY.

	Oct. 31, 1917.	Oct. 22, 1917.	Oct. 15, 1917.	Oct. 31, 1916.
	£	£	£	£
Gold	6,489,000	6,757,000	6,753,000	6,127,000
Balance abroad and Foreign Bills ..	4,328,000	3,958,000	3,945,000	5,480,000
Government Securities ..	707,300	707,000	707,000	707,000
Discounts & Loans ..	19,199,000	17,607,000	18,675,000	7,382,000
Notes in Circulation ..	16,975,000	16,899,000	17,125,000	13,060,000
Deposits at notice ..	10,241,000	9,754,000	9,669,000	4,045,000

NETHERLANDS BANK (12 Florins to the £).

	Nov 17, 1917	Nov. 10, 1917	Nov. 3, 1917	* Nov. 18, 1916
	£	£	£	£
Gold and Silver ..	58,427,333	57,568,583	57,584,416	49,055,083
Bills and Advances ..	15,049,333	15,192,250	15,688,583	13,028,750
Note circulation ..	71,590,916	71,451,166	72,187,333	61,877,000
Deposits	5,207,091	4,774,750	4,690,083	3,818,666

* Statement of October 27 not yet to hand.

BANK OF SPAIN (25 pesetas to the £).

	Nov. 17, 1917	Nov. 10, 1917	Nov. 3, 1917	Nov. 18, 1916
	£	£	£	£
Gold	78,385,734	78,226,820	78,133,985	48,038,188
Silver	28,693,382	28,644,220	28,845,236	29,704,802
Foreign Bills	3,581,851	3,577,203	1,577,121	3,901,819
Discounts and Short Bills ..	20,000,808	29,296,870	29,320,678	25,864,839
Treasury Account, &c. ..	23,266,755	25,075,062	25,099,135	29,635,803
Notes in Circulation ..	110,185,018	110,610,266	109,989,513	93,148,248
Current Accounts, Deposits ..	37,930,687	37,396,925	37,105,897	28,768,172
Dividends, Interests, &c. ..	1,592,944	1,530,964	1,898,176	2,288,623
Government Securities ..	2,676,961	3,481,767	4,245,411	3,145,264

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Nov. 27, 1917.		Nov. 29, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	10.53	10.53	10.65	10.70
"	Three months' bills ..	10.70	10.80	10.80	10.85
Paris	Cable transfers ..	27.23	27.23	27.25	27.30
"	Three months' bills ..	27.63	27.68	27.65	27.70
Switzerland ..	Cable transfers ..	20.55	20.65	20.43	20.53
"	Three months' bills ..	20.95	21.05	20.78	20.88
Petrograd ..	Cable transfers ..	315	355	380	385
Genoa, &c. ..	Cable transfers ..	38.20	38.60	40.25	40.75
Spain	Cable transfers ..	20.12	20.22	20.06	20.16
"	Three months' bills ..	55 3/4	56 1/2	56 1/2	57 1/4
Lisbon and Oporto ..	Cable transfers ..	29 1/2	30 1/2	29 1/2	30 1/2
Copenhagen ..	Cable transfers ..	14.15	14.30	14.15	14.30
Christiania ..	Cable transfers ..	14.03	14.13	14.10	14.00
Stockholm ..	Cable transfers ..	12.60	12.70	12.50	12.65

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22 1/2	27.23	27.25
Amsterdam, cheques ..	Florins to £1 ..	12.107	10.65 1/2	10.74 1/2
Italy, sight ..	Lire to £1 ..	25.22 1/2	42.72 1/2	39.50
Madrid, sight ..	Pesetas to £1 ..	25.22 1/2	20.07 1/2	20.07 1/2
Lisbon, sight ..	Pence to milreis ..	33 1/2 d.	30 d.	30 d.
Switzerland, sight ..	Francs to £1 ..	25.22 1/2	20.57	20.45
Christiania, sight ..	Kroner to £1 ..	18.159	13.85	15.95
Stockholm, sight ..	Kroner to £1 ..	18.159	12.27 1/2	12.60
Copenhagen, sight ..	Kroner to £1 ..	18.159	14.03 1/2	14.26
Petrograd, sight ..	Roubles to £10 ..	94.57	350	382 1/2
Alexandria, sight ..	Piastres to £1 ..	97 1/2	97 1/2	97 1/2
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Hong Kong, T.T. ..	Sterling to dollar ..	—	2/10 1/2	2/10 1/2
Shanghai, T.T. ..	Sterling to tael ..	—	4/09	4/12
Singapore, T.T. ..	Sterling to dollar ..	—	2/4 1/2	2/4 1/2
Yokohama, T.T. ..	Sterling to yen ..	21.58 d.	2/12	2/12
New York, cable ..	Dollars to £1 ..	4.86 1/2	4.76 1/2	4.76 1/2
Buenos Aires, T.T. ..	Pence to dollar ..	47.58 d.	52 d.	53 d.
Valparaiso, 90 days ..	Pence to peso ..	—	14 1/2 d.	14 1/2 d.
Montevideo, T.T. ..	Pence to dollar ..	51 d.	61 d.	61 d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16 d.	13 d.	13 1/2 d.

OPEN MARKET DISCOUNT.

	Last week.	This week
	Per cent.	Per cent.
Thirty and sixty day remitted ..	4 1/2	4 1/2
Three months ..	4 1/2	4 1/2
Four months ..	4 1/2	4 1/2
Six months ..	4 1/2	4 1/2
Three months fine inland bills ..	5 1/2	5 1/2
Four months ..	5 1/2	5 1/2
Six months ..	5 1/2	5 1/2

BANK AND DEPOSIT RATES.

	Last week	This week
	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
" .. short loan rates ..	—	—
Bankers' rate on deposits ..	4	4
Bill brokers' deposit rate (call) ..	4	4
" 7 and 14 days' notice ..	4 1/2	4 1/2
Current rates for 7 day loans ..	4 1/2	4 1/2
" for call loans ..	4-4 1/2	3-4

The Week's Stock Markets.

At certain points business has been quite good on the Stock Exchange this week. The fine push in the Cambrai sector was reflected in a better week-end over-turn of dealings than we have seen for some considerable time, and, on the whole, the tone was splendidly confident in spite of some lingering anxiety about the ability of the Italians to withstand the Hun hammering. On the other hand, the situation in Russia does not sensibly improve, and the threat of the futile Leninites to repudiate the Government debt created some uneasiness, but the weakness did not spread beyond national and municipal issues. British Government funds were helped by the improved arrangements for dealing in registered stock, and Argentine Rails recovered smartly after their recent depression. Most interest centred in Shipping shares, Breweries and Armament things, but the latter were inclined to ease off in spite of a certain amount of support. Speaking generally, the technical position is sound, and it is estimated that at least 75 to 80 per cent. of the speculative accounts held in suspense by the emergency regulations have been liquidated, so that dealers are much more hopeful than they would be if they had very heavy commitments hanging round their necks. With the huge amount of money released on the 1st inst. investment business is likely to receive a further fillip, in spite of the counter-attraction of the misused tank in Trafalgar Square.

In anticipation of the distribution of £50,000,000 in Government dividends at the end of the week, the Stock Markets have displayed a fairly lively tendency, but it is significant that the bulk of the dealings have been in the more speculative classes of shares, and Government and similar loans have not been in any particular request. There was little demand for the 4 and 5 per cent. War Loans, but the prices tended to fall back towards the close, and Indian issues also were dull. Almost nothing occurred in the Colonial market, and Foreign securities were irregular during most of the week, Brazilians certainly showed up to advantage, and Chileans and Japanese also received a fair amount of support, but Russians were exceptionally weak on the talk of the temporary Government repudiating the public debt. Government, and more particularly Municipal, issues were severely depressed in consequence, and most of them lost heavily. Spanish bonds also were rather dull, but Peruvians were firm on the good report, although they closed rather below the best.

Home Railways opened with a good tone, but almost immediately became very flat on the labour difficulties now happily settled, but at an enormous cost in additional wages, so that, looking to the future, holders are not at all pleased with the prospect. American Railroads were very little in evidence, and the only shares that were at all active were those of the International Mercantile Marine, which, after a small display of strength, finished flat. Eries also gave way, and the general feeling was unsatisfactory. Argentines did extremely well, although there was a slight reaction on profit-taking towards the close. Fears of another serious strike happily proved to be exaggerated, and business in the country seems to be settling down into normal grooves. Canadian Pacifics were scarcely mentioned, and Trunks were weak on the very poor revenue statements, which show that expenses are still increasing much more rapidly than traffics are developing. Mexicans were dull and neglected, but United of Havana improved on the report, which created a better impression than the dividend announcement. Leopoldinas and a few others gave way slightly.

Bank shares were not much in evidence, and movements were small and of little significance. Breweries continue to be in demand, and Allsopps, Bieckerts, City of London, Meux and Watney, Combe were particularly active, the last-mentioned specially mounting to a level which begins to look somewhat giddy. Egyptian securities were in continued request, and most of the active shares advanced substantial fractions. Among Catering shares Lyons were firm, but Aerated Bread, after show-

	Last Week	This Week		Last Week	This Week
Consols.	66	66	N.S.W. 4½ 5 yr. bds.	97	97
War Loan 3½	85	85	" 4½, 1922-7	91½	91½
" 4½	99½	99½	" 5%, 1921-3	96½	96½
" 5% 1929-47	93½	93½	" 5½, 1920-2	98½	98½
" 4%, 1919-42	100	100	New Zealand 4%, 1929	84½	84½
India 3%	55	55	Queensland 4%	80½	80½
" 3½	64½	64½	" 4½, 1920-5	92	92
Australian 5½, 1920-22	99½	99½	Union of S. Africa 4½	92½	92½
Canada 4%, 1940-60	81½	81½	1920-5	92½	92½
" 4½, 1920-5	92½	92½	Victoria 4½, 1920-5	92	92
N.S.W. 4%, 1933	83	83	Westn. Aus. 4%	83	81
Argentina 4%, 1900	65	65	French War Loan, 5%	78	78
Belgian 3%	60	60	Japan 4½ (1st), 1905	97	97½
Brazil, 1913	68½	69	" 5%, 1907	91	91
" 5%, 1914	78	80	Mexican 5%, 1899	62½	62½
Chinese 1896	92	92	Russia 4%	48½	47
" 1912	82½	82½	" 4½, 1909	52	51
Egypt Unified 4%	83	83	" 5%, 1906	50	57½
Caledonian defd.	8½	8½	London and N.W.	91½	90½
Gt. Central prd.	13	13½	London and S.W. defd.	23½	23
" defd.	62	62	Do red. pf. 1914	92	93
Gt. Eastern	35½	35½	Metropolitan	23	22½
Gt. Northern defd.	36½	36½	Do. 5% pf.	77	77
Gt. Western	85½	84½	Met. District	15½	15½
Lancs. and Yorks.	66½	66	Midland defd.	56½	56½
London Brighton defd.	59½	59	Nth. British defd.	13½	13½
London Chatham ord.	8½	8½	Nth.-Eastern	97½	97
			Stn.-Eastern defd.	29½	29½
Canadian Pacific	160½	159½	Chesapeake	52	52
E. Indian Guar. 4½ % debs.	84½	84	Erie	23½	22
Grand Trunk ord.	9	8½	Southern	27½	27
Do. 1st pf.	54	51			
Do. 3rd pf.	19½	19½	Cent. Argentine ord.	60	63
Antofagasta defd.	131	130½	Leopoldina	36½	38
Brazil Common	5	5	Mexican ord.	18	18
B. A. & Pacific	39	40	San Paulo (Brazilian)	183	183
B. A. Gt. Southern	75½	75	United of Havana	78½	80
B. A. Western	72½	73½			
Anglo-South American	78	78	London & S.W.	12½	12½
Bank of Australasia	115	115	London City & Midland	7½	7½
Bank of N.S. Wales	35	35½	London County & West	15	15
Barclay & Co. "A"	78	79	London Joint Stock	22½	23
Do. "B"	11½	11½	Nat. Prov. of Eng. (£10 pd)	27½	27
Capital & Counties	22½	22½	Do. (£12 pd)	32	31½
Chartered of India	67½	68	Parr's	29	29½
Hongkong & Shanghai	83	84	Standard of S.A.	10½	10½
Lloyds	24½	24½	Union Discount	109	104
London & Provincial	16½	17	Union & Smiths	23½	23½
London & Brazilian	23½	23½			
Armstrong, Whitworth	44½	42½	Kynochs	39½	39½
Birmingham Small Arms	53½	53½	Mond Nickel ord.	38	38
Cammell-Laird	68	78	South Durham Steel	42½	40½
Cargo Fleet	24½	24½	Thornycroft	2	2½
Dorman, Long	45½	46½	Vickers	43½	42½
Associated Cement	3½	3½	Fine Cotton Spinners	35½	34½
Borax defd.	40½	38½	Forestal Land	47½	47½
Bovril	19½	19½	Furness, Withy	53½	57½
Brazil Traction	43½	45	Harrods Stores	28	28
British Amer. Tobacco pf.	18½	18½	Hudson's Bay	6½	7½
British Aluminium	32½	33½	Imperial Tobacco "C" pf.	30½	33½
British Oil & Cake	32½	32½	Lever Bros. "C" pf.	20½	20½
Brunner, Mond	48½	48	Lyons, J.	38	38½
Castner-Kellner	3½	3½	Marconi	32½	42½
Coats	68	67½	Maypole Dairy defd.	20½	19½
Courtaulds	64½	64½	National Steam Car	20½	20½
Cunard	38	4	Pears, A. & F.	1½	1½
Dennis Bros.	38½	38½	P. & O. defd.	33½	340½
Eastern Telegraph	149½	149½	Royal Mail	110½	124½
Kastmans	10½	10½	Underground Inc. Bds.	82	82
English Sewing Cotton	54½	54½			
Anglo-Egyptian "B"	28½	28½	North Caucasian	8½	7
Baku (10s.)	2½	2½	Roumanian Cons.	10½	10½
Burmah	78	78	Royal Dutch (100 gulden)	51	51
Lobitos	2½	2½	Shell	58	58½
Maikop Pipeline	3½	3½	Spies (10/-)	9½	8½
Mexican Eagle pf.	64½	65½	Ural Caspian	1½	1½
Allagar 2/-	3½	3½	Perak 2/-	7½	7½
Anglo-Java Rub. 2/-	7½	7½	Port Dickson 2/-	4½	4½
Anglo-Malay 2/-	15½	15½	Rub. Estates Johore £1	45½	45½
Ayer Kuning 2/-	52	52	Rub. Estates Krian 2/-	45½	45½
Batang Malaka 2/-	5½	5½	Rubber Trust £1	32½	30½
Bekoh 2/-	5½	5½	Sampang (Java) 2/-	2½	2½
Brit. N. Borneo Trust £1	19½	18½	Saputong £1	27½	27½
Bukit Cih 2/-	5½	5½	Sengat 2/-	29½	29½
Bukit Kajang 2/-	82½	82½	Selangor £1	38½	37½
Bukit Mertajam 2/-	51½	51½	Seremban £1	44½	44½
Bukit Sembawang 2/-	3½	3½	Shelford £1	44½	42½
Carey United £1	51½	50½	Sialang £1	79½	76½
Ceylon Para 2/-	11½	10½	Singapore Para 2/-	5½	4½
Chersonese	3½	3½	Singapore United 2/-	3½	3½
Cheviot 2/-	61½	61½	Soemba Ajo 2/-	3½	2½
Dalkeith 2/-	31½	31½	Stagbrook £1	33½	33½
Eastern Invest. Trust £1	28½	28½	Straits Bertram 2/-	74½	74½
Grand Central £1	29½	29½	Sumatra Para 2/-	10½	10½
Gula Kalumpung £1	30½	30½	Sungei Bahr £1	46½	42½
Highlands 2/-	63½	62½	Sungei Kapar 2/-	14½	11½
Java Investment £1	31½	31½	Sungei Krui £1	56½	56½
Java Para £1	35½	34½	Taipung 2/-	41½	41½
Johore Rubber Lands £1	39½	37½	Tai Aier £1	43½	42½
Kamuning 2/-	48½	48½	Tandjong £1	99½	96½
Kinta Kellas 2/-	41½	41½	Tandjong Malim £1	34½	34½
Kuala Kubu 2/-	3½	3½	Tebrau £1	74½	74½
Labu 2/-	11½	10½	Teloregio £1	51½	49½
Langen Java £1	47½	47½	Tempeh 2/-	21½	21½
Linggi 2/-	30½	29½	United Serdang 2/-	12½	12½
London Asiatic 2/-	9½	9½	United Sumatra 2/-	9½	9½
Malacca £1	58½	58	Val d'Or 2/-	47½	47½
Malayalam £1	43½	42½	Vallambrosa 2/-	24½	24½
Merlimau 2/-	61½	51½	Val Halim 1½ pd.	27½	27½
Padang Jawa 2/-	3½	3½			
Pataling 2/-	45½	45½			
Abbottakoon (10/-)	4½	4½	Gt. Boulder (2/-)	13½	13½
Bechuana Land Exp.	7½	7½	Kyshtim	11½	11½
Brakpan	52	52	Mashonaland Agency	61½	73½
Broken Hill Prop. (8/-)	51½	53½	Meyer & Charlton	58	57
Cam & Motor	11½	11½	Modder "B"	88	88½
Central Mining (£12)	62	62	Do. Deep	76	76
Chartered	15½	14½	Mysore	32½	32½
City Deep	38	38	Rand Mines (5/-)	3	3
Cons. Gold Fields	32½	32	Rio Tinto (£5)	64	63½
Cons. Langlaagte	21½	21½	Russo-Asiatic	32	32
Crown Mines (10/-)	2½	2½	Spring Mines	32	32
De Beers defd. (£10s.)	12½	12½	Tanganyika	38½	38½
East Rand	5½	5½	Tananyk	17½	17½
Geduld	18½	18	Van Ryn Deep	38½	38
Gov. Areas Mod.	38	38			

ing a fair amount of steadiness, dropped rather sharply. Iron and Steel shares were irregular, but rather weak on the whole. Otis Steels at first gained 2½, but afterwards reacted, and Armstrongs, Vickers, and most of the others in the Armament section gave way. Swan, Hunter, however, Cammell, Laird, and Weardale Steel are higher on balance. Among Land shares, Hudson's Bays, Nigers, and Pahangs have shown considerable strength, but the Nitrate market was decidedly flat. Shipping shares have been active and strong, with P. and O., Royal Mail, Prince Line, and Furness, Withy particularly prominent, small advances being recorded in each of these cases. Textiles did not attract much attention, but Coats were good on the report, and English Sewing Cotton also improved. The Marconi group was very good, and among Miscellaneous Industrials Liptons were prominent, and Cities Services advanced 5 points, otherwise there is scarcely anything mentioned in the list.

Oil shares at first showed a considerable amount of strength, and Trinidad Leaseholds were particularly prominent on the favourable reports mentioned at the Consolidated Goldfields meeting. Burmahs improved on the Anglo-Persian dividend, and Lobitos also gained a good fraction, but the Russian group were weak, owing to the continued troubles in the country and the poor reports issued by North Caucasians and Spies. Rubber shares maintained a fairly firm appearance until towards the end of the week, when a rather sharp reaction occurred, partly in connection with the price of the commodity, and partly on profit-taking by holders who are either dissatisfied with the outlook or who have such tempting profits they wish to turn part of them into cash.

LONDON PRODUCE MARKETS.

SUGAR.—The market remained without change this week.

COFFEE presented a steady tone, but demand proved rather quieter respecting Brazilian kinds. Central American descriptions, however, continue to command steady support. The terminal market remained very quiet.

COCOA.—In auction, 4,580 bags were catalogued, including 4,021 bags colonial. With a quiet demand, only a small proportion was disposed of at late prices. Good red Trinidad, 96s. The general assortment was far from attractive.

TEA.—Fair general competition was experienced at public sales, though in some instances maximum rates were not obtained. D. class went off well, at mostly good prices. Some 28,700 packages Indian and 20,200 packages Ceylon were brought forward.

SPICES.—Pepper steady but quiet. Fair black Singapore, spot, changed hands at 1s. 3d.; Muntok, 1s. 8½d. Cloves remain quiet. Zanzibar, spot, sold, 1s. 10d. Tapioca firm, quiet. Fair flake, spot, sold, 7d.; Penang seed pearl, 6½s. 6d.; good at 70s., and fair medium 66s.

RICE remained in good request. Beans and peas firm, unaltered.

HEMP.—East India firm, quiet. Itarsi, spot, sold, £82; Sewnee quoted, £80.

SHELLAC dearer. Fair T.N., spot, sold, 340s. to 349s.; December, 350s.; March, 350s. to 348s. and 350s.

RUBBER.—Market slightly irregular. Crepe, spot, sold, 2s. 6d., 2s. 6½d., and 2s. 6d.; January-June, 2s. 7½d., 2s. 7½d., and 2s. 7½d. Ribbed smoked sheet, spot, sold, 2s. 3d., 2s. 5½d., and 2s. 5½d. Fine hard Para, spot, sellers, 2s. 5½d.; soft fine, sold, 2s. 2d.; ball, 1s. 6d.

COPRA.—Market firm with few offers. F.M.S., Singapore, to arrive, sold, £45 15s. to £46. Ceylon, buyers, £46.

CORN (Mark Lane).—Wheat, barley, and oats have met with the chief share of attention since last Monday, in which a fair amount of business has been done at steady rates. Manitoba No. 1 sold at 79s. 6d.; and No. 2 ditto, 78s., landed; Australian at 81s. 6d.; Plate, 80s. Flour: Country straight runs remain at 44s. 3d. per sack, ex mill. Barley: English was offered at 62s. 9d. per quarter. Maize: Market still bare of supplies, and nominal. Oats: American white clipped No. 2 realised 61s. 6d., landed.

COTTON (from our Manchester correspondent).—The tone of the market has continued strong, the tendency of prices being against buyers, but some falling off in business has to be recorded. We have now reached a point when the majority of buyers and sellers are of opinion that a pause in operations is desirable. Many things may happen during the next few months, and it will be a serious matter for all concerned if traders are committed to heavy deliveries at very high prices, and a decline in values shows itself. Considerable pressure continues to be put upon the authorities to provide increased shipping facilities for raw cotton from the United States, and it is hoped that the deputation to the Board of Trade this week will do good. Rather varied views have been expressed with regard to the proposal of the Government to utilise some of the cotton mills of Lancashire for the manufacture of aeroplanes, and the details of the scheme are awaited with much interest. The wages question is still unsettled, but there is no probability of any strike to enforce the higher rates of pay. The turnover in piece goods has been smaller than for some weeks back. Shippers to India and China have done practically nothing in grey goods, and only occasional sales have been put through in printing cloths and fancies. Certain of the minor outlets have recently done very well, but there is now evidence of there being less disposition to purchase. Certain fresh arrangements have been made by the Government for buying cotton fabrics, and a new organisation for this put-

pose has been established in Manchester. American yarns for home use have stiffened in price, and quite a healthy demand has been experienced for certain counts and qualities, but the

CURRENT PRICES OF CHIEF ARTICLES. WEEK ENDING NOVEMBER 30, 1917.

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt., duty 14/ 98% polarisation ..	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign, granu- lated, first marks	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	New Zealand	nom.	nom.
German Cubes f.o.b.	nom.	nom.	(scoured) Merino	nom.	nom.
French Cube	nom.	nom.	Greasy Crossbred	nom.	nom.
prompt	nom.	nom.	Cape snow white	nom.	nom.
Crystallised, West India	2 6 9	2 6 9	Indiarubber p. lb. Plantation, Spot	0 2 5½	0 2 5½
Beet, 88% f.o.b.	nom.	nom.	Creepe	0 2 5½	0 2 5½
Tea —per lb., duty 7/- lb.	s. d. s. d.	s. d. s. d.	Coal —per ton		
Indian Pekoe ..	1 0-2 2½	1 0-1 5	Durham, best ..	nom.	nom.
Broken	1 0-2 7	1 0-2 3½	Seconds	nom.	nom.
Orange	1 0-2 8	1 0-2 7½	East Hartlepool ..	nom.	nom.
Broken	1 3-2 8½	1 3-2 9½	Seconds	nom.	nom.
Pekoe Souchong	11-1 6	11-1 3	Steamers, best ..	32 6	32 6
Ceylon Pekoe ..	11-1 6	11-1 6	Seconds	29 6	29 6
Broken	1 0-2 1	11-2 6½	Lead —per ton.	£ s. d.	£ s. d.
Orange	11-1 6	11-1 6	English Pig ..	nom.	nom.
Broken	1 2-2 7	1 2-2 7½	Foreign soft ..	£ 30½-£ 29½	£ 30½-£ 29½
Pekoe Souchong	11-1 0	11½-1 0	Quicksilver —per bottle first hand	nom.	nom.
Cocoa —per cwt. duty 6d. per lb.	s. s.	s. s.	Tin —per ton		
Trinidad—per cwt.	92 0-99 0	92 0-99 0	English Ingots ..	£ 282-283	£ 290-291
Grenada	85 0-91 0	85 0-91 0	Do. bars	£ 283-284	£ 291-292
West Africa ..	68 0-76 0	68 0-76 0	Standard cash ..	£ 282 10/-	£ 291
Ceylon Plantation	75 0-90 0	75 0-90 0	Tin Plates, per box	nom.	nom.
Guayaquil Arriba ..	100/-102/-	100/-104/-	Copper —per ton.		
Coffee —per cwt. duty 42/- per cwt.			English, Tough, per ton	nom.	nom.
East India	89 0-106 0	92 0-106 0	Best Selected ..	£ 119-£ 123	£ 119-£ 123
Jamaica	75 0-120 0	77 0-120 0	Sheets	£ 147	£ 147
Costa Rica	85 0-112 0	95 0-113 0	Standard	£ 110-110½	£ 110-110½
Provisions —			Jute —per ton.		
Butter, per cwt.			Native firsts for shipment	£ 18 10	£ 18 10
Australian finest	220/-223/-	220/-223/-	Oils —		
Argentine	220/-223/-	220/-223/-	Lined, per ton ..	£ 58-£ 63	£ 58-£ 63
Irish Creameries	224/-229/-	224/-229/-	Rape, refined ..	£ 71	£ 71
Dutch ditto ..	229/-	229/-	crude	£ 66	£ 66
Russian finest ..	nom.	nom.	Cott'n Seed, crude	£ 60	£ 60
Paris baskets ..	256/8	254/8-256/8	Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
Danish finest ..	229/-	229/-	Petroleum Oil, per 8 lbs.	1/7½	1/7½
Brittany rolls ..	27/-28/-	27/-28/-	Water White ..	1/8½	1/8½
doz. lb.			Oil Seeds, Lined	—	—
Bacon —per cwt.			Calcutta—per ton		
Irish	172/-	172/-	Spot	29 15 0	29 15 0
Continental ..	172/-	172/-	Rape	30 0 0	30 0 0
Canadian	172/-	172/-	Iron —per ton		
American	172/-	172/-	Cleveland Cash ..	nom.	nom.
Hams —per cwt.			Tobacco —duty, unmanufactured		
Irish	203/-	203/-	7/4 to 8/0 per lb.		
Canadian	165/-	162/-165/-	Maryland & Ohio		
American	125/-165/-	125/-165/-	per lb. bond ..	0 8-2 1	0 8-2 1
Cheese —per cwt.			Virginia leaf ..	0 7-0 11	0 7-0 11
Dutch	120/-156/-	138/-158/-	Kentucky leaf ..	2 0-5 0	2 0-5 0
Canadian	nom.	nom.	Latakia	1 6-6 6	1 6-6 6
English Cheddar	142/-	nom.	Havana	nom.	nom.
Wilt's loaf ..	nom.	nom.	Manila	nom.	nom.
New Zealand ..	nom.	nom.	Cigars, duty 10/6 per lb.	2/ upds.	2/ upds.
Rice —per cwt.	s. d.	s. d.	Timber —Wood.		
Japan	29 6	29 6	Pitch Pine	300/-400/-	300/-400/-
Rangoon 2 stars ..	26 3	26 3	Indian Teak ..	380/-700/-	380/-700/-
Eggs —per 120.			Turpentine —		
English	40 0-42 6	40 0-44 0	American Spot ..	5 1 3	110/-
Irish	30 0-35 0	30 0-35 0	Copra —per ton	46 0 0	46 0 0
Danish	33 0-36 0	33 0-36 0			
Spelter —					
G.O.B. as to posi- tion	£ 54-£ 50	£ 54-£ 50			
Flour —per sack.					
Country Straight					
Runs ex Mill ..	44/3	44/3			

turnover has not been so important as in recent previous weeks. Steady buying has occurred in Egyptian yarns at hardening rates. There has been very little activity in export bundles.

Mr. James Brockbank, who for many years has represented the United Swiss Marine Insurance Company as underwriter in Manchester, has been appointed marine underwriter in that city for the Employers' Liability Assurance Corporation, Limited.

Sir J. L. Hulett and Sons, Limited, London Agency report that, in reply to a cable despatched to their head office in Durban, asking whether a newspaper report that in consequence of the floods the Natal sugar crop would be reduced by 50 per cent. was correct, they have received the following message:—"Further to our cable fifth further serious rainfall. Umhlati Bridge washed away. Umhlatuzi Bridge damaged. Approaches all other bridges North Coast washed out again. Previous estimate capital loss still stands, but consequential loss increased, due to all our mills closed for one month. Difficulty transport great, due damage road and railway. Consider newspaper reports greatly exaggerated, and as majority cane already crushed think ten per cent. should cover reduction of total output for colony."

Insurance News.

In order to further the financing of the war, and assist the practice of thrift, the Atlas Assurance Co. is issuing particulars of rates for the purchase of National War bonds by monthly, quarterly, half-yearly, or yearly instalments spread over ten years. Provision is made for the transfer of the bonds to the dependents of the assured should death occur before all instalments have been paid. No medical examination is required in approved cases, and double benefits are paid in the event of the assured being killed in an air raid. The company undertakes to purchase a bond directly the first instalment is paid.

Some property owners appear to be in doubt as to the precise effect on individual policyholders of the new scheme of free insurance under the Government scheme of insurance against enemy aircraft risks, judging from the number of inquiries which have been received by insurance companies acting as agents for the Government. Property owners who had previously insured are now being informed that, as from November 5, when the new scheme of free compensation was announced in Parliament, they have the option of taking advantage of the free compensation up to £500, or of continuing their existing insurances. Any premiums due for renewals on and after November 5 for insurances up to £500, and already paid, will, if policyholders choose, be returned to them, or where the insurances are for larger amounts, an allowance in respect of the premium for the first £500 will be made. No return of premiums is to be made, however, in respect of insurances effected or renewed between September 1, the date on which the new scheme came into operation for the purpose of compensation in respect of uninsured property, and November 5. The Royal Insurance Co. has prepared a leaflet which puts the whole matter plainly before policyholders, leaving them at liberty to decide which course to pursue, and explaining the allowances to which property owners are entitled in the case of property of a value exceeding £500.

In moving the second reading of the Amending Bill in the House of Commons, Sir E. Cornwall gave some striking figures to illustrate the operation of the National Insurance scheme. The total income from 1912 to 1916 amounted to 99 millions sterling, the contributions during that period being 82 millions, the number of persons insured amounting to 15 millions. War conditions have affected National Insurance to a greater extent than any other sphere of national work.

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the largest State in the Commonwealth, has made remarkable progress in Agricultural and Industrial Development.

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AGENT-GENERAL FOR WESTERN AUSTRALIA,
SAVOY HOUSE, 115-116, STRAND, LONDON, W.C.2.

The Government is meeting objections which have been raised to the scheme relating to the contingencies fund. It is not proposed, for example, to take money from solvent societies for the benefit of insolvent societies, as it is proposed to deal with the cases of societies which had been compelled to take members engaged in hazardous occupations, and the new Bill goes a long way towards placing all societies on a sound financial basis. The Bill was read a second time without a division, in spite of the fact that considerable opposition had been anticipated.

Advices from New York state that Mr. McAdoo, the Secretary of the Treasury, has ordered all insurance companies incorporated under the laws of Germany or her Allies, with the exception of life insurance companies, to liquidate their affairs, and go out of business. The order affects about 160 millions' worth of fire, marine, and casualty risks. Life insurance companies are permitted to retain their present business as a protection to the policyholders, but no new business will be permitted. Austrian, Bulgarian, and German insurance companies before the war held risks amounting to some 600 millions sterling. This step in the direction of disrupting the German trade organisation in the United States will give the American offices a fine opportunity to add to their already extensive connections.

Tea, Oil and Rubber.

Nothing much need be said about the Rubber market this week. The commodity has firmed up a little at over 2s. 6d. for standard, but while 750 tons were landed only 500 tons were delivered, and the increase in stocks is not altogether relished by the bulls. At the same time, there appears to have been an organised campaign with the object of forcing out shares, and this had a certain influence on prices, but not so much as might have been expected. The tone has been dull, but people who have paid for shares are much less disposed to part with them, even on adverse developments than the margin speculator, and those who might feel inclined to take liberties with the market had better keep that fact in mind.

At the time the Admiralty entered into partnership with the Anglo-Persian Oil Co., Ltd., there was a good deal of hostile criticism—perhaps not entirely of a disinterested kind—about the arrangement, but for the most part it was ill-informed, and the eighth annual report of the company shows that the Government for once in a way has made an excellent deal for the country. Trading account for the year to March 31, after charging depreciation, shows a profit of £415,920, an increase of £237,000 over the previous 12 months. After providing for debenture interest and royalty to the Persian Government, a new item of £20,860, there is a balance of £344,110, and as £49,270 was wiped off last year for preliminary expenses, while £26,000 more was brought in, the available balance is £284,000 higher at £377,750. Out of this the preference shares get an additional 2 per cent. (making 8 per cent. for the year) and the ordinary receive a maiden distribution of 6 per cent. Following the custom of the Burmah Co.'s prudent management, £50,000 is placed to a preference share reserve fund and £100,000 to general reserve, leaving £19,540 to be carried forward. The company has a claim of over £400,000 against the Persian Government for the cutting of the pipeline by Persian tribesmen, and partly on this account, partly to meet urgent war requirements, it is proposed to issue at a premium one million participating preference shares. It is quite refreshing to learn that the Treasury's sanction to this issue has been obtained. From the report we learn that the field from which the company is drawing its present supplies continues to develop most satisfactorily, and a further well sunk in a reserve field has proved a large additional area of productive territory. Since the close of the financial year the company has purchased from the Public Trustee the whole of the shares of the formerly German-controlled undertakings of the British Petroleum Co., the Homelight Oil Co., and the Petro-

leum Steamship Co., which it is believed should prove valuable acquisitions. In the balance-sheet the purchase price of concessions, shares, &c., has increased £205,000 to £1,983,000, and plant, &c., £145,000 to £1,700,000. Debtors have risen £184,000 to £590,000, and creditors £235,000 to £614,000, but the position is a very strong one, and the company has evidently a great future before it.

Shareholders in Russian oil companies are not feeling very happy just now, and they are not likely to see much of a silver lining to the clouds for some considerable time to come. Both the Spies Petroleum and the North Caucasian Oil Fields are unable to pay dividends; and in the former case there has been a heavy reduction in output, but the North Caucasian was more fortunate in this respect. With labour utterly disorganised, however, and making the most fantastic claims, the outlook cannot be regarded as very promising. On the other hand, the properties in each case are intrinsically valuable, and holders who can afford to wait will probably reap the reward of their patience when conditions once again become normal.

The Week in Mines.

Business has been fairly active this week, and the tone generally firm. A sharp recovery in City Deeps and Modderfonteins has been a feature of the South African market, and De Beers Deferreds have risen substantially on the report. Tin shares have developed fresh strength on the further rise in the metal to the record level of £286, and Broken Hill Proprietarys have spurred sharply on Colonial buying in a market short of shares.

SOUTH AND WEST AFRICANS

In the South African market steady buying of City Deeps has lifted the price 5-32 to 3½, while New Modderfonteins have recovered ½ to 23½. New Daggafonteins have risen to 1 17-32, and Modder "B's" at 8½, Rand Selections at 4½, Springs at 3½, Welgedachts at 1½, Modder Deeps at 7½, Gold Fields at 32s. 9d., and Randfontein Estates at 16s. 3d. are all slightly higher. East African Lands have been in active demand, and are now quoted at 40s. Among Diamond shares, De Beers Deferreds have been in steady request on the good report, and are ½ higher at 13½. In the Rhodesian section, Falcons have risen 1s. 3d. to 18s. 3d., Rhodesian Gold Minings 1s. 3d. to 8s. 6d., British Central Africa 1s. to 7s. 6d., and Bwanas 1s. to 6s. It is proposed to wind up the New Rhodesia Co. and distribute its assets; the report just issued shows a further loss of £466, making a total debit of £33,681. Chartered's eased on the death of Sir Starr Jameson, but rallied later to 15s. Rezendes have fallen ½ to 3½. Of the West Africans, Fanti Consols have been moderately active on the report, but are rather easier at 7s.

COPPER AND MISCELLANEOUS.

Copper shares have moved irregularly. Arizonas are again better at 2 11-32, but Rio Tintos have declined ½ to 63½, and Cape Coppers to 3½ on the dividend declaration. The strength of the metal market has stimulated buying of Tin shares. Anglo-Continentials have risen 1s. 3d. to 13s. 9d., Forum Rivers 1s. 6d. to 22s., Naraguta Extendeds 1s. to 13s. 6d., Pahangs 9d. to 13s., and Malayans ½ to 2½. Of the American issues, Alaska Gold Fields have risen 1s. 9d. to 11s. 9d., and Mexico of El Oro ½ to 5½, but Santa Gertrudis have relapsed 9d. to 13s. 3d. In the Westralian section, Ivanhoe's weakened to 2½ on the latest development and ore reserve statement, showing at June 30 a tonnage of 1,001,280 tons, against 1,002,096 tons at December 31, with a reduction in value from 36s. 3d. per ton to 35s. 4d. This falling off in value is equal to as much as 5s. per Ivanhoe share. Broken Hill shares have not been affected by the decision to deal in lead on the London market on a nett instead of on a gross basis as from January 1, though this arrangement will benefit the producers. Proprietarys, in anticipation of a good half-yearly statement, have risen 3s. to 54s., while South Silvers have improved 3-32 to 9½. Russian descriptions have been fairly steady.

MINING NEWS.

BRITISH BROKEN HILL PROPRIETARY.—This company, which resumed active operations early in the year, after having suspended them at the outbreak of war, has just issued its report for the half-year ended June 30. The first month of the period was occupied in getting things ready for productive operations, and work was in full swing by March 1. There were raised 4,632 tons of carbonate ore, and 74,607 tons of sulphide ore, and there were produced 11,056 tons of lead concentrates, and 12,020 tons of zinc concentrates, besides 9,145 tons of lead mill slime. After allowing £5,670 for depreciation, the nett profit was £40,553, making, with the sum brought in, £62,764. An interim dividend of 1s. per share, tax free, was paid in July, absorbing £18,750, and a further interim of 1s. per share, tax free, will be paid on January 3. Liquid assets exceed liabilities by £124,750. Working costs averaged 33s. 4d. per ton treated. During the current half-year the mine was idle for two months

owing to the miners at Broken Hill having struck work on August 20. Operations were resumed on October 22.

RHODESIAN MINERAL OUTPUT.—The production of gold in October was £289,978, a decrease of £35,620 on the same month of last year. The following table shows the production since January, 1913:—

MONTH.	1913.	1914.	1915.	1916.	1917.
January	£ 220,776	£ 249,032	£ 293,133	£ 318,586	£ 296,113
February	228,744	259,888	286,789	313,769	289,734
March	257,797	273,236	299,686	335,368	300,183
April	241,098	295,997	315,541	339,386	297,977
May	242,454	290,062	318,898	323,783	299,271
June	241,303	260,421	324,473	313,079	302,195
July	249,301	320,670	336,505	322,365	288,731
August	250,576	316,972	344,493	338,001	294,359
September	250,429	309,398	321,085	322,035	291,367
October	247,068	337,241	339,967	325,608	289,978
November	239,036	311,711	313,166	317,135	—
December	251,687	309,669	331,376	306,205	—
Totals	2,903,267	3,580,207	3,823,166	3,895,311	2,948,908

The number of producers was 227, or 16 more than in September, and the output of other metals was 17,134 ounces of silver, 53,916 tons of coal, 273 tons of copper, 712 tons of asbestos, 80 carats of diamonds, and 1 ton of wolframite.

WEST AFRICAN GOLD OUTPUT.—Production in October, amounted to £126,295, a decrease of £873, which brings the total decrease up to £52,927. The gold output of all the principal fields is likely to be smaller this year than last. The following table shows the monthly production since January, 1913.

MONTH.	1917.	1916.	1915.	1914.	1913.
Jan. ..	£ 131,665	£ 140,579	£ 143,649	£ 128,862	£ 144,366
Feb. ..	104,892	137,739	144,034	123,169	137,038
Mar. ..	158,727	150,937	153,770	131,392	150,060
April ..	123,825	135,976	149,978	131,697	146,220
May ..	121,104	132,976	142,123	145,227	142,617
June ..	114,489	127,107	135,289	147,289	125,764
July ..	142,017	128,574	140,290	151,921	132,936
Aug. ..	130,278	125,143	139,364	150,386	126,090
Sept. ..	127,168	127,138	135,744	154,316	132,394
Oct. ..	126,295	132,577	141,771	159,410	137,151
Nov. ..	—	130,101	122,138	154,674	132,694
Dec. ..	—	146,469	158,323	147,693	127,472
Totals ..	1,280,460	1,615,306	1,706,473	1,727,044	1,634,700

GAIKA GOLD.—This company's profits underwent a sharp reduction in the year ended June 30. After providing for depreciation, the total was £21,097, as against £35,111. The dividend is further reduced from 12½ to 10 per cent., but even this rate absorbed £34,187, and consequently the balance carried forward is reduced from £14,610 to £1,520. Reserves of ore have been reduced from 89,591 tons to 85,831 tons, and the value from 13.96 dwts. to 12.9 dwts. During the year 38,320 tons were treated for £84,007, against 37,795 tons for £88,510. Working costs averaged 29s. 6d. per ton, against 26s. 4d. per ton.

ABOSSO.—The accounts for the year ended June 30 show a profit of £10,416, as against £25,024, after allowing for depreciation and shaft expenditure redemption. Including £35,646 brought forward, there is a balance of £46,062. Owing to the necessity of making heavy purchases of stores and materials under war conditions, this sum is not available for distribution, and is therefore carried forward. Last year a dividend of 1s. per share was paid. Gold to the value of £167,270 was recovered from 112,460 tons treated, equal to 29s. 9d. per ton. In 1915-16, £182,223 of gold were produced, equal to 31s. 8d. per ton of ore crushed. Working costs rose from 25s. 7d. to 26s. 1d. per ton. Reserves of ore have been increased from 237,820 tons to 265,400 tons, valued at 32s. 6d. per ton, the same as last year.

KALGURLI.—The report of the general manager for the year ended July 31 states that 103,210 tons were treated for a yield of £179,837, as compared with 119,180 tons for £194,795 in the preceding year. Recovery averaged 34s. 10d. per ton, against 32s. 8d., and the costs were 22s. 7d. per ton, against 20s. 10d. per ton. During the last three months of the year costs averaged 24s. 4d. per ton. A welcome enrichment at the north end of the west lode, between 1,450 feet and 1,550 feet levels, raised the grade by 2s. per ton for the year. Without this assistance the profit on the reduced tonnage, with higher costs, would have compared much more unfavourably with that of the previous year. The stoppage referred to is nearing exhaustion, and, failing further enrichments elsewhere, the mine will soon be struggling for a profitable existence on a reduced grade and higher costs.

SELUKWE COLUMBIA.—This Rhodesian company, in the year ended June 30, produced £32,693 of gold from 16,326 tons, and made a net profit of £4,979 against £4,458. A dividend of 6½ per cent. is again paid and £957 is carried forward.

OILFIELDS PRODUCTION.

Baku Russian Petroleum.—Week ended Nov. 17, 67,975 poods.

Black Sea Amalgamated.—Week ended Nov. 17, 340 tons.

Maikop Combine.—Week ended Nov. 17, 399 tons.

United British of Trinidad.—Week ended Nov. 21, 619 tons.

What Balance Sheets Tell.

UNITED WIRE WORKS, LTD.

After allowing for excess profits duty, net results for the year to September 30 were very much the same as for the previous 12 months. Sales, rents, &c., were £17,000 higher at £108,970, and stocks at the end of the year were £8,000 up at £29,350, but costs and expenses increased £26,000 at £102,400. About £2,700 less was brought in, and £3,000 less had to be allowed for depreciation, so that the net profit of £14,035 is only £300 more than last time. The dividend of 7½ per cent., tax free, is repeated, £1,500 again placed to reserve, and the balance forward is slightly larger at £3,740. Changes in the balance-sheet are unimportant.

WRIGHT AND GREIG, LTD.

A further improvement took place in the profits of this Glasgow wine and spirit business during the year to September 30. The profit on trading amounted to £91,800, an increase of £15,600, and as general expenses, trade discounts, &c., only took £4,350 more at £56,680, profit comes out £11,260 better at £35,120. However, the ordinary dividend is kept at 10 per cent., and the carry-forward is £17,540 up at £30,190, subject to excess profits duty. As would be imagined, the balance-sheet shows a considerably improved position. A reduction of £16,770 to £141,640 has been effected in debts due by the company, while current assets, including stock-in-trade, £280,720, total £310,900, as against £315,200, but out of this provision will have to be made for excess profits duty.

TECKA (ARGENTINA) LAND CO., LTD.

This land-owning and sheep-farming undertaking renders a very encouraging account of itself in respect of the financial year to June 30. Produce revenue shows an improvement, despite the reduction in coastal tonnage and increased cost of cartage, whilst live-stock, cattle, and horses yield a substantially larger sum. Gross revenue is altogether £20,420 up at £48,510, and although working expenses were considerably higher, no less than £13,400 of this increase is retained in nett, which amounts to £28,160. The dividend is raised from 6 per cent. to 8 per cent., and after setting aside £10,000 to general reserve, a trifle less at £6,000 is carried forward. In the balance-sheet current assets amount to £53,220, and current liabilities to £22,300. At June 30 the sheep stock numbered 117,000, or about 2,000 less than last year.

ILFORD, LTD.

This firm of photographic plate makers did not make such a large profit in the twelve months ended October 31 last as in the previous year, but earnings were very substantial, and as the profits of the company have during ten months of the period been subjected to an 80 per cent. excess profits duty, shareholders have no cause to feel dissatisfied with the results. The net profit after making provision for excess profits duty, &c., is £5,900 down at £42,140, and the preference and ordinary dividends of 6 per cent. only require £22,800. It will be seen, therefore, that the distribution is very well covered. Of the balance £6,000 is allocated to reserve and £10,000 applied to reduction of goodwill, which now appears in the balance-sheet at £176,000. There then remains £8,850 to go forward. The balance-sheet shows assets more or less liquid amounting to £206,880, and current liabilities aggregating £65,485. There is in addition stock appearing at £55,000. Altogether a very healthy position.

TRAFFORD PARK ESTATES, LTD.

For the financial year ended June 30 last the revenue of this company was some £14,000 higher at £84,250 than that of the previous year, but expenses were higher, and the instalment accrued to the debenture trustees absorbed a much larger sum than previously, with the result that the substantial advance in gross revenue is almost entirely lost. As, however, the sum of £3,615 was derived from profit on redemption of chief rents, there is £5,350 more available. This enables the directors to increase the dividend from 4 to 5 per cent., and with the help of a slightly larger amount brought in, to carry £4,600 more forward. During the year £33,780 has been paid to debenture trustees in respect of land sold and the purchase price of Trafford Park Estates reduced to £685,815. Most of the other changes in the balance-sheet, with the exception of investments, which have gone up from £185,100 to £229,000, call for no particular comment. Profits are subject to excess profits duty, if any.

BANQUE DE COMMERCE DE SIBIRIE.

The annual report for 1916, after dealing briefly with the general economic position in Russia, states that small commercial bills were almost completely lacking, owing to the fact that sales of goods to retailers were practically exclusively on a cash basis. Nevertheless, the bank's turnover in bills of exchange discounted rose from about 112 million roubles in 1915 to 196 millions in 1916. Liabilities for deposits and current accounts advanced in the same period from about 250 to about 458 million roubles. The realised profit, representing the difference between interest received and interest paid, amounted to Rbls. 7,347,630, as compared with Rbls. 4,535,970 for 1915. Commission account yielded a total of Rbls. 9,108,070, as against Rbls. 4,128,800 in the previous year. The total net profit for the year was Rbls. 7,806,570, and after providing for the fixed dividend of 8 per cent., the board proposed a further dividend of Rbls. 60 per share, being at the additional rate of 6 per cent., carrying forward Rbls. 118,300.

COMPANY MEETINGS.

ROYAL BANK OF SCOTLAND.

The annual general court of proprietors of the Royal Bank of Scotland was held on November 28, Mr. E. A. Davidson, chairman of the directors, presiding in the absence of the deputy-governor.

The Chairman expressed the gratification of the directors in submitting a report and balance-sheet, which showed the bank to be in such a very strong position. He commented on the principal feature of the balance-sheet, namely, the very large increase in deposits, amounting to £4,200,000, bringing the total deposits up to over £26,000,000—this increase being all the more remarkable in view of the very large contributions made by the customers of the bank towards the great war loan, issued early in the present year, the applications for which through the Royal Bank alone amounted to nearly £20,000,000. The bank had made advances on a liberal scale to applicants on the security of their subscriptions, and these were being reduced by satisfactory amounts from month to month. The bank were also giving the utmost encouragement at all their offices to subscriptions for the new issue of National War bonds. The profits of the year had been most satisfactory, and these had been arrived at after making very ample provision for all bad and doubtful debts. Out of the profits of the year the directors had been able, besides carrying £30,000 to a pension reserve fund, to add no less a sum than £113,981 to the rest, which now amounts to £914,268, their view being that the strengthening of the bank is the paramount consideration in the abnormal and uncertain times through which we are passing. Since the outbreak of the war, the bank had released as many as 470 of their staff for military service. The report was approved, and a dividend at the rate of 10 per cent. per annum for the half-year, under deduction of tax, was declared in conformity therewith.

The vacancies in the boards of extraordinary and ordinary directors were filled up, and auditors were appointed for the ensuing year.

BROOMHILL COLLIERIES, LIMITED.

LORD FURNESS AND THE PREVAILING CONDITIONS.
PROSPEROUS YEAR.

The 17th annual meeting of the Broomhill Collieries, Ltd., was held on November 30, at the registered office, Collingwood Buildings, Newcastle-upon-Tyne.

Lord Furness, who presided, said: It is again my duty and pleasure to meet you for the purpose of moving the adoption of the report and accounts, which I am sanguine you will consider fairly satisfactory.

You are aware that since March 1 last the collieries of the United Kingdom have been under the control of the Controller of Mines, and your board conduct the affairs of the company subject to his directions and decisions. Most of you will doubtless have read the debate in Parliament on this subject, from which you will have gathered that the control is of a somewhat complicated nature. Put broadly, it means that colliery companies are entitled to their pre-war standard, provided the pre-war output is maintained. If they earn more, they are entitled to 5 per cent. of the surplus, less, of course, income-tax, leaving them what represents 3½ per cent. above their pre-war standard, the balance going to the State. Should they not make their standard profit, the State guarantees, under somewhat complicated and rather vague conditions, to make up the deficiency.

I do not intend to weary you with criticisms on this course, because it has been adopted, and we have to fall into line. It is one of the regulations of commerce and enterprise which have been brought about by the exceptional circumstances created by war.

Parliament having decided that this upheaval and unprecedented interference with trade is necessary, whatever our views may be, it is obviously our duty cheerfully to do all that we possibly can loyally to carry out the regulations, both in the spirit and the letter, recognising the stern fact that the money for the war has to be found, and that, in addition, our rulers have a most difficult task before them. We can only hope that after the war we shall again enjoy freedom from Government intervention in the conduct of our businesses, and that enterprise, industry, and initiative will once more be allowed to reap their own reward.

You will have seen the announcement in the Press of the recent advance of 1s. 6d. per man per day in wages, and 9d. for boys under 16 years of age, whether the pits are working or not. This is another innovation, which we have been instructed to adopt.

It is true that the selling price of coal has been increased by 2s. 6d. per ton for some portion of the output, but the coals which go to France and Italy are not subject to this advance;

consequently the contracts we have with France do not participate in this benefit. Both France and Italy have suffered most severely, and I for one cordially approve of their exemption under this head, more especially seeing the present price of coal to private consumers in Italy is something like £20 per ton, and in France anything from £5 to £10 per ton, the price for gas, manufacturing and household coal varying according to quality.

I deeply deplore the fact, which you will have observed from the report, that we have lost no fewer than 98 of the 833 employees who enlisted from our collieries; and I regret that during the year the ss. "Broomhill" was sunk, two of the crew being killed by enemy gunfire. In addition, two of our head office staff have fallen in action. To the relatives of these brave men who have died in their country's cause we extend our heartfelt sympathy.

I would here like to repeat, what I believe I stated on a former occasion—namely, that our North Country miners have the finest reputation for willingness to work, for endurance and bravery. When I recently visited the front, I heard nothing but praise of them on all sides. All honour to them; we are proud of their valour and courage.

To our great regret, Mr. Merivale, who has usually been present on these occasions, died in November of last year. He for a long period—I think nearly 50 years—had been mining agent for Broomhill. Mr. Merivale was a distinguished mining engineer, of great ability, possessed of a genial temperament, and very popular with his men. Indeed, he was highly esteemed and respected by all who came in contact with him, and his loss will be greatly felt by the company. Mr. J. H. B. Forster, of Spennymoor, has consented to fill the vacancy created by Mr. Merivale's death, and your directors are satisfied they could not have found a more worthy and capable successor.

Turning now to the balance-sheet, you will observe that the financial position is satisfactory. A very large proportion of our liquid resources—namely, £144,250—is invested in Government stock, War Loan, Treasury bills, and National bonds; whilst the reserve fund now stands at £100,000. We have not made any deduction in the values on the asset side, because we have already in the balance-sheets of past years made ample provision for the depreciation of our property, and it is the opinion of your board, and also of your auditors, that this has already been sufficiently provided for.

The sinking fund, which is usually written off the assets, is shown on the debit side, and, in reality, increases the reserve fund by this amount, making it £116,250.

At the present time business is difficult. Our principal trade was formerly with Scandinavia, but under present conditions it is much curtailed. With regard to inland trade, owing to our geographical position so far north, and the heavy railway freightage, we are precluded from participating in this to any appreciable extent. Consequently, the bulk of our output is exported, and, unfortunately, we are seriously affected by the present shortage of tonnage, which makes it impossible for us to work full time.

The "Broomhill" was under Government charter when she was lost, and the value, recovered and placed to reserve, has not been taken into account in the profit and loss account.

The Ministry of Shipping, in whose hands the supply of tonnage is very largely placed, are doing all they can to make the best use of the tonnage available, and to meet the requirements of the collieries which are dependent upon export business.

I hope it may be our good fortune to meet again next year with a satisfactory report, but under existing circumstances it would be futile to attempt anything like a forecast. In conclusion, I would like to add just one word in regard to the employees—including both the indoor and outdoor officials and staffs—who, notwithstanding the serious depletion in their numbers, have continued to meet the increased pressure of work in such a splendid manner. We extend to them our appreciation of their labours.

I now have pleasure in moving the adoption of the report and accounts for the year ended June 30 last.

Sir John S. Barwick, Bart., seconded the motion, which was carried.

A final dividend of 15 per cent. on the ordinary share capital (making 20 per cent. for the year) was declared.

The re-election of the retiring directors, the Right Hon. Lord Furness and Sir John S. Barwick, Bart., also the Right Hon. Lord Gainford and Mr. J. H. Beckingham, was confirmed, as was the reappointment of the auditors, Messrs. Holmes, Spence and Co.

A vote of thanks to the chairman concluded the meeting.

DALGETY AND CO.

The thirty-third annual meeting of Dalgety and Co., Ltd., was held on Thursday at the offices, 45, Bishopsgate, E.C., the Hon. Edmund W. Parker (the chairman of directors) presiding. The Secretary (Mr. H. E. Davison) having read the notice convening the meeting and the auditors' report, the directors' report and the accounts were taken as read.

The Chairman, in moving the adoption of the report and accounts, said: Notwithstanding all the drawbacks involved in the continuance of the war, your directors are very much pleased to be able to lay before you the present balance-sheet, which I am sure every one of you will consider eminently satisfactory. But I think it is only right to sound here a note of warning that at the end of the current financial year you must not expect such pleasing results, because, owing to the great lack of tonnage to lift the produce of Australia and New Zealand, much of the business that usually passes through our hands must come, where it has not already done so, to almost a complete standstill, and our earnings at this end will be considerably reduced. However, with the present satisfactory figures before us, the directors propose, in addition to the customary dividend of 8 per cent., to pay a bonus of 5 per cent., both free of income-tax, which I feel sure shareholders will appreciate. That really amounts to £17 6s. 8d. gross. I may add that again this year we have paid to the staff, as we did last year, a war bonus of 10 per cent. upon their salaries, for which they have expressed themselves as entirely grateful. Further, having regard to the prosperity that during the past year the company has enjoyed, your directors propose to add £100,000 to the reserve fund, and to write down the freehold premises by another £100,000. In placing £100,000 to the reserve fund, we are only doing what, in the ordinary course of events, had it not been for the war, we should have done before this, because we should have added £50,000 to the reserve fund at June 30, 1914, but at that time we felt so uncertain as to the position of events generally that we considered it best to be on the safe side, and to hold our resources as liquid as possible. We therefore, as you will remember, added nothing to the reserve fund, but carried a large balance forward. It is that £50,000 that we now propose to restore. As regards writing down the freehold premises, it will be within your recollection that we also omitted in this case, for the reasons that I have just given, the customary appropriation for the year ended June 30, 1914, and we now wish to take advantage of our present prosperity to put back as working capital money that has hitherto been locked up, and which has taken up a larger proportion of our paid-up capital than was really justified. I know some shareholders will say that on one occasion the late Mr. Doxat said that he thought that these properties were really worth the figure at which they stood in our books. I daresay that he may have been right to this extent, that the properties may have been worth it so long as Dalgety and Co. was a going concern, but our wish is to place the company in such a position that it will be unassailable from any point, and when written down as we now propose, I consider that these properties will stand at a figure that they would realise, even at a forced sale, if such an event ever occurred, and I can assure you that it is by no means likely that we shall ask your sanction for these annual appropriations on such a large scale in future. In the profit and loss account the only item that I think I need comment on is taxes, which £238,477 show an increase of £156,850—a very large sum. You will remember that I told you last year that the amount we should have to pay this year on the then basis of taxation would exceed £100,000, but I little thought that it would amount to the present figure. However, there it is, and we have to pay it, but I still wish to protest at having to pay double income-tax. As I announced at our last meeting, the Chancellor of the Exchequer acknowledged that we had a genuine grievance to this extent—that in the United Kingdom Finance Act, 1916, he provided for a refund of 1s. 6d. in the £ in those cases where in this country shareholders pay 5s. in the £ and in the colonies an amount equal to 1s. 6d. in the £ or over; but that is not sufficient; we ought to be absolved from paying income-tax twice over on any sums whatever. I will now read you the latest seasonal news that we have had by cable from Australia and New Zealand:—Australian pastoral prospects are, broadly speaking, excellent, and an increase of about 5 per cent. in the wool clip is expected. The agricultural position may be reported as excellent in Victoria, and satisfactory in the other States, though there has been too much rain in some districts. The wheat harvest for the ensuing season is estimated at about 115,000,000 bushels. For the dairying industry the outlook is favourable everywhere, and a satisfactory increase in production is expected. As regards New Zealand, weather conditions are reported as favourable throughout the Dominion, and pastoral, agricultural, and dairying prospects are bright. Increased cold storage has been provided for perishable products, which will help to tide over the period of scarcity of tonnage. I think that I have now referred to everything that might require explanation, so will sum up the position, which is, that, after making full provision for all bad and doubtful debts, there remains a nett profit for the year's working of £270,226 7s. 8d., to which has to be added the amount brought forward from last year, £197,544 5s. 11d., giving a total of £467,770 13s. 7d., out of which we have already paid interest on the 5 per cent. preference shares, £25,000, and interim dividend, £40,000, together £65,000, leaving £402,770 13s. 7d.

to be dealt with on this occasion, and which we recommend should be appropriated as follows:—£40,000 in payment of a dividend at the rate of 8 per cent. per annum for the half-year, making with the above payment 8 per cent. for the year; £50,000 in payment of a bonus of 5 per cent. for the year ended June 30 last, free of income-tax; £100,000 to the reserve fund, raising it to £750,000; £100,000 to writing down cost of premises; £10,000 to the staff benevolent fund, and £102,770 13s. 7d. carried forward.

Mr. Maurice G. C. Glyn seconded the resolution, which was carried unanimously.

BUENOS AYRES AND PACIFIC RAILWAY CO.

The ordinary general meeting of the Buenos Ayres and Pacific Railway Co., Ltd., was held on Tuesday at Winchester House, Old Broad Street, the Right Hon. Lord St. Davids (the chairman) presiding.

The Secretary (Mr. F. Sanders) read the notice convening the meeting.

The Chairman, in the course of his remarks, said: We have had a bad year, but it will not be a surprise to you, as I, unfortunately, was in a position to make a forecast of what the position would be twelve months ago. Our traffic receipts for the past year were £4,421,000, against £4,655,000, a decrease of £233,000. Our working expenses were £2,917,000, against £2,847,000, an increase of £70,000, and, considering that the increase on fuel alone was £130,000, I think it is extremely creditable to our general manager that on the whole year he has only had an increase in working expenses of £70,000. The result was that our total profits on working were less by £303,000. As against that, our interest account and our receipts from subsidiary undertakings increased by £78,000. Now, first of all, about our immediate prospects. I will take the bad and the good points in turn. The worst point is that we have got up to date a traffic decrease of £456,000; that is mainly due to the loss of traffic by the strike, but it is an item that will take a great deal of getting over during the financial year; secondly, our receipts from income account and subsidiary undertakings are likely to be less; thirdly, damage has been done to the property by strikers—considerable damage—but, against that, we shall naturally put forward a claim on the Government; and, lastly, there is going to be a substantial increase in wages, as agreed, after the strike. Now, the good points to set against those are very material. First of all, the Government has assented to an increase of our rates all round of 22 per cent., and we believe that that actually came into effect on November 20. We believe that by the settlement of the strike we are to be given an increase of rates in addition to that 22 per cent., to set against any further cost of our increased wages bill. Then, whilst last year I had to tell you that the crop prospects were bad, this year they are undoubtedly good. There has been some damage done in the south by frost, but, taking the crop as a whole, it is practically certain now that wheat, oats, and linseed will be very substantially better than they were last year. As regards maize, it is too early to speak at all. To sum up: How do the good points set off against the bad ones? And I say to you, it has nothing to do with the railway at all; it is entirely a question of ships. If there was no war on, and if we had pre-war conditions, undoubtedly our prospects are such that we could confidently reckon, during the financial year which ends on June 30, on the crops and the increased rates putting right our decrease, and giving us, I should say, undoubtedly a better year than last year. But we have not pre-war conditions, and the question is how much of that crop is going to be shipped during the financial year. If there is not enough shipping in the financial year, then we may have a worse year this year than last year. It may be worse; it may be better; it may be about the same. It depends entirely on that one item of ships. Now if you look at the accounts you will see that in liquid investments, in War Loan, Exchequer bonds, Treasury bills, and cash, we have an item of £1,200,000, and the only thing to be set against it is that we have a liability of about £300,000 for debenture interest. In times like these it is a comfort to know that in finance, at any rate, we are in a very solid position.

Mr. J. A. Goudge (the managing director) seconded the resolution, which, after a short discussion, was carried unanimously.

AUSTRALIAN MERCANTILE LAND AND FINANCE.

The 53rd annual general meeting of the Australian Mercantile Land and Finance Co., Limited, was held on Thursday at Cannon Street Hotel, E.C., Mr. R. H. Caird (managing director) presiding.

The Secretary (Mr. H. R. B. Lilley) read the notice and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said that when he addressed the shareholders last year there was still a doubt as to whether the long drought had really ended in Queensland, but very soon after he spoke that doubt was entirely dispelled by very heavy monsoonal rains. The weather in Australia was the main consideration for the company's business, and on that head they had nothing to complain of. Already the numbers of live stock were beginning to increase, but complete recovery to the former figures must take years. In the meantime prices for all their products were on a high level and likely to remain so. For their wool especially he thought there was a prospect of good values for a long time to come. The area on the surface of the world suit-

able for the growth of fine wool was limited, and in Argentina, one of the great competing areas, there was a great diminution in the number of sheep from various causes likely to prove permanent. The latest figures available gave the sheep in Argentina as 67,209,000 in 1908 and 43,207,000 in 1914, and the numbers were probably less now. In 1915—a year of poor production for Australia consequent on the drought—Australasia produced 767,000,000 lbs. of wool—much more than twice as much as the whole of North and Central America, and within 10,000,000 lbs. of the product of the whole of America. The four and a half years of drought had cost Australia nearly 27,000,000 sheep, so when that loss was recovered they might reasonably anticipate that Australasian wool would amount to nearly one-third of the whole world's production. The next consideration was the political stability of the country. Under this head he could not say that they had nothing to complain of, but on the whole they had great cause for congratulation in the complete triumph of the National Party at the elections for the Federal Parliament last May. For the State Parliament in New South Wales the elections earlier in the year went in favour of the party of law and order, and it was to be hoped that the same might happen next year in Queensland, for it was in that State that they still had cause for complaint, owing to the restless activity of the Labour Government in experimental legislation, which was a constant source of anxiety. There had been, as usual, serious strikes in Australia, but they had been well handled and, on the whole, had been unsuccessful in their objectives, which were largely political. The purchase by the British Government of the Australian 1916-17 wool clip had been completed and the wool paid for, though it had not all left Australia, and there remained in store there a considerable quantity on June 30th, 1917—probably 500,000 or 600,000 bales. The new clip of 1917-18 had been purchased on similar terms, and, he hoped, would be equally well handled. The shareholders would no doubt agree with him in considering the year's results satisfactory, especially as they had been able to add £50,000 of realised capital profit to the reserve fund. In conclusion, he read the following cablegram received from Australia: "Pastoral prospects throughout Australia excellent; feed and water assured until autumn. Bush fires feared. Next lambing and clip prospects good. Prices all pastoral products most satisfactory." Another cablegram from Buenos Aires read: "Harvest prospects are good with the exception of northern portions Cordoba, Santa Fé and southern portions of Buenos Aires Provinces."

Sir Frederick Green seconded the motion, which, after a brief discussion, was carried unanimously, and it was agreed to give a donation of £1,000 to the British Red Cross Society.

BAHIA BLANCA AND NORTH-WESTERN RAILWAY.

The twenty-eighth ordinary general meeting of the Bahia Blanca and North-Western Railway Co., Ltd., was held on Thursday at Winchester House, Old Broad Street, E.C., the Right Hon. Lord St. Davids (the chairman) presiding.

The Secretary (Mr. F. Sanders) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—I presume you will take the report and accounts as read. I beg to move:—"That the report of the directors and the statement of accounts now presented be and they are hereby received and adopted." As you well know, you are not dependent on the results of the working for your dividend, but upon the rental paid by the Pacific Co. under the terms of the working agreement, which has been duly received in respect of the year to June 30 last. From July 1 last the guaranteed stock bears interest at $4\frac{1}{2}$ per cent., at which it is fixed permanently. Last year when I addressed you here I told you that the crops along your line were promising well, but down south and on the Toay line they were much in need of rain. They did not get all the rain they wanted, with the result that we had a poor harvest. I also mentioned that the receipts should benefit from the grain held up in our stations and at our port at Bahia Blanca, owing to shortage in steamer tonnage. That such was the case is plainly shown by the monthly figures of the traffic receipts on page 2 of the report, where you will see that for the first six months, July to December, they were well above the average of the previous four years, but on the year the receipts are less than any of the others, except 1913-14. The receipts were helped by cattle traffic, as animals had to be moved about owing to lack of pasture, and, although the number of cattle carried was less than in 1915-16, the receipts were £12,405 greater. As regards the current year, our latest cable now states that the prospects for the harvest over the system worked by the Pacific Co. are very good indeed, but unfortunately one of the districts where prospects are not so good is along the Nueva Roma line from Bahia Blanca to Catrilo, but rains in the next few days would greatly improve the crop outlook. For some time past the railway companies have been urging the Government for an increase of tariffs, and it has been agreed that all railways should increase their tariffs as from November 20 last by 22 per cent. If these were normal times, I should feel very hopeful that the receipts of this line for the present year would turn out very well, but whether they do so is entirely dependent on there being sufficient ships calling at Argentine ports to take the grain. There is a further point I should like to mention before I move the adoption of the report. The labour situation in the Argentine has been very serious for some months past, and culminated in a general strike on all the

railways, accompanied by violent outbreaks, which paralysed all movement for three weeks. The men were finally induced to return to work by the companies acceding to Government pressure and granting a rise of 10 per cent. on all wages up to \$260 per month, which cost, we understand, will be recoverable through an increase in the tariffs above the 22 per cent. already referred to. Though you are not directly interested in the matter of wages and hours of labour—for there, again, your responsibility is shouldered by the Pacific Railway—you are concerned in so far as the unrest and its settlement may affect the status of property. We believe the Argentine Government now recognises that the recent violent outbreaks must be controlled in the interest of all property owners, and that no country can make progress where unrest prevails and general public order is liable to be disturbed at the bidding of a section of strikers.

Mr. J. A. Goudge seconded the resolution, which was carried unanimously.

DIVIDENDS ANNOUNCED.

Alabama Great Southern Railroad Co.—3 per cent. and an extra $1\frac{1}{2}$ per cent. on preferred stock, payable Feb. 21.

Argentine Great Western Railway.—Balance of $2\frac{1}{2}$ per cent. on preferred stock and £1 15s. 1d. on ordinary stock for year ended June 30 last.

Argentine Southern Land Co.—At the rate of 10 per cent. per annum, less tax; forward, £23,618; last year was the same.

Doom Dooma Tea Co.—Interim 5 per cent., less tax, for year 1917, payable Dec. 12, the same as a year ago.

Durban Roodepoort Gold Mining Co.—Interim for year ending Dec. 31, 1917, of 2s. per share (10 per cent.), free of tax, the same as a year ago.

Elder, Smith and Co.—10 per cent. for year, leaving £96,014 to be carried forward.

Ilford, Ltd.—6 per cent. on ordinary shares for year ended Oct. 31, the same as a year ago.

Jugra Estate.—Interim for year ended March 31, 1918, of 30 per cent. on ordinary shares and 35 per cent. on preference shares, payable Dec. 10, the same as a year ago.

Kepong (Malay) Rubber Estates.—Third interim of 15 per cent., less tax, making 45 per cent. to date on account of year to Dec. 31.

Lloyd's Packing Warehouses.—Final of 4s. per share and a bonus of 2s. per share, making 10 per cent. for year, the same as last year; reserve £40,000, and £20,308 carried forward.

London and River Plate Bank.—For year ended Sept. 30 9 per cent., making, with the dividend of 6 per cent. paid in June last, a distribution of 15 per cent. for the year, less tax, the same as for the previous year.

Madras and Southern Mahratta Railway Co.—Final 25s. per cent., payable January 12, from the stockholders' revenue account, in addition to guaranteed interest of £1 15s. per cent., making total for the half-year £3 per cent., all subject to English income-tax.

New Heriot Gold Mining.—With reference to dividend of 25 per cent. (5s. per share), payable to shareholders registered on Nov. 30, authority has now been granted for a reduction of income-tax from warrants payable to shareholders resident in the United Kingdom at the rate of 3s. 6 $\frac{1}{2}$ d. in the £.

North Lonsdale Iron and Steel.—At the rate of 9 per cent., making 15 per cent. for the year.

Oroville Dredging Co.—Interim (No. 15) of 6d. per share, payable, less tax, on Dec. 24.

Scottish Australian Investment Co.—Final on consolidated ordinary stock for year to June 30 of 5 per cent., free of tax, making, with interim of $2\frac{1}{2}$ per cent. less tax, $7\frac{1}{2}$ per cent. for the year, payable on and after the 12th prox. The dividend for 1915-16 was also $7\frac{1}{2}$ per cent., but less tax.

Siddeley-Deasy Motor Car.—At the rate of 1s. per share, free of income-tax.

Sialang Rubber Estates.—Interim of 8 per cent. (actual) in respect of the year ending Jan. 31, 1918.

Talisman Consolidated.—No. 3 of 1s. per share, payable on Dec. 12, the same as the preceding distribution.

United Temiang (F.M.S.) Rubber Estates.—15 per cent. (actual); to reserve, £12,000; forward, £20,400, subject to usual adjustments. The dividend amounts to 3 3-5d. per share.

West Cheshire Brewery.—6 per cent., together with a bonus of 2 per cent., on ordinary shares. For 1915-16 a dividend of 6 per cent. was paid.

Zungon Tin Syndicate.—At the rate of 5 per cent. per annum for the half-year to June 30.

BOOKS RECEIVED.

The Mathematical Theory of Population, &c. By G. H. Knibbs. Published by authority by McCarron, Bird and Co., 479, Collins Street, Melbourne.

Rubber Facts and Figures. November, 1917. 1s. 6d. nett. F. C. Mathieson and Sons, 16, Copthall Avenue, E.C. 2.

Geological Survey.—(1) *Mineral Resources of the Fingern Goldfield.* Part 2. By T. Blatchford, B.A., &c. (2) *The Geology of the Country to the South of Kalgoolie*, including the Mining Centres of Golden Ridge and Feysville. By C. Sidney Honman, B.M.E. (Melb.), &c. (3) *General Index to Reports, 1870-1910.* By Authority. Fred Wm. Simpson, Government Printer, Perth, 1916.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE		
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Assam Bengal	Sept. 30	Rs. 1,38,135	— 48,844	†	Rs. 34,28,953	— 18,998
Barsi	Oct. 13	13,200	— 17,000	†	4,77,200	— 89,700
Bengal & N.W.	Sept. 30	3,25,090	— 32,657	†	1,03,62,185	— 1,34,397
Bengal Nagpur	Oct. 13	17,57,000	+ 2,38,000	†	2,83,92,069	+ 20,84,564
Bombay, Baroda	Nov. 17	12,91,000	— 1,76,000	†	85,96,000	— 1,00,000
Burma	Sept. 30	4,38,280	— 9,175	†	10,054,562	— 1,16,977
Delhi Umballa	Nov. 17	90,500	— 2,328	†	6,83,686	+ 1,43,677
East Indian	Oct. 13	21,82,000	— 92,000	†	1,57,17,000	— 8,27,000
Gt. Indian Penin.	Sept. 30	21,07,200	— 69,400	†	1,31,03,400	+ 8,60,582
Lucknow-Bareilly	Sept. 30	56,657	— 10,715	†	12,85,791	+ 1,57,502
Madras and S.	Oct. 13	16,00,000	— 33,106	†	16,00,000	— 33,106
Mahratta	Sept. 30	1,29,393	+ 13,654	†	34,97,209	+ 38,054
Nizam's Gd. (Broad)	Oct. 13	68,300	+ 18,843	†	18,10,511	+ 24,601
Rollikund and	Oct. 13	39,786	— 3,162	†	11,52,468	+ 75,495
Kumaon	Oct. 13	8,17,775	— 24,711	†	1,79,54,791	+ 15,98,048
South Indian	Oct. 13			†		

TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Bristol	Nov. 23	£ 11,165	+ 1,814	†	£ 516,408	+ 41,412
Dublin United	Nov. 23	6,864	+ 1,035	†	315,934	+ 30,239
Hastings and Dist.	Nov. 23	1,012	+ 284	†	58,757	+ 9,498
Isle of Thanet	Nov. 23	195	+ 141	†	350	+ 324
Lancashire United	Nov. 23	2,483	+ 809	†	110,560	+ 24,547
Provincial	Nov. 23	2,335	+ 201	†	9,138	+ 507
Yorks. (Wst. Rdng.)	Nov. 23	2,413	+ 537	†	100,075	+ 17,361

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Alabama Power	Sept. 30	£ 105,607	+ 17,457	†	£ 1,319,161	+ 400,553
Anglo-Argentine	Nov. 23	54,374	+ 2,143	†	2,438,813	+ 36,852
Auckland Electric	Oct. 26	22,308	+ 880	†	92,118	+ 7,832
Brazilian Traction	Sept. 30	M7,925,000	+ M787,000	†	M684,30000	+ M527,90000
Brisbane Elec. Inv.	Sept. 30	33,580	+ 820	†	328,420	+ 2,000
British Columbia	Sept. 30	£ 70,118	+ 13,067	†	£ 1,92,699	+ 27,686
B. A. Lacroze	Oct. 30	39,017	+ 613	†	149,879	+ 1,737
Burmah Electric	Nov. 24	Rs. 28,955	+ Rs. 813	†	55,123	+ Rs. 3,907
Calcutta	Nov. 24	Rs. 68,640	+ Rs. 4,739	†	Rs. 304,941	+ Rs. 612
Carthage and	Oct. 13	2,805	+ 266	†	41,210	+ 16,071
Herrera	Oct. 13	12,463	+ 850	†	82,895	+ 1,588
Corooba Light	Sept. 30	14,030	+ 110	†	513,646	+ 41,551
P. & T.	Oct. 13	4,069	+ 365	†	40,615	+ 1,441
Hongkong	Sept. 30	13,700	+ 522	†	142,418	+ 1,355
La Plata	Oct. 13	Rs. 35,433	+ Rs. 3,837	†	Rs. 731,643	+ Rs. 66,142
Manila Electric	Aug. 8	65,407	+ 4,667	†	547,492	+ 70,625
Mexico	Nov. 23	£ 215,256	+ 108,669	†	£ 3,193,106	+ 197,227
Rangoon	Oct. 13	5,667	+ 624	†	43,955	+ 1,650
Singapore Electric	Sept. 30	£ 13,420	+ 209	†	£ 517,314	+ 13,174
Toronto	Sept. 30	£ 30,927	+ 3,371	†	£ 4,158,807	+ 240,666
United of Monte V.	Oct. 13	46,131	+ 1,424	†	359,832	+ 12,060
Vera Cruz	Sept. 30	56,400	+ 8	†	464,400	+ 12,060
Winnipeg	Oct. 13	£ 63,426	+ 24,427	†	£ 570,127	+ 308,756

FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Alcoy and Gandia	Nov. 24	Ps. 10,000	+ Ps. 9,500	†	Ps. 519,520	+ Ps. 80,780
Antofagasta (Chili)	Oct. 13	51,160	+ 14,090	†	1,940,115	+ 346,820
Arauco	Oct. 31	14,500	+ 2,500	†	104,500	+ 17,700
Argentine N.E.	Nov. 24	9,300	+ 3,300	†	150,900	+ 10,598
Bilbao R. and Canta	Oct. 13	3,911	+ 1,426	†	35,861	+ 10,946
Bolivar	Oct. 13	10,000	+ 3,186	†	42,708	+ 13,384
Brazil	Aug. 30	M4,432,000	+ M532,297	†	M319,80000	+ M37,9874
Brazil Gt. Southern	Nov. 24	Mis. 38,300	+ M2 080	†	M325,937	+ M41,467
B. Ayres & Pacific	Sept. 30	93,000	+ 14,000	†	1,307,000	+ 456,000
Do. Central	Sept. 30	18,317	+ 7,787	†	71,915	+ 4,287
Do. Gt. South'n	Nov. 25	124,000	+ 7,000	†	1,768,705	+ 390,549
Do. Western	Nov. 25	49,000	+ 7,000	†	731,000	+ 378,000
Central Argentine	Nov. 24	128,000	+ 18,000	†	1,622,700	+ 744,000
C. Uruguay of Mte V.	Nov. 24	22,494	+ 7,018	†	364,415	+ 111,068
Do. East'n Ex.	Nov. 24	6,194	+ 532	†	92,953	+ 7,560
Do. North'n Ex.	Nov. 24	2,910	+ 392	†	61,629	+ 20,360
Do. West'n Ex.	Nov. 24	3,018	+ 475	†	40,716	+ 2,701
Cordoba Central	Nov. 24	35,100	+ 9,810	†	588,060	+ 68,825
Costa Rica	Oct. 20	3,577	+ 736	†	48,659	+ 33,216
Cuban Central	Nov. 25	10,774	+ 2,777	†	246,800	+ 55,225
Dorada Extension	Oct. 13	8,300	+ 1,500	†	90,700	+ 7,800
Egyptian Delta	Nov. 24	9,395	+ 2,506	†	119,011	+ 21,090
Entre Rios	Nov. 24	15,300	+ 4,500	†	243,000	+ 2,200
French Sante Fé	Aug. 30	132,000	+ 29,099	†	900,316	+ 173,429
Gt. South'n of Spain	Nov. 17	Ps. 94,671	+ Ps. 26,184	†	Ps. 391,614	+ Ps. 514,629
Gt. West. of Brazil	Nov. 24	21,600	+ 1,100	†	630,150	+ 139,050
Havana Central	Oct. 13	7,627	+ 1,333	†	13,448	+ 19,495
Inter. of C. Amer.	Oct. 13	10,839	+ 331	†	227,876	+ 29,867
La Guaira and Car.	Nov. 24	5,250	+ 1,250	†	74,000	+ 4,250
Leopoldina	Nov. 24	31,117	+ 4,030	†	1,398,117	+ 227,530
Midland Uruguay	Oct. 13	14,362	+ 128	†	51,703	+ 6,130
Mogiana	Aug. 30	M3,218,000	+ M526,674	†	M1459,000	+ M40,707
N.W. of Uruguay	Oct. 13	£ 26,000	+ 783	†	£ 96,174	+ 2,141
Nitrate	Nov. 24	34,472	+ 4,665	†	674,612	+ 85,193
Paraguay Central	Nov. 24	3,130	+ 280	†	60,710	+ 6,180
Paulista	July 30	M3,330,000	+ M638,609	†	M1508,000	+ M9,9280
Peruvian Corp'n	Oct. 30	S1,047,220	+ S101,630	†	S3,952,390	+ S363,560
Salvador	Nov. 17	£ 28,200	+ 3,300	†	£ 321,76	+ 32,109
State of Bahia S.W.	Oct. 30	M110,000	+ M2,000	†	M936,000	+ M21,000
S. Paulo (Brazilian)	Nov. 25	40,880	+ 1,934	†	1,405,277	+ 74,753
Sorocabana	Aug. 30	M2,670,000	+ M228,833	†	M1,959,900	+ M144,477
Tatall.	Oct. 30	31,335	+ 8,940	†	92,108	+ 13,448
United of Havana	Nov. 24	40,311	+ 5,151	†	779,715	+ 199,100
West'n of Havana	Nov. 24	7,110	+ 1,609	†	144,619	+ 23,254
Zafra and Hinalva	Oct. 30	11,796	+ 207	†	113,282	+ 2,870

COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Beira	Aug. 30	£ 54,914	+ 12,287	†	£ 706,175	+ 4,297
Canadian Northern	Nov. 21	£ 931,700	+ 78,700	†	£ 17,400,300	+ 413,400
Canadian Pacific	Nov. 21	£ 3,505,000	+ 581,000	†	£ 13,433,104	+ 1,359,000
Gr. Trk. Main Line	Nov. 21	201,925	+ 1,071	†	9,536,205	+ 882,184
Gr. Trk. Western	Nov. 21	44,877	+ 9,904	†	1,709,044	+ 61,892
Detroit G. H. & M.	Nov. 21	13,481	+ 2,262	†	615,044	+ 10,175
Gr Trk Pac Prairie Sc	Nov. 21	41,531	+ 15,130	†	590,725	+ 176,022
Mashonaland	Aug. 30	£ 54,914	+ 12,287	†	£ 706,175	+ 4,297
Mid. of West'n Aus.	Sept. 30	6,507	+ 42	†	17,546	+ 376
New Cape Central	Oct. 13	1,925	+ 251	†	74,078	+ 10,222
Rhodesia	Aug. 30	92,209	+ 5,417	†	933,147	+ 38,18

Answers to Correspondents.

* A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.

Deposits against future queries may be lodged with the Publisher.

R. K. M.—Your idea is not only patriotic, but you would recover your loss of capital, so follow it.

D. R. S.—The company has suffered many misfortunes, but it looks as if it had turned the corner. You must not expect to see it back at its old level, but we hope it will gradually recover the greater part of the drop.

Metro.—The first announcement of the year's working was not very full, and caused a good deal of disappointment. The published accounts show better results. There is no need to sell, as prospects are quite good.

J. W.—National War bonds. Those repayable in 1927 are the most attractive. If the money is required earlier, they can be sold.

R. T. T.—Probably there is not much further rise, but we see no reason to sell, as the yield is a high one, and there is always a chance of a bond being drawn.

L. P. J.—The shares are of the nominal value of one shilling. We can learn little about it, except that its prospects are quite speculative. We should not care to recommend a purchase.

H. N. M.—The prospects appear good, and we think there is no hurry to sell. If there were a further improvement to about 80s., it would be prudent to sell part.

Boscombe.—No, we think not. The head of the firm is one of the ablest amongst the younger generation in the City, and the partner appointed to the committee is an able chartered accountant. We know of no questionable promotions in which it has had a share. It made its reputation by rescuing derelicts of earlier adventures.

NOTICES.

THE CAPE COPPER COMPANY, LIMITED.

NOTICE IS HEREBY GIVEN that at a Meeting of the Directors of this Company, held to-day, it was resolved:—

"That a Dividend of 1s. 9.6d. be and is hereby declared on the Cumulative Preference Shares, and of 3s. per share on the Ordinary Shares (both less income-tax), payable on the 1st January, 1918, to the shareholders on the books of the Company on the 29th November, 1917, and that the Transfer Books be closed during the said 29th November, 1917."

Holders of Share Warrants to Bearer are informed that Preference Coupons No. 51 and Ordinary Coupons No. 60 will be payable at the above rate on presentation at the Company's Office.

By order of the Board,
P. J. FRANKS,
Secretary.

9, Queen Street Place,
London, E.C.,
28th November, 1917.

N.B.—Warrants for the Dividend will be sent by post to the Shareholders at their registered addresses.

SOCIEDAD ANONIMA MERCADO CIUDAD DE BUENOS AIRES (CITY OF BUENOS AIRES MARKET CO., LD.) ISSUE OF £120,000 SIX PER CENT. FIRST MORTGAGE DEBENTURES OF £100 EACH.

NOTICE IS HEREBY GIVEN that the undermentioned Debentures, amounting to £3,400, have been drawn by lot in the presence of Mr. Richard de Neufville and E. Courtney Walker, Notary Public, for repayment on January 1st, 1918;—

129	208	268	272	281	289	328	334	350
355	414	426	435	483	530	551	576	614
711	767	817	839	857	904	908	938	942
988	1031	1040	1048	1086	1089	1155		

The above Bonds (which must be left three clear days for examination) will be payable at Messrs. A. Ruffer & Sons, 39, Lombard Street, E.C.

30th November, 1917.

BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT,
London Office: 1, Queen Victoria Street, London, E.C.4.

AUTHORISED CAPITAL £5,500,000
SUBSCRIBED CAPITAL.

Four per Cent. Guaranteed Stock	£ 529,988
"A" Preference Shares issued to New Zealand Government	500,000
"B" Preference Shares issued to New Zealand Government	250,000
Ordinary Shares	1,500,000
	£ 2,779,988
Reserve Fund and Undivided Profits	£ 2,240,595

Negotiates and collects Bills of Exchange.
Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager

REPORT BY THE COURT OF DIRECTORS OF

The ROYAL BANK of SCOTLAND

To the ANNUAL GENERAL COURT OF PROPRIETORS, on Wednesday, 28th November, 1917.

The Directors now submit to the Proprietors the annexed Abstract Statement of the Affairs of the Bank at the Second Saturday of October, 1917, with relative Profit and Loss Account, certified by the Auditors.

The net Profits of the year, after providing for all bad and doubtful debts, amounted to	£75,000	0	0	£303,981	12	1
The Midsummer Dividend, at the rate of 10 per cent per annum, less Income Tax, required	75,000	0	0			
It is now proposed to pay a similar Dividend at Christmas, also less Income Tax	10,000	0	0			
There has been written off expenditure on Bank Buildings and Heritable Property	30,000	0	0			
Carried to Pension Reserve Fund	113,981	12	1			
And added to Rest, the balance of						
				£303,981	12	1

With the above addition, the Rest now amounts to £914,968 0s. 5d.

All depreciation on the Bank's Investments has been provided for.

The Directors record with deep regret the loss sustained by the death of the Earl of Elgin, Deputy Governor of the Bank, and of Mr. John Patrick Wright and Mr. Andrew Hugh Turnbull, two of the Ordinary Directors, all of whom rendered important services to the Bank. In virtue of the powers conferred upon them by "The Royal Bank of Scotland Act, 1873," the Directors elected the Earl of Strathmore, one of the Extraordinary Directors, as Deputy Governor, and Sir William Robertson, Benachie, Dunfermline, as an Extraordinary Director.

Lord Dundas and Lord Johnston, two of the Extraordinary Directors, having intimated their desire to retire, their resignations were accepted with regret.

For the two vacancies on the Ordinary Board the Directors recommend the election of Sir Thomas Dunlop, Baronet, ex-Lord Provost of Glasgow, and Mr. Herbert William Hutton, Chartered Accountant, Edinburgh. They further recommend for election as Extraordinary Directors Mr. William John Dundas, LL.D., Edinburgh, and Mr. William D. Graham Menzies of Hallbarton, Concar-Augus.

Mr. Adam Tait, having in April last retired after over forty years of highly valued service, the Directors appointed Mr. Alexander Kemp Wright, Secretary, to succeed Mr. Tait as Cashier and General Manager, and Mr. James Brown Adshead, Joint Superintendent of Branches, to the office of Secretary.

The Governor, the Deputy Governor, the Extraordinary Directors, and the Senior Ordinary Director (Sir Henry Cook) all retire at this time, but are eligible for re-election.

Auditors also fall to be appointed for the ensuing year, and Mr. John M. Howden, C.A., and Mr. J. Maxtone Graham, C.A., offer themselves for re-election.

By Order of the Court of Directors,
A. K. WRIGHT, Cashier.

ABSTRACT STATE OF AFFAIRS at 13th October, 1917.

To the Public:—		LIABILITIES.					
1.	Deposits with accrued Interest...	...	...	...	...	£26,177,865	4 9
2.	Notes in Circulation ...	...	...	...	...	2,590,251	0 0
3.	Drafts Outstanding ...	...	...	...	...	771,042	1 7
4.	Acceptances and Indorsement of Foreign Bills:						
	On account of Banking Correspondents ...	...	...	...	£208,588	11 4	
	On account of other Customers ...	...	...	...	126,445	2 4	
						335,033	13 8
	Total Liabilities to the Public	...	...	...	...	£29,874,192	0 0
To the Proprietors:—							
5.	Capital ...	...	...	...	£2,000,000	0 0	
6.	Rest ...	...	...	...	914,968	0 5	
7.	Proposed Half-year's Dividend at Christmas ...	...	...	...	75,000	0 0	
						2,980,968	0 5
	Total Liabilities	...	...	...	...	£32,864,160	0 5
		ASSETS.					
1.	Gold and Silver Coin, Currency Notes, Notes of other Banks, and Cash with Bank of England and other London Bankers ...	...	...	...	£3,930,482	0 7	
2.	Money in London at call and short notice, and Cheques, etc., payable on demand, in hand, and in transitu ...	...	...	...	4,184,063	3 7	
3.	British Government Securities (War Loan, Exchequer Bonds, and Local Loans Stock) ...	...	...	...	5,950,989	10 10	
4.	Indian and Colonial Government Securities, Bank of England Stock, and British Railway Debenture and Corporation Stocks ...	...	...	...	600,657	0 6	
5.	Foreign Government Stocks, Bank of Ireland Stock, Indian Railway Stocks, and other Marketable Securities ...	...	...	...	453,473	7 8	
						£15,119,665	3 2
6.	Bills discounted (of which £8,090,000 British Treasury Bills) ...	...	...	...	£9,921,962	19 3	
7.	Advances on Cash Credit and Current Accounts, including balances remaining due by customers on War Loan Accounts ...	...	...	...	5,907,290	15 3	
8.	Loans on Stocks and Securities ...	...	...	...	968,949	8 11	
9.	Banking Correspondents and other Customers for Acceptances and Indorsements, per contra ...	...	...	...	335,033	13 8	
10.	Bank Buildings (partly yielding rent) ...	...	...	...	290,010	3 9	
11.	Property yielding rent ...	...	...	...	196,247	16 11	
12.	Freehold Property in London (partly occupied by Bank, and partly yielding rent) ...	...	...	...	125,000	0 0	
						17,744	494 17 3
	Total Assets	...	...	...	...	£32,864,160	0 5

PROFIT AND LOSS ACCOUNT.

To Expenditure on Bank Buildings and Property written off ...	£10,000	0	0	By Rest at 14th October, 1916 ...	£800,986	8	4
„ Dividend for half-year, paid at Midsummer ...	£100,000	0	0	„ Gross Profits, after deducting rebate on Bills Current, and Income-tax, and providing for all bad and doubtful debts... ..	£544,243	13	10
Less Income Tax ...	25,000	0	0	Less Charges of Management at Head Office and 167 Branch Establishments (including £8,606 Bonus paid to Staff in December last, and payments to members of the Staff on Military service) ...	240,262	1	9
„ Dividend to be paid at Christmas ...	100,000	0	0	Net Profits ...	303,981	12	1
Less Income Tax ...	25,000	0	0				
„ Pension Reserve Fund ...	30,000	0	0				
„ Balance, being free Rest or undivided Profits, carried forward ...	914,968	0	5				
	£1,104,968	0	5				
					£1,104,968	0	5

D. S. LUNAN, Accountant.

AUDITORS' REPORT.—As Auditors appointed by the Proprietors of THE ROYAL BANK OF SCOTLAND, we have checked the cash on hand at Head Office, Glasgow, and London, verified the cash with London Bankers, the securities for money at call and short notice, the Government securities and other Investments, and examined the details of the other Liabilities and Assets set forth in the foregoing Abstract State of Affairs; and we now certify that in our opinion said Abstract State is a full and fair Balance Sheet, properly drawn up, and exhibits a true and correct view of the state of the Bank's affairs, as shown by the books, at 13th October, 1917.

JOHN M. HOWDEN, C.A., Auditor.
J. MAXTONE GRAHAM, C.A., Auditor.

EDINBURGH, 19th November, 1917.

The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

Vol. XL.—No. 1,040.]
NEW SERIES.

[Registered as a
Newspaper.]

SATURDAY, DEC. 8, 1917.

[Price 6d.]

CONTENTS.

Passing Events:—National War Bond Sales — Revenue — Non-Ferrous Metals Bill — Russian Position — Sugar-Card Muddle — Food Economy Campaign — Advertising — National War Bonds — London and River Plate Bank — Bolivian Affairs — Dorman, Long — Bell Brothers — J. and P. Coats — Lancashire Cotton Spinning — P. & O. Steam Navigation — Ind, Coope — Tanganyika Concessions — Van Ryn Gold Mines — New Modderfontein Gold Mining (pp. 571-6).

Leading Articles:—The Impossibility of Patching Up a Peace — Insurance and Insolvency — The London and South-Western and London and Provincial Banks' Amalgamation — Peruvian Corporation — By-the-Way War Notes (pp. 576-80).

American Business Notes:—Treasury Estimates — President Wilson's Address to Congress — Case for Increasing Railroad Rates — Financial Position of Russia (pp. 580-1).

Money and Credit Notes:—Abundance of Credit — Bank Return — Exchange Movements — Another German Loan of £750,000,000! — Grand Trunk Notes — Sugar Purchases in Java — Nicaraguan Debt Settlement — Silver (pp. 582-5).

Answers to Correspondents (p. 581).

The Week's Stock Markets (pp. 585-6).

London Produce Markets (pp. 586-7).

Insurance News:—Eagle and British Dominions' and Star's Agreement Ratified — New French Insurance Co. — Queensland Insurance Co. — Mr. S. G. Warner's Presidential Address (pp. 587-8).

Tea, Oil, and Rubber:—Rubber Market — Rubber Growers' Association — Singapore Para Rubber Estates — Straits Plantations (p. 588).

What Balance Sheets Tell:—Russian Corporation — Lagunas Syndicate — Strand Hotel (p. 588).

Mining News:—Kyshtim Corporation — Cape Copper — Ashanti Goldfields — Sub-Nigel — The De Beers Meeting — Rayfield (Cornwall) Tin — Johannesburg Consolidated Investment (p. 589).

Company Meetings:—Anglo-Persian Oil — Bengal-Nagpur Railway Co. — Argentine Great Western Railway — Sumatra Para Rubber Plantations — Fanti Consolidated Mines — London-American Maritime Trading (pp. 590-5).

Dividends Announced (p. 587).

Letters to the Editor (p. 587).

The Week in Mines (p. 589).

Oilfields Production (p. 595).

Traffic Returns (p. 596).

THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital £4,000,000
Paid-up Capital 1,800,000
Reserve Fund 2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILI—Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71 Old Broad Street, E.C. 2.

Subscribed Capital £1,278,747 10 0
Paid up Capital 669,670 0 0
Reserve Fund and Undivided Profits .. 375,680 11 8
Reserve Liability of Proprietors .. 606,962 10 0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital Yen 48,000,000
Capital Paid Up Yen 36,000,000
Reserve Fund Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Antung-Hsien.	Harbin.	Nagasaki.	Shanghai.
Bombay.	Honolulu.	Newchang.	Singapore.
Calcutta.	Hong Kong.	New York.	Sydney.
Changchun.	Kobe.	Osaka.	Tientsin.
Dairen (Dalny).	Liaoyang.	Peking.	Tientsin.
Fengtien (Mukden).	Los Angeles.	Ryoun (Port Arthur).	Tokyo.
Hankow.	Lyons.	San Francisco.	Tsinanfu.
		Seattle.	Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

CANADA.

THE BANK OF BRITISH NORTH AMERICA.

Established 1836.

INCORPORATED by ROYAL CHARTER 1840.

PAID-UP CAPITAL .. £1,000,000. RESERVE FUND .. £620,000.
Head Office:—5, GRACECHURCH STREET, LONDON, E.C.

Court of Directors.

Lt.-Col. F. R. S. BALFOUR. Lieut. E. GEOFFREY Hon. A. R. MILLS, M.P.
J. H. BRODIE. HOARE, R. N. V. R. Major C. W. TOMKINSON.
J. H. MAYNE CAMPBELL. F. LUBBOCK. G. D. WHATMAN.
E. A. HOARE.

Deposits received at rates which may be obtained on application.

Current Accounts opened.

Coupons purchased.

ALL KINDS OF BANKING BUSINESS TRANSACTED.

UNION BANK OF CANADA.

INCORPORATED 1865.

HEAD OFFICE: WINNIPEG.

PAID-UP CAPITAL \$5,000,000
REST AND UNDIVIDED PROFITS \$3,600,000
TOTAL ASSETS EXCEED \$100,000,000

The Bank has over 300 Branches in Canada, and Agents in the principal cities in America. GENERAL BANKING BUSINESS CONDUCTED.

Deposits Received for fixed periods at favourable rates, which may be ascertained on application to

London Offices: 8, PRINCES STREET, E.C. 2, and 28, HAYMARKET, S.W. 1.

New York Agency: 49, Wall Street.

BANKS.

STANDARD BANK OF SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province, to the Imperial Government in South Africa, and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL	£6,194,100
PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

BOARD OF DIRECTORS.

Wm. Referson Arbuthnot, Esq.
Sir David Miller Barbour, K.C.S.I.,
K.C.M.G.
Robert E. Dickinson, Esq.
James Fairbairn Finlay, Esq., C.S.I.
Horace Peel, Esq.
William Smart, Esq.
Right Hon. Lord Sydenham, G.C.S.I.,
G.C.M.G., G.C.I.E., G.B.E.
H. L. M. Tritton, Esq.

HEAD OFFICE: 10, CLEMENTS LANE, LOMBARD ST., LONDON, E.C. 4.

New York Agency: 68, WALL STREET.

OVER 250 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, South-West Africa Protectorate and the Belgian Congo, and with the Bank's Agencies in New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.
DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.
BILLS NEGOTIATED and COLLECTED.
MAIL and TELEGRAPHIC REMITTANCES made.
LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.
THE BANK issues CIRCULAR LETTERS OF CREDIT available in all parts of the world.
COMMERCIAL LETTERS OF CREDIT issued.
PURCHASE and SALE of Stocks and Shares effected.
DIVIDENDS, ANNUITIES, Etc., received.
EXECUTOR and TRUSTEE BUSINESS undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.
FRANCIS SHIPTON, London Manager.

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA, 38, Bishopsgate, London, E.C. 2.

INCORPORATED BY ROYAL CHARTER.

Capital, £1,200,000. Reserve Fund, £1,900,000.

Court of Directors.

SIR MONTAGU CORNISH
TURNER, Chairman.
SIR HENRY S. CUNNINGHAM,
K.C.I.E.
THOMAS CUTHBERTSON, Esq.
SIR ALFRED DENT, K.C.M.G.
WILLIAM HENRY NEVILLE
GOSCHEN, Esq.
THE RIGHT HON. LORD GEORGE
HAMILTON, G.C.S.I.
WILLIAM FOOT MITCHELL,
Esq.
LEWIS ALEXANDER WALLACE,
Esq.
Managers: T. H. WHITEHEAD and T. FRASER.
Sub-Manager: W. E. PRESTON.

Bankers:

THE BANK OF ENGLAND.
THE LONDON CITY AND MIDLAND BANK, Limited.
THE LONDON COUNTY & WESTMINSTER BANK, Limited.
THE NATIONAL PROVINCIAL BANK OF ENGLAND, Limited.
THE NATIONAL BANK OF SCOTLAND, Limited.

The Corporation buy and receive for collection Bills of Exchange, grant Drafts and transact general banking business connected with the East.

DEPOSITS OF MONEY are received for fixed periods on terms which may be ascertained on application. Interest payable half-yearly, 30th June and 31st December.

NATIONAL WAR BONDS

Applications may be lodged at
Head Office and Branches of

FARROW'S BANK, LTD.

Head Office:

1, CHEAPSIDE, LONDON, E.C. 2.

Branches throughout the United Kingdom.

THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837. LIMITED. INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £4,000,000; Reserve Fund, £1,980,000; together £3,980,000
Reserve Liability of Proprietors 4,000,000
Total Capital and Reserves £7,980,000

HEAD OFFICE - - - 71, COORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

BANKS.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	£1,500,000
Capital Issued	1,125,000
Capital Paid Up	562,500
Reserve Fund	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

INSURANCE.

ALLIANCE ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C. 2.

ASSETS EXCEED £24,000,000.

Chairman:

The Hon. N. CHARLES ROTHSCHILD.

The operations of the Company embrace all branches of Insurance.

Full information respecting
ESTATE DUTY AND
CHILDREN'S EDUCATIONAL POLICIES

issued by the Company may
be obtained on application
to the Head Office as above,
or to any of the Offices or
Agencies of the Company.

O. MORGAN OWEN, General Manager.

A PRACTICAL PENSION POLICY FOR WOMEN WORKERS.

"After the heat and turmoil of the day,
The sheltered haven of the peaceful years."

A leaflet entitled

"AFTER"

giving full particulars of a new and attractive
scheme will be sent post free on application to the

NATIONAL PROVIDENT INSTITUTION,
48 GRACECHURCH STREET, LONDON, E.C. 3.

NOTICE.

THE STOCK EXCHANGE.

NOTICE.

MEMBERS of the STOCK EXCHANGE are NOT ALLOWED to ADVERTISE for business purposes, or to issue Circulars or Business Communications to persons other than their own Principals. Persons who advertise as Brokers or Share Dealers are Not Members of the Stock Exchange or in any way under the control of the Committee. Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature. A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew-lane entrance to the Bank of England, or obtained on application to

EDWARD SATTERTHWAITE,

Secretary to the Committee of the Stock Exchange
Committee Room, The Stock Exchange, London, E.C. 2.

The Investors' Review.

Vol. XL.—No. 1,040.
New Series.

SATURDAY, DEC. 8, 1917.

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One Year, £1 5s. 0d. Six Months, 12s. 6d. Three Months, 6s. 6d.

For the Colonies and Abroad the charge is

One Year, £1 8s. 0d. Six Months, 14s. 0d. Three Months, 7s. 0d.

Short of Three months the Price is 8d. per Copy Inland, and 7d. Abroad, Post Free.

Cloth cases for binding the Half Yearly Volumes price 1s. 6d., postage 4d. extra. Bound Volumes 15s. 6d., or 16s. 3d. post free.

Cheques and P.O. Drafts should be made payable to

"Investors' Review,"

Norfolk House, Norfolk Street,
London, W.C.

Telephone No.:
Gerrard 9132.

Telegraphic Address:
"Unveiling, London."

The Editor cannot undertake to return rejected communications.

Letters from correspondents must, in every case, be authenticated by the name and address of the writer.

The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and they cannot accept responsibility for statements made therein.

ANSWERS TO QUERIES.

One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

Telegrams advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

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Passing Events.

According to the Treasury statement issued to the Press on Monday evening the total sale of National War Bonds in the week ended the Saturday previous was £13,025,900, which is the highest for the past month, the previous weeks having been, counting backwards, £12,339,150 for the week ended the 24th ult., £10,806,350 for the week ended November 17, and £9,791,000 for the week before that. The next return should be still more agreeable because of the dividend money, which most recipients are handing back to the Government by buying National War Bonds. Those who cannot do that will no doubt utilise their dividends to help them in paying up whatever portion of their subscription to the last War Loan has not yet been met out of their current earnings. Much more money, however, than £13,000,000 a week—or even the average of £14,273,000 a week, which has been the receipts of National War Bonds since their issue began—is required to enable the Government to carry on the war in comfort and without placing too dangerous a burden on the banks.

Last week, for example, the total expenditure was £137,371,342. To be sure, that included £26,777,457 paid out as interest on the existing war debt, but supply services alone absorbed £50,774,924, or £7,254,000 a day. Every week we cannot look for any such inconceivable mass of outgoings, because every week loan interest does not fall due in masses like that maturing on December 1; but the usual demands incident to the war are certain to be high for some time, until, indeed, the enemy is nearer exhaustion than he appears yet to be. The active winter campaign will throw enormously increased demands upon our resources, and while that campaign proceeds not merely in France and Belgium, but with great energy in Italy, and also in Palestine and Mesopotamia, to say nothing of the Balkans, it is inevitable that our daily outlay must continue stupendous. It will be so heavy as to force the Government to take other means of drawing money from those classes of the community which are now the best off, but which have no banking accounts and know nothing of finance, high or humdrum.

As usual, the weekly Treasury statement sent to the newspapers on Tuesday evening for publication on

Wednesday morning gives a total of National War Bond sales different from that issued the day before, but presumably the money received last week is not all paid in on the Saturday, hence a round £12,000,000, exclusive of the sales made through joint-stock and private banks, is all that appears in the regular weekly Treasury statement. But the other borrowings were inevitably enormous, although the nett sales of Treasury bills did not exceed the payments off by more than £9,743,000, according to the figures as set forth, or by £10,024,000 in what must be presumed to be actual fact, the sales having been £66,328,000 and the repayments £56,585,000. The interest payments and heavier war outgoings called for £12,592,000 from "other war debt" and £23,000,000 was raised by temporary borrowings, or £21,500,000 nett, allowing for £1,500,000 of temporary loans paid off. Small sums came in from other sources, such as £1,000,000 from War Savings Certificates, £165,000 from the 4 and 5 per cent. War Loans, and £130,000 from the Cunard Co., besides £80,000 of bullion advances repaid; but the whole together only came to £127,653,000, which was short of the amount required, so that by this sum Exchequer balances were reduced to £10,585,000. A week ago they were £20,304,000, and a year ago just under £20,000,000 at £19,996,000. The actual revenue from taxes and monopolies was £12,357,000, or little more than the amount credited from National War Bond sales. It was, however, nearly £4,000,000 larger than the receipts of the previous week, and £6,294,000 of it was due to income-tax and excess profits duty. Income-tax, including super-tax, yielded £2,632,000 and excess profits tax and munitions levy £3,662,000, the total receipts from income-tax up to the end of last week having been £26,147,000, and from excess profits duty, &c., £128,214,000. The total floating debt in Treasury bills alone now outstanding is £1,011,583,000.

Although unable to go so far as the member for West Aberdeenshire in opposition to the President of the Board of Trade's Bill to secure the control of non-ferrous metals, we do not like it. "The tendency of this kind of legislation is to lift the State into the position of a universal trader, and of all monopolies the worst in most instances is monopoly in the hands of the State. In introducing his Bill, Sir Albert Stanley gave a most lugubrious account of the extent to which various metals other than iron, particularly

spelter, lead, copper, aluminium and tin, were in the hands of the Germans. A metal company in Frankfurt, he declared, controlled the production of and trade in these metals, not only in Germany and Austria, but in the United States, the United Kingdom, and other parts of the British Empire, and he wants that stopped for the future. For even during the war attempts, sometimes successful, have, he said, been made in neutral countries to get a grip for the Germans over these metals. He therefore proposed a short Act rendering it unlawful for anybody to deal in certain metals and ores without a licence, this restriction to be imposed on traders during the war and for five years afterwards, and the question really is whether this is necessary, or whether it would not be better to let the matter alone, placing the responsibility upon the traders themselves, and upon such body as that International Central Board or independent Trade Controlling Committee which ought to be set up to handle all our trade relations with Germany after the war. It is surely a mistake to take away all responsibility from the private trader, trade corporation or agency, and, after the lessons the war has conveyed to us and their enforcement by past experience, it should not be beyond the capacity of our patriotism to handle the question of spelter, lead, tin, and so forth without interference by the bureaucrat. It will not be easy, for, to be quite frank, the race which has obtained the mastery over so many metal markets is not Teutonic, but Semitic. The Prussian may be a fighter, cunning and determined as the wolf of his native forests is, but he has no brains for commerce except it is shaped to proceed by avidious domination, after the manner of the conquering horde armed to the teeth. All the development of modern German trade and manufactures has been effected by the Jew, and the difficulty in dealing with the Jew is that he may call himself Swiss, Dutch, Belgian, Italian, Swedish, Hungarian, French, Spanish, any nationality he pleases, in order to worm his way into the market he seeks to get control of, and in order to secure a chance to buy commodities that might be refused entry in any port belonging to the Allies. How is the Board of Trade going to handle this kind of subtlety? It had better let it alone.

Probably most serious readers of newspapers are inclined to despair of Russia just now. They find all special correspondents and other contributors agreeing that Russia is lost to us, "quite out of the war," not to be counted on for help of any kind. Many go further, and say that Russia is now practically on the verge of extinction as a great empire. Siberia has cried off and established an independent government called "republican"; that great region called Ukrainia has declared its independence, and talks of assuming dominance over the Black Sea by annexing the ex-Imperial fleet there. On the western borders, up north, fraternisation has become a habit between Austro-German and Russian soldiers. It is chaos, or something like it, nearly everywhere, and many people are now disposed to turn round and abuse the Russians for their betrayal. "They have deserted us," we are assured, and the assurers very often add, "we never expected anything else. Russia has always been a traitor when opportunity arose or self-interest interfered."

This is not fair. To talk thus is to forget the magnificent help that Russian armies gave to the Allies in the West during the first two years of the war, before the United States made up its mind to join on our side. They forget, also, that all the talk the Press deluges their minds with about the activity of German influences and our own supineness in countering them is really an exhibition of ignorance. People who talk thus, and write thus, forget that Russia has been in German, one might say in Prussian, hands since the death of Peter the Great's daughter, Elizabeth. She was the last Sovereign of the true House of Romanoff. Her nephew, who succeeded her, was German born, and her body was not cold in the grave before he had reversed

her whole policy and become the slavish imitator and tool of Frederick, called the Great. Germany has been rooted in Russia from that date to this. Her Civil Service has been German inspired and controlled, the education of her wealthy classes has been principally German. It was the baneful influence of the Court and its obscene camarilla that paralysed Russia's splendid armies and robbed them of all the fruits of their victories, which led to the overthrow of Tsarism, the disappearance of the superstition-sustained "Little Father" of his people. Is it any wonder that Germany should to-day be able to decoy that same people, kept densely ignorant by the combined influence of autocracy, German inspired, and the Church, and which is now leading them to their ruin? The Russian people are much to be commiserated, and we must stand by to help the best elements in the country when they emerge out of the seething mess of leaderless or knave-led mobs now busy playing havoc with all that is good and noble in the nation. The peace farce now being played for their own vile ends, and in the extremity of their despair, by the debased masters of Germany should encourage us to hope rather than despair. The people who tossed Tsarism to the scrap-heap will not consent to become the bond slaves of Hohenzollernism. If no leaders arise soon among themselves to set them free, their deliverance is none the less sure to be accomplished by the fighting now going on in the West and in Italy; by the obliteration of the Turk as a "power" of any sort, and by the mastery of the Allies upon the ocean. But Russia will one day awake and burst the devil-woven web of cunning deceit by which she is now being enmeshed, and when that day comes we shall be proud and thankful to have stood her friend through all the harrowing season of her eclipse and betrayal.

Apparently we are not yet nearly at the end of the sugar-card muddle, and what may happen next month, when the new system is supposed to come into operation, it is impossible to foreshadow. Retailers all over the country are complaining that the arrangements devised throw on them a burden of work with which they will be quite unable to cope, owing to depleted and inexperienced staffs, and we fear there is solid reason for their attitude; but it is merely another illustration of the fact that none of these schemes ever seem to be thought out to their logical conclusion. Mr. Asquith a year ago warned us not to mistake "bustle for business," but everything that has happened since appears to have been a whirlwind of bustle, in which every sane business principle has been lost sight of. With regard to the latest sugar-card scheme, it may be worth putting on record that the Press Bureau issued this statement: "The Ministry of Food forwards the following: Some misunderstanding appears to have arisen in regard to the arrangements under the sugar distribution scheme for dealing with removals." Probably not one reader in a hundred who was not concerned about removals proceeded to read the rest of the "explanation," which scrapped the household card system and involved the issue of some 30 million new circulars and 50 million envelopes, requiring many tons of paper at a time when paper is at famine prices. But that is not the point. The serious point is that the new scheme was introduced as if it only referred to "removals," whereas the whole of the earlier arrangements went by the board, and even the official representative of the Food Ministry in the House of Commons some days later was gloriously ignorant of the meaning of the "explanation" issued by his Department. Is it surprising that the general public are confused and do not know how they stand? And is it not probable that the muddle a few weeks hence will be indescribable? The worst of this sort of bungling is that it can never be quite put right. Take the case of tea, for instance. Officialdom, which could not keep its hands off a trade that was serving the public extraordinarily well under difficult conditions, hawls to us that at last plenty of tea is being distributed to meet normal consumption. Unfortunately, the mischief had

been done, and tea queues are still a painful eyesore in this bitter weather at every shop where a few ounces can be purchased. Of course, there must be a certain amount of hoarding, but who that has had to go through a tea fight will risk a similar experience again if he or she can avoid it? The only way to abate the scandal now would be to flood the shops with tea, but with the smallest amount of foresight the difficulty ought never to have arisen.

Meantime, are we quite sure that the well-intentioned Sir Arthur Yapp is conducting his food economy campaign on rational lines? We very much doubt it, especially as to the prejudice he has sought to create against West-end restaurants. That there is foolish extravagance may be true, but a long menu does not necessarily mean waste—quite the contrary, in fact, as regards essential foodstuffs. A few nights ago the writer was invited to dine at what would properly be described as a “swagger” restaurant. The menu consisted of hors d'œuvres (mostly cunningly prepared vegetables), a small basin of soup, a little bit of fish, fillet of beef, and a savoury. The fillet could not have weighed more than three ounces, and it was the most substantial item in the bill. In Soho it would have cost 2s. or 2s. 6d. all told, but that is the sort of meal about which Sir Yapp holds up his hands in holy horror! Of course, his attitude is ridiculous, but economy experts ought to know better. Or is this foolish attempt to stir up class hatred merely a cloak to hide the bungling of the Food Ministry over tea and sugar? In any case, it is absolutely mischievous, and should be stopped.

We were told this week by the officials responsible that the Government had stopped all advertising of National War bonds, because the job had been taken up with splendid effect by the drapers. And undoubtedly the drapers have been making a cleverly devised and highly successful effort. Their National War bond lotteries referred to by a correspondent in another column is one of the neatest strokes in what is called “publicity” the war has so far produced. Crowds have blocked the way at Harrod's and Selfridge's, and we are told that Selfridge's has taken more money for the Government in one day than the much-advertised Trafalgar Square Tank for the most part took two days to gather. Now, however, the Tanks are to the fore in grand force, and a “wandering Tank,” as it is called, has come to the assistance of the stationary monster beside the Nelson Column. It is being employed with splendid effect by the insurance companies, and the fame thereby obtained must be valuable to them as stimulus to business. Just look at the Prudential, for instance. Its directors had patriotically resolved to reinvest the dividend upon its £25,000,000 odd of war investments. The amount was a modest £861,000, and it might have been sent by messenger or by post to the Treasury. But in that case no stimulus would have been given to the patriotism of others, so it was arranged that a Tank should call at the door of the great central office of the company in Holborn and receive the cheque. This was done amid great demonstrations of rejoicing, and now the wandering Tank is busy doing execution in the City after a fashion as effective in its way for war objects as its fellows who lay flat German wire entanglements, empty magazines of ammunition in German trenches, butt into pill-boxes, and silence enemy batteries at the Front. On Thursday the wandering Tank, No. 113, brought back from the City great spoil, having collected £780,000 in sums of £50,000 each from the Clerical, Medical and General, the National Mutual, the Scottish Life, the Refuge, the Standard Life, the London Assurance, the Royal Exchange Assurance, the Liverpool and London and Globe, and the North British and Mercantile. From the Alliance Assurance Co. it brought back £100,000, and the same sum from the Commercial Union, while from the Scottish Widows' Fund £80,000 was collected. Messrs. Ogilvy, Gillanders and Co. also handed over £50,000, and all this money was brought back without loss or accident.

A large expansion is shown in the resources of the London and River Plate Bank, Ltd., and that the business done has been of a very remunerative character is shown by an increase of £148,000 in the gross profits, which amounted to £781,070. Expenses were £80,000 higher at £446,470, but nothing on this occasion has to be allowed for depreciation of securities, against £28,660 written off last time. Income-tax is not now deducted before striking the balance, and consequently, although £32,000 less at £228,760 was brought in, the available balance is £120,000 higher at £563,360. The dividend of 15 per cent., of which 6 per cent. was paid in June, is repeated, and the balance forward is increased by £65,000 to £293,360. Current accounts, &c., at branches have risen £3,880,000 to £23,817,000, and it is interesting to note that those at the head office also are £127,000 up at £558,000. Bills for collection on account of customers are up £460,000 at £3,783,000, and drafts in transit £162,000 at £1,758,000, but acceptances are £450,000 lower at £3,273,000. Cash on hand and at bankers has recovered to about the 1915 level, being £1,220,000 higher at £9,492,000, and discounts, advances, &c., increased £2,600 to £23,847,000. Altogether the balance-sheet total is £4,300,000 up at £37,514,000. The reserve fund remains at £2,000,000, against a paid-up capital of £1,800,000, and the position looks as healthy as could be desired.

In Bolivia, as in several other South American States, a very anomalous situation has obtained during the last two years. While as a result of war conditions exports have increased from £5,264,000 in 1914 to £8,118,785 in 1916, with a resultant improvement in the National wealth, the funds in the Government coffers have, far from exhibiting a corresponding growth, been far from adequate for the effective administration and the supply of financial resources for the requirements of progressive development. This is chiefly attributable to the fact that the State revenue is drawn almost entirely from the tax on imports, the aggregate value of which is very much smaller than that of pre-war days, exports contributing little or no grist to the Government mill. In 1914 imports converted into sterling amounted to £3,181,000; in 1915 to £1,845,600; and in 1916 to £2,487,700. There was in 1914 a deficit of nearly half a million, and although no explicit information demonstrating the actual position of the Treasury was apparently contained in the last presidential message to Congress, it may be assumed, says the *South American Journal*, that, following upon the deficit of 1914, there were heavy deficits in 1915 and 1916. Urgent as is the need, however, for a radical change in the fiscal policy, the country seems to be far from a desperate position financially. The foreign debt, it is stated, amounts to £3,251,370, and the total internal debt to £1,853,800, an aggregate of £5,105,100, averaging less than £2 per head of the population. And of this indebtedness the major portion seems to have been incurred for productive purposes. Mortgage bonds of railways stand for £2,500,000, and shares in the Bank of the Nation for £993,410, whilst there are deposits relating to loan balances of over £1,000,000, and guarantee funds reimbursed at the banks of £811,900. Thus assets total £5,371,000, an amount slightly in excess of the aggregate foreign and internal debts. Much has been accomplished as a result of this expenditure upon railway construction. The railway, the president pointed out in his message, has now conquered the altiplano, fixing a new value to its riches. The principal cities are united by rail, and under its civilising action a common ideal of civilisation and of progress is being diffused among the people. But the social and political result is not the only outcome, the president continues, of the railway contract, pointing out that the country will receive after the year 1932 the considerable sum of £3,100,000, while five years after that date it will be indemnified for all the amounts paid on account of the guarantee of the first mortgage bonds.

A circular issued by Dorman, Long and Co., Ltd., states that the accounts for 1916-17 cannot be prepared in time for the meeting on the 17th inst., but the directors are satisfied that the profits justify a dividend of 8 per cent., half of which has already been paid. Last year a bonus of 6 per cent. was added, but on this occasion the scheme for capitalising part of the reserve, if it receives the sanction of the Treasury, will be equivalent to about 19 per cent., and consequently the shareholders are not likely to be disappointed by the absence of a cash bonus. It is also announced that provisional arrangements have been made for the acquisition of the entire share capital of Sir B. Samuelson and Co., Ltd. This firm has been closely associated with Dorman Long for many years, and as the works adjoin, the complete amalgamation ought to be in the interests of both parties. It is hoped that matters will be sufficiently advanced to allow of particulars being submitted to the meeting on Monday week.

That important member of the Dorman Long group, Bell Brothers, the Middlesbrough firm of ironmasters, and colliery owners, did very well during the financial year 1916, the accounts for which have just come to hand, gross profit increasing £27,700 to £173,100. The debenture interest and preference dividend absorb £44,870, as before, leaving £128,120 available. Of the balance £30,000 is paid away in an ordinary dividend of 10 per cent., £65,800, an increase of £13,840, goes to write down machinery and plant, and £16,850, as before, is allocated to reserve. These disbursements and allocations leave the carry forward £15,670 up at £38,120. During the year £128,500 has been expended on capital account, and less the amount written off out of profits the various assets under this head now appear at £1,428,000, an increase of £62,700. Movable stocks are £75,650 higher at £320,000, and the financing of these and expenditure on capital account has caused a considerable increase in sundry creditors, which have gone up £180,300 to £339,670. Assets more or less liquid, apart from stocks, total £314,810, an increase of £120,000, and current liabilities aggregate £566,800, an increase of £237,950. The reserve fund now amounts to £355,800.

It may be admitted that the wonderful success of J. and P. Coats, Ltd., was largely achieved by extremely able management in the early years, and consolidated by a bold policy of buying out or controlling rivals on terms which could only be justified by securing a virtual monopoly. And so the company has prospered amazingly, the British sempstress being an extraordinarily patient creature without effective means of protest when her reel of cotton "costs her more." But when we see that the great Paisley combine makes three millions odd a year out of her, we sometimes wonder how long it can last. Profits are arrived at "after making provision for depreciation, excess profits duty, and bad and doubtful debts" (which gives plenty of scope for ingenuity in hoarding hidden reserves), but even so they amounted to £3,280,000 in the year to June 30. That is £10,000 less than for the previous twelve months, but the latter period showed an increase of £720,000 over 1914-15, so there is no occasion for panic. Moreover, interest brought in £16,000 more at £150,000, and altogether the revenue was £6,000 higher at £3,440,000. On the other hand, administration charges increased £32,000, and the actual nett profit is £26,000 less at £3,361,000. Great courage is required to deal with such a terrible reverse, but fortunately a trifle of £1,076,000 more was brought forward, and after cautiously repeating the dividend of 30 per cent. on the ordinary shares, the directors tuck away £2,000,000 to a war contingencies fund, and leave a balance of £1,523,000 unappropriated, or £930,000 less than last time. Including the amount carried forward, the reserves now stand at over £11,100,000 without counting £600,000 set aside for marine and fire insurance,

and as the issued capital, after copious dilution, is £10,000,000, the time appears to be about ripe for a very handsome bonus. The 4,500,000 ordinary shares might be trebled without seriously embarrassing the company's finances, and something of the kind is required to justify the present price, although it need not be nearly so magnificent as we have suggested. That, however, is a secret which the directors will only disclose in their own good time, and unfortunate holders who are compelled to realise before then must just grin and bear it. Needless to say, the balance-sheet looks enormously strong, but the only change to which we need allude is an increase of £1,400,000 to £3,647,000 in stocks. Evidently the company is not to be caught short of raw material whatever happens.

Mr. Frederick W. Tattersall, of Manchester, has prepared an analysis of the stocktaking results of Lancashire cotton-spinning companies for the twelve months ending November 30, 1917. Particulars are given of 50 concerns, and it is of interest to note that all the companies have made a profit. The total paid-up share capital of the 50 companies amounts to £1,885,347, with a loan capital of £1,067,387. The total profit of all the mills, after paying interest on loans and allowing for depreciation, amounts to £254,236, being an average profit per company of £5,085, as compared with £4,034 per company in the previous year. The profit on share capital works out at 13.48 per cent. per annum, as compared with 11.22 per cent. per annum in 1916. The profit on share and loan capital combined is 8.61 per cent. per annum, against 7.30 per cent. per annum in the previous year. The present total value of machinery and plant of the 50 mills amounts to £2,108,273. The spindles in the factories total 4,578,147. The experience of spinners during the past year has been better than in any twelve months since the beginning of the war, and the trade position at the moment is more profitable than for many years back. It is expected that the stocktaking results to be announced at the end of this month will show very big gains.

Considering the difficulties with which a world-wide enterprise like the Peninsular and Oriental Steam Navigation Co. has had to contend, its results for the year to September 30 are decidedly gratifying. Nett profits, after providing for depreciation and all other outgoings, amounted to £762,450, an increase of £108,000, which follows a gain of £160,300 in 1915-16. On this occasion £50,000 is added to both the contingent fund and the provident good service fund, raising the former to £500,000 and the latter to £200,000, whereas last year £126,000 was placed to reserve, but probably the difference is much more than counterbalanced by increased excess duty. Debenture interest requires £6,000 less, and as £7,000 more at £85,300 was brought in, the available balance of £790,640 is up £120,000. The dividend and bonus on the deferred stock are maintained at the 18 per cent., tax free, to which they were raised last year, but they have to be paid on a larger amount, and absorb £113,000 more, so that the balance forward is increased by £7,000 to £92,710. During the past year the whole of the fleet not retained on Admiralty charter has been taken over by the Ministry of Shipping at Blue Book rates, the earnings being for account of the Government. Details of the vessels are omitted for the first time, but it is stated that the fleet has been reduced by several steamers owing to enemy action, although, thanks to the splendid discipline observed, the loss of life involved was very small. Two mail steamers which have been under construction for three years will be shortly delivered, but they are being finished meantime as cargo carriers only. A contract has been entered into for the building of a large mail steamer of 16,000 tons, but her delivery is very uncertain. The directors have had to restrict, as a temporary war measure, the Bombay sailings to a fortnightly service, and this, of course, involves a modification of the Post Office subsidy, the amount of which

has been agreed with the Government. The arrangement arrived at in June for the acquisition of shares in the Union S.S. Co. of New Zealand has already been accepted by 98 per cent. of the holders. Since the end of the company's year the Hain Line, comprising 27 cargo steamers of 109,000 tons gross, has been acquired for cash, and the British India Co. has purchased the Nourse Line. These, of course, do not figure in the accounts, but the deferred stock has increased £494,000 to £3,198,000 since last year, and the assets are £590,000 higher at £12,943,000. On the other hand, the debenture stock has been reduced £106,000 to £1,594,000. It is a magnificent business, and has nothing serious to fear from foreign competition after the war.

Like practically all other important breweries, Ind, Coppe and Co. (1912), Ltd., has found the liquor restrictions very profitable. Trading profits for the year to September 29 show an increase of £50,000 at £194,575, and a little more was received for interest. Depreciation of properties and plant required £2,000 less at £34,200, but interest on debentures, &c., took £4,500 more at £58,200, while the compensation fund charge and income-tax reserve increased £14,000. After again transferring £50,000 to special reserve, raising it to £100,000, there is a balance of £37,300, which compares with £2,480 last year. This added to the amount brought in makes a total of £61,760, which is carried forward. The position of the company has been greatly strengthened since the reconstruction, and the items cash, Treasury bills, and Exchequer bonds show an increase of £165,000 at £480,000. Other changes in the balance-sheet are unimportant.

The report of the Tanganyika Concessions for 1916 shows a further marked expansion in the output of copper by the Union Minière. It amounted to 22,149 tons as compared with 14,054 tons in 1915, and in the first ten months of the current year the total was 23,013 tons. With copper at its present price of £110 5s. a ton, the revenue of the Union Minière must be very large on this scale of output, but unfortunately, owing to the German occupation of Belgium, the Union Minière is unable to hold a meeting or to declare a dividend out of its profits, which must be very considerable. The accounts of the Tanganyika show a deficiency of £143,306, as against £142,099, which is deducted from share premium account, reducing this to £15,945. Three of the outstanding debenture coupons, Nos. 16, 17 and 18, have been paid, and

arrangements are being made to pay No. 19 shortly, thus covering the arrears of interest down to July 1, 1916. The Benguela Railway made a profit of £47,960 against £44,062, and for the first half of 1917 the profit was at the rate of over £60,000 per annum. The Rhodesia-Katanga Junction Railway, now leased to the Mashonaland Railway Co., for a minimum rental of £44,000 per annum, which is allocated to meet debenture interest, made a profit of £56,508 against £41,066. For the first nine months of this year the profit was £43,840. The Kansanshi mine is still closed down. The Union Minière will shortly have two more furnaces at work, and the seven, when running at full capacity, will have an output of 40,000 tons of copper per annum. A profit of £2,085 against £869 is recorded by the Zambesia Exploring Co., which increases the credit balance carried forward to £262,756. The company has acquired 50 blocks of land in Angola of about 12,500 acres each. Its investments are valued in the books at £1,220,100 as against £1,201,841.

A further diminution in profits is recorded in the report of the Van Ryn Gold Mines Estate, one of the most successful of the Albu companies. During the twelve months ended June 30, 456,450 tons were treated, yielding £552,314, or 24s. 2d. per ton. The tonnage shows a decrease of 3,830, the yield a decrease of £2,917, but the recovery an equivalent of one penny a ton. Working costs, however, rose 3d. to 15s. 3d. a ton, and the working profit is £5,173 less at £204,063, equal to 8s. 11d. per ton, against 9s. 2d. per ton. The nett profit amounts to £178,622, a decrease of £45,427, following upon a decrease of £38,094. The dividend, which last year was reduced from 45 to 35 per cent., is maintained at the lower level, while the carry-forward is raised from £24,271 to £25,964. Since the inception of the company it has paid no less than £2,494,500 in dividends. The fully developed ore reserves are estimated at 1,730,772 tons, valued at 6.57 dwts. The quantity shows a decrease of 219,419 tons. This reduction is due mainly to the extension this year of all ore of between 4.3 and 4.4 dwts., the latter value being taken as representing the limit of payability on the basis of the higher working costs resulting from the present war conditions. This draws attention to a factor which affects all gold mines at the present time. With the price of gold fixed, any increase in working costs means that a certain proportion of hitherto payable ore becomes unpayable, and the gold contained therein is lost. In the aggregate this decrease in the potential gold output of the world

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runs into very big figures, owing to the substantial rise in the cost of supplies and labour. Some of the low-grade mines are faced with the prospect of having to close down unless costs can be reduced in the near future. Returns from all the goldfields of the world reflect this tendency of costs to rise in a decreasing production.

The New Modderfontein Gold Mining Co. has done extremely well during the year now drawing to a close, and the directors are enabled to declare a dividend for the second half of the year of $18\frac{1}{2}$ per cent., as compared with $16\frac{1}{2}$ per cent. a year ago. This is the highest rate yet paid by the company. Although development has been restricted owing to shortage of labour, the mine has actually developed during the year over 1,400,000 tons, or more than twice the tonnage milled, and of a value appreciably above that of the ore reserves. Other mines working on the rich wide reef of the Eastern Rand may also be expected to declare increased dividends this half-year, but the low-grade and older properties on the Central and Western Rand will probably experience difficulty in maintaining their dividends, and will quite possibly have to reduce them. The problem facing the low-grade mines is a serious one, owing to the combined effects of labour shortage, which restrict the scale of operations, and the largely increased costs of working. It is suggested that these mines should receive assistance of some sort in the shape of a remission of taxation or some other form of subsidy; but the most economical method of maintaining and increasing the Rand output of gold would be for the Union Government to facilitate the opening up of the richer mines on the eastern portion of the Rand, ground which, comparatively speaking, has only been scratched so far. The Union Government announces that tenders in respect of the Rietfontein West area may be lodged up to March 1 next. Applications, however, must be on the basis of the formation of a separate company to work the ground as a separate proposition. This area was unsuccessfully tendered for in October. But this process of putting up a few areas at a time is too slow to offset the effect of the exhaustion of the older properties.

The Impossibility of Patching Up a Peace.

Surely it is the Press which has stirred up all this noise about Lord Lansdowne's letter. This writer read it carefully when it appeared in the *Daily Telegraph*, and could see nothing in it except a reflection of the opinions of those people Major Haldane Macfall dubs "the man in the street." If his lordship had been an ordinary person, with no handle to his name—a mere working barrister, say, or a journalist—his words might have enshrined the wisdom of the gods, and nobody would have thought anything about them. The letter is made up of what the privileged classes—our JUNKERS—of pro-German instincts are saying, and what the mob of the craven and ignorant repeat. It betrays no inkling of perception of the real forces impelling us to continue this war to the end, nor any appreciation of what had already been accomplished by the Allies. Why, then, this tremendous disturbance over it? It is accounted for by the shriekings of the Press, which has its root in flunkeyism.

We have mentioned Major Haldane Macfall, and he deserves mention, for he has published an opportune little book called "Germany at Bay," which was written for the benefit of "the man in the street," and should be read by him. We trust the publishers, Messrs. Cassell, may soon be able to issue the volume in a second and quite cheap edition, so that all may be able to buy and read it, because it just tears to pieces the platitudes and commonplaces of class betrayal that stuff such exercises in composition as that of Lord Lansdowne.

The only serious omission in the book is financial, and we should like to say a word upon that. Mr. Bonar

Law told some Glasgow doubters in the end of last week that the security for our debt cannot be doubted, or words to that effect; and Mr. Law was right enough—provided certain things are done. If we unlock our land, so that its resources can be developed to the uttermost in an intelligent manner on scientific lines and in a co-operative spirit, then we should be able to pay our debts. But preliminary to that is the removal of the burden of armaments from the Budget, from ours and from those of every one of the Allies now fighting to free mankind. If a peace is to be jumbled together now, after the burlesque example set by the Germanised traitors in Russia, or in agreement with the scoundrels who planned and provoked the war, then our bankruptcy is as certain as Germany's, or Austria's, or Turkey's, because a "peace" of that kind could only be a fraud, and therefore must mean for us the maintenance of a large navy and of a bigger army than we have ever yet raised. We cannot stop fighting, then, because to do so now would mean the wiping out of England as a solvent Power, our irretrievable ruin. What use is there of discussing "terms of peace," "freedom of the sea," or any other form of ground-bait for fools, or of demanding that the Government should unfold our demands to Germany? There is no use at all, and the man who advocates such "statesmanship" is not deserving of serious notice. What can be the real mental calibre of a man who at this time of day thinks we should try to elucidate the meaning of "freedom of the sea" with the enemy?

We have told Germany plainly, time and again, what our aim was, that we had no hostility to the German people as such, but that it was essential to our safety, and that of our Allies, to the peace of the whole world, that the accursed, ruthless militarism of Prussia should be destroyed. What more can we say, and what would be the use of putting forth the most minute inventory of our demands so long as Germany is shut in and not allowed to learn the truth? Could there be anything gained either by our saying we had no desire to pull Germany down from the position of "a great empire"? What is meant by a "great empire" in the German sense? Have those who use the phrase ever thought about it? The German Empire is a purely artificial creation existing for the profit and glory of the few, and kept together by iron discipline and goose-step routine; it would be hypocrisy on our part to say that we are not fighting to destroy that. If the German people shake themselves free from the demoniac dream of world power which is now driving them to destruction it may be that they will recover and become indeed a great people. At present they are not great in any sense except as wild beasts, the foe of all that makes man nobler than the beast. Skilled, highly trained, courageous with the courage of the brute they may be; all that may be admitted, but men worthy to take their place beside the humane civilised peoples of the earth, the Germans are not. And it would be hypocrisy to profess a willingness to embrace these people as men and brethren while that military organisation which now shapes their very inmost thoughts, and inspires all their ideals, is worshipped by them and left undestroyed. It has got to be destroyed, it will be destroyed, that is our duty, and if with it the German races are also destroyed, well, whose fault is it but their own?

Lord Lansdowne is probably without suspicion that he may be moved by fear as to what is overhanging the privileged caste or classes in this country of which he is a distinguished member. At any rate, there was nothing in his letter about making restitution to the harassed remnants of Belgium's population, or of restoring to Northern France the wealth filched therefrom, or of delivering the territories rent away from France in 1871, nothing at all that was interesting to the simple human being. We might be back to the eve of the Congress of Vienna, and about to welcome a wrangle of absolutists for all Lord Lansdowne seems to know or care. But the Allies cannot leave these questions out, and we may be quite sure that the

Government of Washington, with the great American people behind it, are not disposed to enter into any "peace preliminaries," into negotiations of any description, until the power is in their hands, to exact the reparation that is due. President Wilson has once again said no, but we can hardly, perhaps, expect an English territorial magnate to take notice of what a mere commoner may say.

People fascinated with Germany tell us that a minority of the population hates Prussian militarism as much as we do, and plead for mercy, or a willingness to negotiate on merciful terms, because it does. It may be true, for all Germans are not debased savages, but we have no evidence. The speeches that have been delivered within the last eight or ten days in the Reichstag by the new Chancellor, by that ex-fomentor of the Carson-Londonderry rebellion in Ulster, by Tirpitz, by Socialist leaders, by Hindenburg, and his guide Ludendorff, and so on, are as insolent in tone, as full of calculated misrepresentations, as arrogantly covetous and bullily-defiant as ever. How can negotiations be started with people whose only authoritative spokesmen are of that sort. How is it possible to approach them and to retain an atom of self-respect? It is not possible, thank heaven. Come of Lansdowne and all his fellow land monopolists what may, we can do nothing but fight on or perish. It is because Mr. Lloyd George understands that, and proclaims the truth in no uncertain tones on every occasion, that the country on the whole stands by him, and will stand to the end in spite of its discontents and of his failings. Imagine, had the Prime Minister, or even the Foreign Secretary, been Lansdowne!

Insurance and Insolvency.

It is difficult to ascertain the exact financial position of the cumbrous National Sick Insurance scheme which was thrust upon the country with a great flourish of trumpets nearly six years ago. All that can be gathered from Sir Edwin Cornwall's statement in Parliament on introducing the present Amending Bill is that the whole scheme is enormously and increasingly costly; and that as there has been no valuation of the approved societies since it was established, the extent of the financial deficiency is unknown. There is, unfortunately, little reason to believe that the new State grant to be given under the Amending Bill will render the scheme solvent, although this grant amounts to £400,000 a year, or a capitalised sum of about eight millions. In addition, there is to be a raid on the sinking fund to the extent of £1,500,000 a year, the period of redemption being extended from 1932 to 1947. These proposals Sir Edwin Cornwall not only sanely believes will place the scheme on a sound financial basis, but he even has the boldness to declare that it is remarkable that only such a small measure is needed, and a great tribute to the originator of the system. As a matter of fact, he must know that the financial basis of the insurance, which was dependent on a fixed contribution of two-ninths by the State in addition to the contributions of the employers and employed, broke down hopelessly from the outset; and that the scheme has only been kept going by continual doles from the Treasury; and that certain benefits promised by the Act—notably that for tuberculosis—have never really been made available to the insured in any adequate way.

In 1916, the Public Accounts Committee reported that, though the grants under the Act amounted to £20,250,000 additional grants amounting to £8,750,000 had been needed, or nearly 43 per cent. of the original amount; and that the contributory basis of the scheme had been wholly abandoned. The present proposals of the Government, it may be remarked, appear to fall considerably short of the recommendations made nearly two years ago by their own Departmental Committee. That body made suggestions, to defray which it was estimated that a grant from the Exchequer of £700,000 a year would be required, and relief from the Sinking Fund to the extent of

£1,800,000 a year, making a yearly subsidy of £2,500,000, while under the Amending Bill the yearly subsidy will be only £1,900,000. It is to be hoped the lower estimate will prove correct.

No reference was made in this committee's report, nor so far as we can gather from the report in the *Times* by Sir E. Cornwall to the wider question which will have to be faced some day of the general depreciation of the invested funds of the approved societies; but the report presented by the Committee of Investigation appointed by the Faculty of Insurance at the beginning of the year contains some disturbing information on the point. According to this document, "the Government, under pressure of inquiry in the House of Commons, has disclosed that the depreciation which has taken place in the value of about thirty millions sterling of the funds of approved societies, invested without reference to the views of their own office-bearers, amounted on a given day to about four and a half millions sterling."

The report continues:—"We have full sympathy with the policy at such a time as this of investing societies' funds in public stocks; but the depreciation is not by any means due to the war alone, and we are advised that it is in excess of the experience of life insurance companies. Depreciation on anything like this scale certainly raises the question of the position of the National Debt Commissioners as investment advisers in respect of insurance funds. They have to discharge a dual responsibility. Their duty to the taxpayer is to restrict the charge placed upon him. Their duty to approved societies is to obtain for insured persons as good a return for their money as is consistent with the safety of the money invested. It is, we submit, for consideration whether approved societies should not have a voice in the selection of investments."

Although Sir E. Cornwall's figures given in the House of Commons leave the reader in a painfully questioning frame of mind, still, as the only details about the working of the Act vouchsafed to the public for a very long time, it is necessary to make the best of them. Analysing them, imperfect as they are, certain points stand out with startling clearness. First, the enormous cost of administration of the Act—no less than £2,250,000 in one year! How many officials are getting a comfortable living out of this insurance system? The report of the Public Accounts Committee, to which we have already referred, made some scathing remarks on this point, but apparently no steps have been taken to bring about reforms.

Second, the cost of the medical services appears disproportionately large, £4,800,000, as compared with the cost of the sickness benefit, £6,000,000; it is, we believe, generally ad-

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mitted that the medical profession made a good bargain for itself under the Act; and as it probably receives indirectly the greater part of the maternity benefit—£1,250,000—as well, it really gathers in for attendance on the patient almost as much as the patient receives for his maintenance. Third, the sickness and disablement benefit are added together as amounting in one year to £6,000,000. How much is sickness and how much is disablement, for there is no doubt that the permanent disablement benefit introduced an element of financial uncertainty into the whole scheme even more dangerous than the women's insurance?

On this important point, Sir E. Cornwall is silent, but on the subject of the large deficiencies caused by the total breakdown of the actuarial calculations on the subject of women sickness rates, he explained that an annual grant of £280,000 is to be paid direct to the societies to meet the extra cost, and a further £250,000 a year is to be put into an equalisation fund to be held by the Department, especially for married women's sickness. The remainder of the annual subsidy—£1,190,000 in all—is to be placed in a special contingencies fund, which is intended to relieve societies whose sickness rates are above the average owing to an aggregation in their membership of men employed in specially dangerous and unhealthy trades.

There was little criticism of the scheme in Parliament, and doubtless it will pass into law without substantial alteration. Little exception indeed can be taken to the scheme in itself, unless that it is obviously of a "stop-gap" character; but if it is entirely impossible to take a valuation of the societies owing to war conditions, then very likely Sir E. Cornwall has made the best practicable arrangement to meet immediate difficulties.

All that can be suggested is that the Insurance authorities should certainly turn their attention to the cutting down of the present enormous expenses of administration, and, further, that a special effort should be made to collect very full particulars as to the working of the permanent disablement benefit, which, carelessly administered, is calculated to bankrupt the soundest insurance society. In the case of illness among married women, one great difficulty has been to ascertain when the women were really entitled to sick benefit. Women's wages were often so low that the sick benefit might even be preferred; while in many cases a woman, when a little ailing, though not seriously incapacitated, was willing enough to take a week or two off at home at 7s. 6d. a week and get her housework done. So in the same way with permanent disablement benefit; it will tend to become not a disablement, but an unemployment benefit, and in time a preliminary old-age pension until the age of 70 is reached.

The London and South-Western and London and Provincial Banks' Amalgamation.

So well was the secret kept that considerable surprise was excited in the City by the news that the London and South-Western Bank was to be fused with the London and Provincial. But it was an agreeable surprise, because no two existing English banks could fit into each other more effectively. Both are comparatively young, the London and South-Western having been established in 1862, and the London and Provincial in 1864, and both have grown side by side, one might say, almost like twins. Their paid-up capitals are about equal, and both banks have their capital divided into £10 shares; but the South-Western share carries £1 more of uncalled liability than the London and Provincial. Under terms of the provisional agreement just announced—provisional only until ratified by the shareholders of the respective banks—this inequality is done away with. The share-holdings of the London and Provincial Bank will not be disturbed in any way, but London and South-Western Bank shareholders are to receive three £10 shares, with £5 paid up, in the London and

Provincial Bank for every four £10 shares, £4 paid up, of their own bank. This will slightly reduce the paid-up capital of the combined bank, but it will still amount to £2,125,000, and the amalgamated reserves will stand at the handsome figure of £3,000,000.

On this basis the united bank, which is to be called the London Provincial and South-Western Bank Limited, will sustain a liability of about £70,000,000 on deposits, &c., so that it will take rank henceforth among the leading banks of the country. And it must not be forgotten that the London and South-Western recently became joint proprietor with Messrs. Cox and Co., bankers, Charing Cross, in their French offshoot, which has already established itself and made progress in France. The South-Western management, indeed, has shown great enterprise in recent years in extending the range of its business, and that ought to make it a most valuable element in the direction of the larger bank now formed. It will have a joint board made up of six directors from each of the two banks, and its first general manager will be Sir Herbert Hambling, the present general manager of the London and South-Western Bank. He is to retain that position for two years, and will then be succeeded by Mr. Carruthers, who has become well known as the general manager of the London and Provincial. The respective assistants to the managers of the two banks, Mr. J. W. Stokoe, of the London and Provincial, and Mr. F. Straker, of the London and South-Western, will occupy the same position in the amalgamated bank, and the fusion will become an accomplished fact as from the 31st inst., if meanwhile the arrangement is ratified by the respective shareholders, as it cannot fail to be.

Peruvian Corporation.

At the end of June the arrears of dividend on the 4 per cent. preference stock of the Peruvian Corporation, Ltd., amounted to 85½ per cent., and as only 1 per cent. is to be paid in respect of the past twelve months, the total will be nearly 90 per cent. a year hence. The market values the whole lot, arrears included, at round £26, so it is evidently not very hopeful as to the outlook, but one of these days it may begin to speculate about the possibility of some scheme being formulated to deal with the position. It is very unlikely the holders could be persuaded to wipe out the arrears except for a very tangible consideration, but they would doubtless willingly consent to a funding operation, as the prospect of the amount being gradually liquidated is very remote. The point is of more academic than practical interest at present, when the stock is barely earning 1 per cent., but the Corporation is making steady headway, and unless it meets with serious reverses, it ought to be in a much stronger position a few years hence. Gross receipts of the railways and steamers last year amounted to 11,360,000 soles, the highest on record with the exception of 1912-13 and 1913-14, and an increase of 1,400,000 soles over 1915-16. Of course, expenses advanced to a corresponding extent, but with a more favourable rate of exchange (25½d. against 23d. to the sol) the nett receipts in sterling were £30,000 higher at £400,200. It is true this figure has been exceeded four times in the past seven years, but in view of the exceptional conditions and abnormal expenses, the result may be regarded as rather encouraging. On the Central Railway the gross receipts were £645,200, an increase of £142,700, and the expenses were £80,700 higher at £361,200; so that the nett revenue was £62,000 better at £284,000. On the Southern Railway receipts advanced £53,000 to £309,100, but expenses were £83,500 higher at £258,900, with the result that the nett earnings declined £30,500 to £50,200. However, fuel alone cost £46,000 more and other materials for upkeep were substantially dearer. These, we must hope, are temporary disadvantages, and the important point to bear in mind is the steady improvement in traffics, which will doubtless become more pronounced.

when rates to and from Bolivia are raised to a more remunerative level. The other lines controlled by the corporation are comparatively small affairs, producing about £230,000 in gross receipts and a nett revenue of £60,000, but they are capable of considerable development when general conditions in the country improve.

Converted into sterling, the nett earnings for the year to June 30 amounted to £525,030, an increase of £60,000. Railways and steamers yielded £25,000 more, and interest, profit on exchange, &c., £19,000 more, while £110,000 against £10,000 was received on account of the Government annuity, but these gains were largely offset by the fact that nothing at all came in from guano sales, which last year yielded a profit of £87,450. Administration expenses were practically the same as last year, and after providing for the fixed interest on debentures (£216,000), there is a nett profit of £287,060, an increase of £64,000. Moreover, £37,000 more at £183,400 was brought in, making a total of £470,460. As usual £54,000 is set aside for amortisation of debentures, £4,000 is again placed to insurance fund, and £8,240, or £7,300 less, is written off for depreciation of investments, but income-tax requires £32,000 more at £72,130, leaving a clear balance of £332,090, or £76,000 more. This allows of the payment of 2 per cent. extra against 1 per cent. on the debentures, making 6 per cent. for the year, and the raising of the dividend on the preference stock from $\frac{1}{2}$ per cent. to 1 per cent., but this involves the reduction of the amount carried forward by £34,000 to £149,520. These results may be regarded as entirely encouraging in the circumstances.

It is satisfactory to learn that the relations with the Government are much more amicable. Under the able Government of President Pardo, the report states, the financial position of Peru has considerably improved. Regular monthly payments of the annuity have been resumed, and although at the end of June one year was in arrear (£80,000), an additional provision of £15,000 has been made to be applied in monthly instalments up to the end of the year in part payment of the arrears and interest, but the board is assured that a further provision will be made until the debt is completely liquidated. The position with regard to guano is not quite so satisfactory. It is all to the good that the Government has officially recognised the right of the Corporation to a balance of 762,870 tons still remaining to be shipped under the contract of 1890, but the Corporation cannot consent to any arbitrary allocation of the deposits, nor to be deprived of adequate time to make the necessary loading arrangements before the commencement of the season. Suggestions have been made by the Government for a financial solution of the whole guano question, but so far on terms which are not acceptable to the Corporation. However, it is evident that there is a much more reasonable spirit at work on both sides, and if the Corporation can continue to work harmoniously with the Government its prospects will be vastly improved. Perhaps the "if" is a big one, but there is no need to despair.

By-the-Way War Notes.

An unpleasant impression has been produced by the story of the German attack on our new lines near Cambrai in the end of last week and beginning of this. That the Germans could be able to claim 6,000 prisoners and 100 of our guns as the spoils of these attacks is lamentable, even if exaggerated, and no contradiction has been forthcoming to console us. It looks as if the British commander, General Byng, had allowed himself to become elated by his magnificent initial success, and had neglected to maintain vigilance or to take due precautions against surprise. This, if true, is lamentable, because surprises put a strain upon our troops which Sir Douglas Haig has throughout shown the utmost solicitude to protect them from. Happily their valiance prevented the enemy from gaining his purpose, which was to drive through behind our new fronts so as to cut our

advanced lines off from their communications. His haul would have been immense had he been able to do that. He failed, and all his subsequent attempts have come to little or nothing, so that we can still be confident of the capacity of the British soldier to overcome the German.

But obviously the battle is not yet at an end. It cannot be, because, if the Germans cease to struggle with the utmost desperation to drive us back, or at least to hold us where we are, they themselves will have to retreat, and to an extent which not all their ingenuity in lying will enable their masters to hide from the deluded beings they are consuming fast to gratify their baffled rage. We have no doubt that all our own commanders are now keenly alive to the necessity for unceasing vigilance, unremitting efforts to improve our defensive arrangements, to increase our artillery, to secure fresh points of vantage, and, in short, to make certain that every onslaught by the enemy will cost him, say, fifty times our losses in men and material. We should aim higher still, because only by destroying the males of the besotted Germans can we really prepare the way for our peace, the peace that will require neither armies nor "war lords" to maintain it. From this point of view the evacuation of Bourlon Wood is probably wise. It was too far forward and under fire from the enemy from three sides, so that its retention wasted our men without compensation.

In Italy a war of giants is just beginning, and the first news of the opening moves in the mighty battle comes to hand as we write. We believe it will be a losing battle for the Habsburgs, and that their massings of men and guns in the Trentino passes and on the Isonzo front, or between the upper reaches of the Piave and the Brenta will contribute to the final destruction of Austria-Hungary as a pestilential despotism in Europe. Because this is the end desired and aimed at, the fighting promises to be gigantic during the next few weeks. The invaders are in haste, impelled by hunger and financial paralysis to try to force an early decision. They are not able to afford to wait, any more than the Hohenzollerns in the West. Consequently stupendous issues hang by this furious onset in Italy, and the fact that an unimaginably great consumption of human pawns both in Italy and France is now being caused by the impatience and greed of the tyrants of these two empires is, in a sense, to us consoling. The more of their helpless, brutalised subjects that are put out of the way, the nearer is the peace, and the surer.

But the war lords, "all-highest" and all cringing, will brag before mankind, and attitudinise to the last. Their peace claims are not abated in any direction by the defeats their armies have undergone. The same witless and tactless professorial swagger is indulged

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now in all their hints about peace, just as at the outset, and it looks probable that even the extremists in Russia will be driven back to seek shelter under the aegis of the Western alliance by the arrogant insolence of German claims over Poland, over Lithuania and Courland, over Rumania, and, not improbably, over Bulgaria and the Black Sea. The unteachable pride and ignorance of the Prussian fat head are among the most valuable assets we have in enabling us to sustain the war.

Just look at the fresh illustration given this week by the German conception of "freedom of the seas." Without warning the *Elder*, Dempster liner, *Apapa*, was torpedoed from two points at four o'clock on Wednesday morning, and sank before all on board could be removed. It is estimated that in all something like 80 people were killed, 40 of them passengers, out of a total of about 120 passengers and a like number of a crew. As usual, the German fiends thought it meritorious to fire on some of the boats containing people leaving the ship. These boats were lowered with great speed, and passengers and crew displayed calmness and admirable discipline, but the demons of the sea cannot understand any display of fine human qualities like these. No shark could be more ruthless. So their out-of-work traders in Hamburg are able in all serenity of mind to form a new international trade company by help of which they hope to capture anew the world's business after the war ceases. A little more of our experiences of German debasement, and no creature of the race will be allowed to set his face, still less to place his goods, in any self-respecting civilised country on earth. But the sots are wholly unconscious of the impending retribution.

Again, the shipping losses last week should impress the country with the fact that the submarine depredations are by no means crimes to be despised, for during the past week we lost 16 ships of over 1,600 tons, the largest number sunk in any one week since that ended October 21, when 17 disappeared. Only one smaller vessel was sunk, as against 7 in each of the two previous weeks, but for the first time for a month fishing craft were attacked, and 4 of them torpedoed. The unsuccessful attacks also rose to 7. The actual returned was 8, but that included one attacked, but not reported in the previous week. The total ships of all kinds actually sunk last week was 21, or one more than in the previous week, and 2.8 more than the average for October, but Mr. Archibald Hurd says, in the *Daily Telegraph*, that the tonnage sunk was relatively small. Nevertheless, the number sunk is anything but pleasant, and we should like to know whether the significance of such persistence in futile crime has yet managed to penetrate the average British mind. Are we voluntarily rationing ourselves as we should, or just lounging along as if nothing mattered? Many are, but what of the masses at the two extremes of the social scale?

The number of ships that entered and left our ports last week was 127 larger than in the previous week, viz., 2,174 in and 2,133 out, so that the enemy's submarines had larger opportunity, and they did not take full advantage of it. None the less the ravages remain serious, and are likely to continue, for the Prussian brutes are desperate, and terror-urged to do their utmost in infamy.

On Thursday morning London was again visited by enemy aircraft, which came apparently in relays, and with something like the suddenness of a surprise, at least as this writer lay and listened to the sound of the guns, and of what he took to be the bombs falling; it seemed as if the hostile aircraft surged up without warning and in successive waves. The aim was to set London on fire, a mode of warfare which the German leaders probably thought we should hail as more human than indiscriminate murder by high explosives.

Here also we have evidence that the German serf mind has learned nothing, is still as incapable as at the outset of understanding the minds of the nations attacked, and consequently he still imagines that the more abominable his behaviour the readier will we become to fall on our knees and beg for peace. Does

any sane brother German venture to warn him of his blunder; he is met with scorn. Doggedly the wretched tools go on, and, given this mentality, have we not reason to be thankful that the diabolical warfare should be persisted in? Are we not braced by the German persistence in fiendishness to greater determination, rendered less and less disposed to tolerate intercourse with an enemy so lost to all sense of human feeling? Is it likely that the outraged people here will consent to any peace which leaves the heartless foe more capable of doing injury to neighbours than the blood-smeared Turk himself, Germany's beloved Ally? We should like to hear some of our pacifist pro-German leaders upon that point. They appear to have minds for the most part as warped as those of their ever-admired German heroes. "Is it not now time to open negotiations?" "Should we not take steps to let the Germans know our terms of peace?" "Have we satisfied ourselves as to Germany's willingness to meet and confer?" and so forth, a continuous stream of nauseating drivel, drivel such as might well emanate from Houston Stewart Chamberlain, the Kaiser's English worshipper. "Might is right" in the eyes of all these men, whether they parade as "Socialists," "democrats," "independent" labourers, or other garb of the hypocrite.

American Business Notes.

How thoroughly the United States is entering into the war may be estimated from a glance at the estimates that the Treasury has placed before Congress, whose regular session opened on Tuesday. The total of the estimates for the coming year is £2,700,000,000, really more because that is merely taking the dollar at five to the £, and it is worth more than that. Of that staggering figure £2,200,000,000 is devoted to the war, viz., £1,323,000,000 to the Army, which includes £227,600,000 to signal service and aviation. Army pay £200,000,000, quartermasters' corps £400,000,000, hospitals £31,400,000, engineers £27,000,000, engineering operations in the field £178,400,000, ammunition £78,000,000, machine guns £47,400,000, and armoured motor-cars £15,000,000. The Navy vote is £202,800,000, which embraces £85,200,000 for pay, £8,000,000 for aviation, £7,600,000 for new batteries for ships, £12,200,000 for "marine," £6,400,000 ammunition for ships, £12,800,000 provision for bluejackets, and £12,000,000 for construction and repair of ships. Engineering, including motive powers, is put down for £12,000,000, and maintenance of the supply office, including fuel for the Navy, at £12,000,000. Some Americans estimate that if the war lasts two years more it will have cost the country ten thousand million pounds. It will not last so long.

This is the country at which the Prussian war butcher Hindenburg thinks himself warranted in sneering. The man in behaving as he does only imitates in his brutish Prussian way the more subtle brains among the Kaiser's politician lackeys. They all affect to make light of America's influence in the war, think it will be finished before America can begin. And they are welcome to think that because we have long held it to be essential to a satisfactory world's peace that the demons who now goad the German race to its destruction should abate nothing of their violence, nothing of their inconceivable folly and pride, until the necessary cleansing has been accomplished. How well the Americans understand the magnitude of the real issue of the war is made manifest, not merely in this generous provision for war expenditure, but in the fine address delivered by President Wilson at the opening of the usual winter session of Congress. It was an address which put before the world, and not merely the American citizen, what our true aims are in this war. And quite rightly the President, while describing and characterising the people who planned and began this war as they deserved, was careful to separate the German race from its criminal oppressors. In that also he may have been wise, at any rate he showed a greater generosity than we can here. The

German people are one with their criminal oppressors so long as they do not possess courage enough to disobey, to risk all for their own freedom. The President also recommended Congress to declare war against Austria-Hungary, and, just to regularise things, that ought to have been done before now. Altogether the current of men's thoughts will be elevated and their resolve hardened by this address, and it should have a marked influence in counteracting the harmful activities of our pacifists, whether ignorant or interested. "The purposes of the Central Powers," the President wound up:—

strike straight at the very heart of everything we believe in. Their methods of warfare outrage every principle of humanity and of knightly honour. Their intrigue has corrupted the very thought and spirit of many of our people. Their sinister and secret diplomacy has sought to take our very territory away from us and disrupt the union of the State. Our safety would be at an end, our honour for ever sullied and brought into contempt were we to permit their triumph. They are striking at the very existence of democracy and liberty. It is because it is for us a war of high, disinterested purpose, in which all the free peoples of the world are banded together for the vindication of right, a war for the preservation of our nation and of all that it has held dear of principle and of purpose, that we feel ourselves doubly constrained to propose for its outcome only that which is righteous and of irreproachable intention for our foes as well as for our friends. The cause being just and holy, the settlement must be of like motive and quality. For this we can fight, but for nothing less noble or less worthy of our traditions. For this cause we entered the war, and for this cause will we battle until the last gun is fired. I have spoken plainly in order that all the world may know that even in the heat and ardour of the struggle, and when our whole thought is of carrying this war through to its end, we have not forgotten any ideal or principle for which the name of America has been held in honour among the nations, and for which it has been our glory to contend in the great generations that went before us. A supreme moment of history has come. The eyes of the people have been opened, and they see the hand of God is laid upon the nations. He will show them favour, I devoutly believe, only if they rise to the clear heights of His own justice and mercy.

It seems probable that railroads in the United States will be granted liberty to raise their rates for evidence of a very compelling description has been placed before the Inter-State Commerce Commission. The opposition was also powerful, but on the whole the weight of the argument seemed to incline towards the companies as at present situated. Some of the leading railroad presidents combined in presenting their case, and the Comptroller of the Currency, Mr. John Skelton Williams, backed them up. The case for the railways was summarised by Mr. G. S. Patterson, and according to his statement their gross earnings had risen \$123,789,000 in the first nine months of this year, but the whole of that increase had been swept away by the expenses which increased \$168,431,000, so that the roads were actually \$57,291,000 worse off than in 1916, in spite of the larger business done. The three great systems—the Pennsylvania, New York Central, and Baltimore and Ohio—were \$38,492,000 behind, although they had done \$70,607,000 more business. It was estimated in May last by the railroads that the increase in costs of materials, labour and taxes would raise their working expenses by \$235,000,000 per annum, and Mr. Patterson declared that figure to be too conservative, for the increase was now estimated to be \$278,000,000, against which only \$97,000,000 had been secured by the partial increases in rates allowed since January of this year. In coal alone the increased cost to date was \$86,000,000 in wages of \$102,000,000, and in other materials of \$90,000,000. President Smith, of the New York Central, gave similar testimony, and there can be no doubt that these railroads are suffering just as ours have been doing. How far, however, they will be benefited in the long run by higher rates is entirely a different question, and time alone can solve it.

Considerable interest seems to be taken in the United States in the financial position of Russia, and some alleged facts have been published of a quite discouraging character, but they were remitted under the Kerensky rule, and some of the guesses may be modified or proved false. For instance, it was estimated by the then Minister of Finance that the Budget deficit amounted to 15,000,000,000 roubles, but

no data is put forward to enable us to say what the truth is, or whether and what there are of assets to put against it. Russia's great asset, of course, is her population, and if order is restored, that, wisely led, ought to provide ample security for all Russia's obligations. Until order is restored, however, the United States was quite warranted in refraining from granting further credits to the fleeting "Governments" which are trying to impose their will upon the deluded country. The same Finance Minister is alleged to have declared that the new régime is more costly than the old, which is quite probable, and that food committees will spend 500,000,000 roubles annually and land committees 140,000,000 roubles, sums which in the present position of Russia, and in the backward condition of the country's agriculture, we should think well below actual requirements.

Answers to Correspondents.

* A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.

Deposits against future queries may be lodged with the Publisher.

Scotus.—Of the three shares named first, No. 1 is the most suitable, because it is a bearer share and carries no liability. In the second group, the strongest is probably No. 6, but we do not see any appreciable rise in any of this group. No. 1, however, does seem to promise well.

M. A. B.—We doubt it; this company's position financially is not good, and we see no justification for a recovery at present.

C. J. C.—There is no object in doing so.

Euan.—The report reads well, and the company has certainly speculative prospects. You may as well hold on a little longer.

G. A. H.—The exchange looks reasonable, as (2) has a small capital, so its share would be more profitable in ratio if the discoveries turn out well.

H. T. R.—(1) Quite a fair purchase. (2) These have already risen, and seem to be high enough.

Mains.—We think you should sell unless you are prepared to put more money into the concern and wait a considerable time, as the new shares may not be marketable.

D. R.—We think not; better leave them alone.

It is announced that owing to advanced age, Mr. Sydney Gedge has decided to relinquish his position as chairman of W. T. Henley's Telegraph Works Co. as from January 1 next. Mr. Gedge has been a director of the company for 37 years, and has been chairman for 30 years. The managing director, Mr. George Sutton, who has been in the service of the company for upwards of 36 years, has been elected chairman, and will continue to hold the position of managing director.

Lord Islington will preside at the opening meeting of the Indian Section of the Royal Society of Arts on Thursday, 13th inst., when a paper on "The Trade of India with Russia, France, and Italy" will be read by Mr. D. T. Chadwick, I.C.S., Indian Trade Commissioner. The chair will be taken at 4.30 p.m.

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

As anticipated, bankers' money has been plentiful and cheap all week, thanks to the disbursement of, say, £50,000,000 of dividend money, but the cheapness has not had any effect on time rates, whether for loans or discounts, and the fluctuations in the price of day to day balances are nowise interesting. The most obvious thing to say about the abundance of credit is that it will facilitate the placement of new Treasury bills. Credit creates credit, in short, and the large accession to the market's resources in this respect now made should help to smooth the financing of the war for some weeks to come. They may be critical weeks, so it is just as well. Discount rates remain as quoted in our table. It may be interesting to record the fact that in spite of the chaos in Russia some Russian credit bills were renewed on Thursday at 4½ per cent., and arrangements made for placing several batches of Italian bills at 4½ per cent. Short bank bills are well held in view of the time of year.

The Bank return reflects the Treasury interest disbursements, which caused a decrease of £5,068,000 in the public deposits and an increase of £7,089,000 in the Government securities. From these two sources the other deposits were augmented by £12,896,000. In other respects the most interesting change was an increase of £1,028,000 in the stock of coin and bullion, now up to £57,535,000. The whole of this, however, did not pass on to the reserve because the note circulation has expanded £651,000, so that the reserve is only £377,000 larger at £32,257,000, and owing to the net increase of nearly £8,000,000 in the deposit liabilities, its proportion to these is down ½ to 18½ per cent.

There have been some sharp fluctuations in exchange rates this week, notable movements being a rise of 9-32d. to 13½d. in the value of the milreis in Brazil, which is attributed to the favourable movement of her trade balance. Roubles have advanced in value, partly in anticipation of favourable developments in the South of Russia, and the rate has risen from 359 to 380 per £10. The Madrid exchange has reached the new low level of 19.57½ pesetas to the £, but efforts are being made to check the fall now. Italy has fluctuated sharply, but shows little change on the week at 39.55 lire to the £. The arrangements made for meeting the Armavir-Touapse coupon on December 1 has tended to steady confidence in the ultimate outcome of the Russian situation.

As we always expected, the Reichstag duly passed the credit for £750,000,000 nominal demanded by the Government to enable it to carry on the war. Probably the money has all been spent already, but in a way we are glad to note that a few Independent Socialists mustered up courage to vote against the credit. Not that we regret its acceptance by the debating club called Reichstag, because we should be sorry if the Germans wilted and gave in just yet. They require another winter of misery and at least another six months' bleeding on the battle-field. By next May, perhaps, we shall begin to see the end of the plague. In the course of the debate, apparently, the secretary of the Imperial Treasury, Count Röderer, put forward a story of Germany's position, which is also pleasant to see, because he led the German people to believe that it was all right, and as rich as ever. They could easily pay their way. New taxes are expected this year to produce £250,000,000, considerably more than was estimated a year ago, and these and the direct taxes, including property tax, will raise the total additional revenue to £300,000,000. Moreover, the Federated States and the communes, by increasing their direct taxes, will provide another £100,000,000. Consequently £400,000,000 of new revenue is coming in this fiscal year, which is fine, although, as the Count gently observed, "only a modest part of the actual war expenditure." On this basis he proceeded to contrast Germany's position with ours, much to the advantage of the Hohenzollern Empire. The more these exercises are indulged in the better.

The £1,000,000 of 5½ per cent. secured notes of the Grand Trunk Railway, issued in December, 1914, and maturing on January 14, are to be replaced by a similar amount of 6 per cent. three-year notes. The price of issue will be the same as in 1914—namely, 98½—so that the yield on the new notes will be a little over 6½ per cent. The increase in the rate of interest will add only £5,000 per annum to the company's fixed charges, a comparatively small addition when it is borne in mind that the Government is now paying 1½ per cent. more for its money than it did in November, 1914. Like the maturing notes, the new issue will be secured by the deposit of Grand Trunk 4 per cent. perpetual debenture stock.

It is rather interesting to learn that the British Government is arranging to finance purchases of Java sugar by issues of 5 per cent. three-year Exchequer bonds. Capital and interest on these bonds are payable at the option of the holder in Dutch currency or in sterling at the fixed rate of exchange, of 12 florins to the £. The bonds are taken at 98 per cent. If the holder takes payment in sterling he will receive 98 per cent. for bonds redeemed next year, 99 per cent. for those redeemed in 1919, and 100 for those kept for the full period, namely, until 1920.

The full terms of the agreement for the settlement of the Nicaraguan debt have not been received here yet, but we are informed that the arrangement between Nicaragua and the United States is a comprehensive one. It deals with the administration of Nicaragua's national revenues, the payment of the external debt, the disposition of the internal revenue, and the appointment of an international commission, to be formed by two Americans and one Nicaraguan.

NATIONAL DEFENCE LOAN OF THE GOVERNMENT OF THE FRENCH REPUBLIC

ISSUE OF FOUR PER CENT. RENTES.

Both Capital and Interest will be exempt from all taxes, present and future, of the Government of the French Republic.

Interest payable Quarterly on the 16th March, 16th June, 16th September and 16th December, the first Coupon (for a full quarter's interest) being payable on the 16th March, 1918.

Price of Issue—£2 10s 6d per Fcs 100 NOMINAL CAPITAL.

(Being the approximate equivalent, at the exchange of Fcs 27.40 per £, of Fcs 69.20, the price at which allotments, when paid for by instalments, are being issued in Paris.)

Applications, which must be accompanied by a deposit of Eight Shillings and Nine Pence per Fcs. 100 applied for, will be received at the Bank of England Loans Office, 5 and 6, Lombard Street, London, E.C. 3, and at the Bank of Ireland, Dublin. Applications must be for multiples of Fcs. 100 nominal Capital (i.e. Fcs. 4 of Rente).

The amount payable in respect of each Fcs. 100 will be required as follows, viz.:-

	s.	d.
On Application	8	9
On or before Friday, the 28th December, 1917	14	7
On or before Friday, the 8th March, 1918	12	7
On or before Friday, the 3rd May, 1918	14	7
	£2	10 6

or any allotment applied for may be paid up in full at the time of application by a single payment of £2 10s. in respect of each Fcs. 100 nominal Capital applied for (being the approximate equivalent, at the exchange of Fcs. 27.40 per £, of Fcs. 68.60, the price at which fully-paid allotments are being issued in Paris).

THE GOVERNOR and COMPANY of the BANK of ENGLAND and the GOVERNOR and COMPANY of the BANK of IRELAND, with the consent and approval of His Majesty's Government, are authorised by the Government of the French Republic to receive applications for this issue.

The French Government undertake that the issue shall not be redeemed prior to the 1st January, 1943; but they reserve to themselves the right to redeem the issue in whole or in part at any time on or after that date.

Both Capital and Interest, which will be exempt from all French taxes, present or future, will be a charge upon the general revenues of the Government of the French Republic.

For the purpose of providing against depreciation in the market prices of the National Defence Loans, the French Government undertake to set aside monthly, until otherwise decreed by law, a sum of Fcs. 60,000,000, to form a Fund to be used for the purchase of Bonds of these Loans in the market. Such purchases will in no case be made at prices in excess of the following:-

In the case of the present issue—Fcs. 68.60 per Fcs. 100 nominal Capital, plus any interest accrued to date of purchase.
5 per cent. Rentes issued in November, 1915, 5 per cent. Rentes issued in October, 1916—Fcs. 87.50 per Fcs. 100 nominal Capital, plus any interest accrued to date of purchase.

Whenever the unexpended balance of the Fund exceeds Fcs. 360,000,000 the monthly payments will, for the time being, be suspended, but they will be resumed as soon as the unexpended balance falls below Fcs. 360,000,000.

The Fund will be administered by the Caisse d'Amortissement, who will make the purchases according to the conditions laid down by the Committee of Inspection established by the laws of 28th April, 1816, and 6th April, 1875. Bonds purchased under this arrangement will be cancelled forthwith.

The issue will be made in the form of Scrip Certificates to Bearer, exchangeable after the 15th June, 1918, for Bonds to Bearer with quarterly Coupons attached. Scrip Certificates will bear Coupons for the interest payable on the 16th March and 16th June, 1918, and these Coupons will be paid at the Head Offices of the Banks of England and Ireland at the fixed exchange of Fcs. 27.40 per £. Coupons on Bonds to Bearer will be pay-

able in sterling, during the continuance of the War, at the Head Offices of the Banks of England and Ireland, at rates of exchange which will be announced from time to time, or in francs in Paris; after the conclusion of Peace the Coupons will be payable in France at the offices of the appointed agents.

French Government Sterling Treasury Bills due 15th January, 1918, and 7th October, 1918, may be tendered in lieu of cash where payment in full for an allotment of this issue is made at the time of application. For the purpose of such payments the Bills will be accepted at the following rates for each £100 nominal of Bills surrendered; such rates being in each case the equivalent of per cent interest at 5½ per cent from the 16th December, 1917 (the date from which interest accrues on the new issue), to the respective due dates of the Bills:-

Bills due 15th January, 1918, at the rate of £99 11s. 2d. cash for each £100.
Bills due 7th October, 1918, at the rate of £95 13s. 1d. cash for each £100.

A declaration which is embodied in the Form of Application will be required in the case of Treasury Bills so tendered, to the effect that they have not been in enemy ownership, and have remained in physical possession in the United Kingdom since the date of their issue.

In any case in which the sterling equivalent of Treasury Bills tendered does not represent the exact amount required to secure an allotment which is a multiple of Fcs. 100 nominal Capital, the additional sum necessary to secure such an allotment must be provided in Cash.

Instalments may be paid at the Head Offices of the Bank of England and the Bank of Ireland. In case of default in the payment of any instalment by its proper date, the deposit and any instalments previously paid will be liable to forfeiture.

A commission at the rate of 1½d. per Fcs. 100 nominal Capital will be allowed to Bankers and Stockbrokers on allotments in respect of applications made on forms bearing their Stamp, whether payment be made in Cash or Treasury Bills.

Application will be made in due course for a Quotation for the Bonds on the London and Dublin Stock Exchanges; the Bonds will not be negotiable in France until after the conclusion of Peace.

The necessary Forms of Application, viz.:-

1. For Subscriptions by Single Payment, whether in Cash, Treasury Bills, or both.
 2. For Cash Subscriptions payable in Instalments,
- may be obtained at the Bank of England Loans Office, 5 and 6, Lombard Street, London, E.C. 3; at the Bank of Ireland, Dublin; and at any of the Branches of these Banks; of Messrs. Mullens, Marshall and Co., 13, George Street, Mansion House, E.C. 4; at any Stock Exchange in the United Kingdom; and at Offices in the United Kingdom of the following Banks:-

Comptoir National d'Escompte de Paris.
Crédit Industriel et Commercial.
Crédit Lyonnais.
Société Générale.

The List of Applications will be closed on, or before, Friday, the 14th December, 1917.
Bank of England,
26th November, 1917.

Under the scheme the Nicaraguan Government will be allowed \$80,000 a month for expenses. The National Bank, an American institution, will receive the internal revenue and pay the Government employees. A fiscal agent, who will be an American, will be responsible only to the International High Commission. For a long time past Nicaragua's finances have been in a very involved state, and the new plan, it is hoped, will ensure the prompt settlement of her debts in future. The four coupons, due July, 1915, to January, 1917, will be paid in cash on the 10th inst., together with 6 per cent. interest for the period of default.

SILVER.

Nothing at all has to be said about Silver this week, the market having stagnated at 42½d. all week. It is waiting to see what is going to happen in the United States, which is said to have decided to carry out a big operation in silver for the benefit of itself and all the Allies. It has been announced that the Government is going to take over the whole United States output of the metal at a price to be fixed by itself, so with that hanging over it, how can the market show any life? Messrs. Samuel Montagu and Co. state the stock of silver in Shanghai on December 1 at 23,500,000 ozs. in stock, and \$13,200,000, a decrease of 400,000 ozs. and \$1,200,000.

Applications for the Rs. 60,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,19,55,000. Of these Rs. 55,49,000 were allotted in deferred transfers, and Rs. 4,51,000 in immediate transfers. Tenders for bills and deferred transfers at 1s. 4 20-32d. and for immediate transfers at 1s. 5d. received about 27 per cent. Since April last Rs. 36,00,00,000 have been sold, realising £24,623,547. Next week 60 lakhs will again be offered.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, December 5, 1917.

ISSUE DEPARTMENT.

Notes Issued	£	Government Debt..	£
.. .. 74,460,945		.. .. 11,015,100	
		Other Securities	7,434,900
		Gold Coin and Bullion	56,010,945
		Silver Bullion	—
£74,460,945		£74,460,945	

BANKING DEPARTMENT.

Proprietors Capital	£	Government Securities	£
.. .. 14,553,000		.. .. 65,912,870	
Res 3,308,871		Other Securities	91,798,972
Public Deposits (including		Notes	30,732,865
Exchequer, Savings		Gold and Silver Coin	1,524,010
Banks, Commissioners			
of National Debt, and			
Dividend Accounts)	36,458,001		
Other Deposits	135,638,569		
Seven Day and other Bills	10,226		
£189,968,717		£189,968,717	

Dated December 6, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year, Dec. 6.		Nov. 28, 1917.	Dec. 5, 1917.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,255,919	Rest ..	3,204,904	3,308,871	103,967	—
58,716,597	Pub. Deposits ..	41,526,139	36,458,001	—	5,068,138
168,946,791	Other do. ..	122,742,622	135,638,569	12,895,947	—
20,027	7 Day Bills ..	10,126	10,276	150	—
42,187,603	Assets.	58,814,870	65,912,870	—	Decrease.
106,749,646	Gov. Securities.	91,342,329	91,798,972	—	Increase.
36,534,395	Other do. ..	31,879,592	32,256,875	—	7,098,600
	Total Reserve ..			—	456,643
				13,000,064	377,283
				Increase.	Decrease.
37,858,335	Note Circulation	43,077,050	43,728,080	651,030	—
55,942,730	Coin and Bullion	50,506,642	57,534,955	1,028,313	—
21.8 p.c.	Proportion ..	19.4 p.c.	18.7 p.c.	—	7 p.c.
6 "	Bank Rate ..	5 "	5 "	—	—

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,520,000	405,520,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,445,416,000	333,290,000	—
June	1,486,612,000	1,147,630,000	338,982,000	—
July	1,454,956,000	1,439,193,000	215,763,000	—
August	1,628,368,000	1,364,782,000	263,586,000	—
September	1,348,317,000	1,136,590,000	211,727,000	—
October	1,877,534,000	1,619,967,000	257,567,000	—
November	1,470,867,000	1,280,701,000	190,166,000	—
December 5	1,474,498,000	363,003,000	51,495,000	—
Total ..	18,012,244,000	14,341,795,000	3,669,453,000	—

CURRENCY NOTES.

Return of Currency Notes for the week ended December 5, 1917.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes ..	4,836,748	2,410,785	141,252,759
10s. notes ..	1,535,013	1,041,067	34,461,968
Note certificates ..	400,000	—	21,749,000
Previous total ..	760,628,906	566,494,178	—
	767,460,758	569,946,030	197,454,727

Ratio of gold held against notes, this week, 16.12 p.c.; last week, 16.49 p.c.

PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended Dec. 1.)

REVENUE.	EXPENDITURE.
£	£
Customs ..	National Debt Service .. 26,869
Excise ..	Interest, &c., on War Debt .. 26,777,457
Estate, &c., Duties ..	Development & Road Impvt ..
Stamps ..	Payments to Local Taxation .. 500,000
Land Tax and House Duty ..	Other Consolidated Fund ..
Property and Income Tax ..	Charges .. 9,616
Excess Profits Tax ..	Supply Services .. 50,774,924
Land Values ..	Bullion Advances .. 150,000
Post Office ..	For Advance for Interest ..
Crown Lands ..	on Exchequer Bonds under ..
Sundry Loans ..	Capital Expenditure ..
Miscellaneous ..	(Money) Act, 1904 ..
Bullion advances repaid ..	For Treasury Bills .. 56,585,000
For Treasury Bills for Supply ..	War Loan and Exchequer ..
5% Exchequer Bonds, 1922 ..	Bonds .. 1,017,476
6% Exchequer Bonds, 1920 ..	Other Debt under War Loan ..
National War Bonds ..	Acts, 1914-16 ..
War Expenditure Certificates ..	For Exchequer Bonds under ..
War Savings Certificates ..	Section 61 of Finance Act, ..
4% War Loan, 1929-1942 ..	1916, and Section 34, 1917 ..
5% War Loan, 1929-1947 ..	Under Telegraph (Money) ..
Other Debts created under ..	Act, 1913 .. 30,000
War Loan Act, 1915, and ..	Under Post Office (Lon-
Finance Act, 1916 ..	don) Railway Act, 1913 ..
Telegraph Money Act, 1913 ..	Under Military Works Acts ..
Under Post Office Rly. Act, ..	Under Housing Act, 1914 ..
1913 ..	Public Buildings Expendi-
Under Military Works Act, ..	ture Act, 1903 ..
1897-1903 ..	Old Sinking Fund, 1907-8 ..
Under Public Buildings ..	Sinking Fund, 1914 ..
Under Housing Act ..	China Indemnity ..
Repayment of Advance for ..	Depreciation Fund .. 2,149,020
Interest on Exchequer ..	Suez Canal Drawn Shares ..
Bonds ..	Temporary Advances Repaid .. 1,500,000
China Indemnity ..	Increase in Exchequer ..
Cunard Loan repayment ..	balances ..
Suez Canal Drawn Shares ..	
Ways and Means Advances ..	
Decrease in Exchequer ..	
balances ..	
£137,371,342	£137,371,342

* Excluding sales through banks which have not yet been brought to account.

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Dec. 1, 1917.	Nov. 24, 1917.	Nov. 17, 1917.	Dec. 2, 1916.
	£	£	£	£
Loans ..	927,302,000	938,318,000	924,462,000	678,822,000
Reserve held in own Vaults ..	4,022,000	4,296,000	5,920,000	77,572,000
Reserve held in Fed. Res. Bk. ..	110,500,000	103,082,000	103,998,000	33,986,000
Cash in own Vaults ..	22,134,000	22,650,000	22,376,000	—
Reserve held in Other Depos. ..	1,579,000	2,038,000	3,364,000	10,844,000
Net Demand Deposits ..	693,020,000	684,841,000	720,482,000	660,666,000
Net Time Deposits ..	42,082,000	42,330,000	44,400,000	34,150,000
Circulation ..	6,638,000	6,618,000	6,600,000	5,908,000
Excess Lawful Reserve ..	23,762,000	18,632,000	16,616,000	8,506,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Nov. 3, 1917.	Oct. 26, 1917.	Nov. 3, 1916
	£	£	£
Gold coin and certificates ..	100,262,200	92,222,500	55,631,400
Gold Settlement Fund ..	75,702,800	72,793,400	25,528,200
Gold with foreign agencies ..	10,500,000	19,500,000	—
Total gold held by banks ..	186,465,000	175,516,000	81,159,600
Gold with Federal Res. Agent ..	120,486,600	122,938,400	45,012,300
Gold Redemption Fund ..	2,253,400	2,232,800	278,800
Total gold reserves ..	309,215,000	300,687,200	126,450,400
Legal tender notes, silver, &c. ..	10,148,800	9,001,200	1,376,800
Total reserves ..	319,363,800	310,588,400	127,827,200
Bills discounted—Members' ..	100,793,000	79,418,800	3,936,400
Bills bought in open market ..	37,202,400	35,518,000	17,016,200
Total bills on hand ..	137,995,400	114,036,800	20,952,000
U.S. Gov. long-term sec. ..	10,770,200	10,833,200	8,108,000
U.S. Gov. short term sec. ..	9,042,200	11,175,200	2,273,400
Municipal warrants ..	253,400	46,600	4,820,000
Loans on gold coin and bullion ..	—	—	—
Total earning assets ..	158,061,200	136,991,800	37,154,000
Due fm other Fed Res. bk—n. ..	2,876,600	1,379,200	6,955,600
Uncollected items ..	63,580,200	56,335,400	—
Total deducts. fm gross dep. ..	66,456,800	57,714,600	6,955,600
5% Red. Fund ag Fed. Res. bknts ..	107,400	107,400	81,000
All other resources ..	317,600	270,800	614,200
Total resources ..	544,306,800	505,673,000	171,635,000
Capital paid in ..	12,858,200	12,525,800	11,141,800
Government deposits ..	35,182,400	26,414,200	5,737,200
Due to members—Res. account ..	274,404,600	252,864,600	—
Due to non-mbrs—clearing ac. ..	4,862,600	—	—
Members' bank deposits—nett ..	—	—	110,477,200
Collection items ..	38,362,200	34,893,400	—
Total gross deposits ..	352,811,200	321,274,200	116,214,400
F.R. notes in actual circulat'n ..	176,000,200	169,501,200	43,987,600
F.R. bk nts in circn—nett liab. ..	1,600,000	1,600,000	206,200
All other liab. in for Gov crdis ..	837,200	771,800	85,000
Total liabilities ..	544,306,800	505,673,000	171,635,000
Gold res. ag nett deposit liab ..	65.1%	66.5%	74.3%
Gold & lawful money reserve ..	60.7%	73.8%	70.5%
against nett deposit liabilities ..	68.6%	70.3%	75.5%
Gold res ag F.R. nts in act circ. ..	60.7%	73.8%	70.5%

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Dec. 1, 1917.	Nov. 24, 1917.	Nov. 17, 1917.	Dec. 2, 1916.
	£	£	£	£
Loans ..	184,646,000	185,528,000	187,116,000	152,416,000
Specie ..	4,674,000	6,606,000	7,742,000	12,340,000
Deposits ..	166,502,000	165,588,000	174,942,000	162,216,000
Legal Tenders ..	14,856,000	12,156,000	11,838,000	2,096,000

BANK OF FRANCE (25 francs to the £.).

	Dec. 6, 1917.	Nov. 29, 1917.	Nov. 22, 1917.	Dec. 7, 1916.
	£	£	£	£
Gold in hand ..	131,967,480	131,851,440	131,773,920	202,190,926
Silver in hand ..	9,850,200	9,876,400	9,940,880	12,440,000
Bills discounted ..	32,082,963	33,047,200	23,753,720	22,319,320
Advances ..	46,313,605	45,136,240	45,214,000	53,493,500
Note circulation ..	916,471,280	907,635,360	896,578,200	654,920,200
Public deposits ..	1,710,680	1,130,440	2,105,040	2,734,800
Private deposits ..	111,850,280	111,154,240	112,013,040	78,110,560
Foreign Bills ..	106,080	163,840	195,800	247,440

Proportion between bullion and circulation 24.36 per cent., against 24.59 per cent. last week. Advances to the State £512,000,000, increase £10,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £80,402,920, decrease £23,040, and at the branches £25,443,080, decrease £28,160.

SWISS NATIONAL BANK (25 francs to the £.).

	Nov. 23, 1917.	Nov. 15, 1917.	Nov. 7, 1917.	Nov. 23, 1916.
	£	£	£	£
Gold and silver ..	16,188,932	16,144,955	16,128,772	13,596,400
Bills ..	9,267,452	10,442,833	9,584,252	6,535,136
Note circulation ..	23,963,372	24,330,079	24,480,900	18,451,920
Current and deposit ..	4,076,563	5,111,853	4,000,016	3,209,692

BANK OF NORWAY.

	Oct. 31, 1917.	Oct. 22, 1917.	Oct. 15, 1917.	Oct. 31, 1916.
	£	£	£	£
Gold ..	6,489,000	6,757,000	6,753,000	6,127,000
Balance abroad and ..	—	—	—	—
Foreign Bills ..	4,328,000	3,958,000	3,945,000	5,480,000
Gov't Securities ..	707,000	707,000	707,000	767,000
Discounts & Loans ..	19,199,000	17,667,000	18,675,000	7,582,000
Notes in Circulation ..	16,975,000	16,899,000	17,125,000	13,060,000
Deposits at notice ..	10,241,000	9,754,000	9,669,000	4,045,000

NETHERLANDS BANK (12 Florins to the £.).

	Dec. 1, 1917.	Nov. 24, 1917.	Nov. 17, 1917.	Dec. 2, 1916.
	£	£	£	£
Gold and Silver ..	58,908,833	58,277,666	58,427,333	49,313,010
Bills and Advances ..	15,098,000	14,880,333	15,049,333	17,782,591
Note circulation ..	73,080,916	71,373,083	71,590,916	62,483,333
Deposits ..	4,193,000	5,038,666	5,207,091	3,062,100

BANK OF SPAIN (25 pesetas to the £.).

	Nov. 24, 1917.	Nov. 17, 1917.	Nov. 10, 1917.	Nov. 25, 1916.
	£	£	£	£
Gold ..	78,460,987	78,385,734	78,226,820	48,050,222
Silver ..	28,333,084	28,093,382	28,642,289	29,340,000
Foreign Bills ..	3,588,421	3,584,831	3,577,203	3,902,000
Discounts and Short Bills ..	29,078,571	29,000,808	28,290,870	25,708,600
Treasury Account, &c. ..	25,085,406	25,266,755	25,075,026	29,450,000
Notes in Circulation ..	109,659,129	110,180,000	110,602,262	92,660,277
Current Accounts, Deposits ..	37,402,397	37,930,687	37,390,925	28,940,000
Dividends, Interests, &c. ..	1,569,686	1,592,942	1,530,962	1,636,000
Government Securities ..	2,716,021	2,676,961	3,481,707	3,685,700

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Dec. 4, 1917.		Dec. 6, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam	Cable transfers	10.80	10.90	10.72	10.82
	Three months' bills	11.00	11.10	10.90	11.00
Paris	Cable transfers	27.21	27.21	27.21	27.26
	Three months' bills	27.60	27.65	27.60	27.65
Switzerland	Cable transfers	20.30	20.40	20.43	20.53
	Three months' bills	20.65	20.75	20.78	20.88
Petrograd	Cable transfers	362	367	362	372
Genoa, &c.	Cable transfers	38.00	38.25	39.20	39.50
Spain	Cable transfers	19.85	19.95	19.58	19.68
	Three months' bills	50	57	57	58
Lisbon and Oporto	Cable transfers	29	30	29	30
Copenhagen	Cable transfers	14.85	15.05	14.50	14.70
Christiania	Cable transfers	14.43	14.53	14.12	14.22
Stockholm	Cable transfers	13.45	13.60	13.12	13.22

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques	Francs to £1	25.22½	27.25	27.23
Amsterdam, cheques	Florins to £1	12.107	10.74½	10.82½
Italy, sight	Lire to £1	25.22½	39.50	39.80
Madrid, sight	Pesetas to £1	25.22½	20.07½	19.72½
Lisbon, sight	Pence to milreis	53½d.	30d.	30½d.
Switzerland, sight	Francs to £1	25.22½	20.45	20.70
Christiania, sight	Kroner to £1	18.159	15.95	14.49
Stockholm, sight	Kroner to £1	18.159	12.60	13.61
Copenhagen, sight	Kroner to £1	18.159	14.26	14.85
Petrograd, sight	Roubles to £10	94.57	382½	357½
Alexandria, sight	Piastres to £1	97½	97½	97½
Bombay, T.T.	Sterling to rupee	1/4	1/4½	1/4½
Calcutta, T.T.	Sterling to rupee	1/4	1/4½	1/4½
Hong Kong, T.T.	Sterling to tael	—	2/10½	2/11
Shanghai, T.T.	Sterling to tael	—	4/12	4/12
Singapore, T.T.	Sterling to dollar	—	2/4½	2/4½
Yokohama, T.T.	Sterling to yen	21.58d.	2/1½	2/1½
New York, cable	Dollars to £1	4.36½	4.76½	4.76½
Buenos Aires, T.T.	Pence to dollar	47.58d.	53½d.	53d.
Valparaiso, 90 days	Pence to peso	—	14.6½d.	14.6½d.
Montevideo, T.T.	Pence to dollar	51d.	61½d.	61½d.
Rio de Janeiro, 90 days	Pence to milreis	16d.	13½d.	13½d.

OPEN MARKET DISCOUNT.

	Last week.	This week.
	Per cent.	Per cent.
Thirty and sixty day remitted	4½-4½	4½-4½
Three months	4½	4½
Four months	4½	4½
Six months	4½	4½
Three months fine inland bills	5-5	5-5
Four months	5½	5½
Six months	5½-5½	5½-5½

BANK AND DEPOSIT RATES.

	Last week.	This week.
	Per cent.	Per cent.
Bank of England minimum discount rate	5	5
short loan rates	—	—
Bankers' rate on deposits	4	4
Bill brokers' deposit rate (call)	4	4
7 and 14 days' notice	4½	4½
Current rates for 7 day loans	4½	4½
for call loans	3-4	3-4

The Week's Stock Markets.

Those who hoped that the distribution of some £50,000,000 in Government dividends at the end of last week would bring more grist to the Stock Exchange mill have been doomed to dismal disappointment, as dealings have been on a smaller scale than for a long time past. No doubt the migratory Tank collecting-box has proved a powerful counter-attraction to anything that could be put up in the drab neighbourhood of Throgmorton Street in these days, and investors who are more speculatively inclined take longer to make up their minds which of their fancies they should back. In any case, the news has not been such as to inspire much enthusiasm, and with the end of the year approaching there is little inducement to buy what you do not need very badly and which you will be able to get just as easily a month hence. Russian affairs, judged superficially at all events, go from bad to worse, and the progress of the Allies on the various fronts has not been of the kind that appeals to the ordinary imagination. Consequently, the tone has been very subdued in nearly all directions, the Brewery division being the most conspicuous exception to the general rule. Elsewhere there has been a marked tendency to take part of the profits accruing from the advances which have occurred in recent months, and this applies particularly to Shipping, Iron and Steel and Explosive shares. Nor is there much prospect of any material change in sentiment in the near future.

It has been an exceedingly quiet week on the Stock Exchange, and business has fallen to a level which has not been equalled for several months past. Partly this may be due to the usual lassitude which generally overspreads markets as the end of the year approaches, but the dealers rather hoped for something

	Last Week.	This Week.		Last Week.	This Week.
Consols.	66	55½	N.S.W. 4½% 5 yr. bds.	97	97
War Loan 3½%	85	85	" 4½% 1922-7	91½	89
" 4½% 1922-7	99½	99½	" 5% 1921-3	96½	95
" 5% 1920-47	93½	93½	" 5% 1920-2	96½	95½
" 4% 1920-42	100½	100½	New Zealand 4% 1920	84½	85
India 3½%	64½	64½	Queensland 4%	80½	80½
Australian 3½% 1920-22	99½	99½	" 4½% 1920-5	92	92
Canada 4% 1940-60	81½	81½	Union of S. Africa 4½% 1920-5	92½	91½
" 4½% 1920-5	92½	92½	Victoria 4½% 1920-5	92	92
N.S.W. 4% 1933	83	81	Westn. Aus. 4%	81	79½
Argentine 4% 1900	65	65	French War Loan, 5%	78	77½
Belgian 3%	60	60	Japan 4½% (1st), 1905	97½	97½
Brazil, 1913	60	69	" 5% 1907	91	90½
" 5% 1914	80	80	Mexican 5% 1899	62½	61½
Chinese 1896	92	92	Russia 4%	47	45½
" 1912	82½	82½	" 4½% 1909	51	48½
Egypt Unified 4%	83	84	" 5% 1906	57½	54½
Caledonian defd.	8½	8½	London and N.-W.	90½	8½
Gt. Central pf.	132	133	London and S.-W. dfd.	23	23
" dfd.	63	63	Do red. pf. 1914	93	92½
Gt. Eastern	353	353	Metropolitan	22½	22½
Gt. Northern dfd.	36½	36½	Do. 5% pf.	77	77
Gt. Western	84½	84	Met. District	15½	15½
Lanes. and Yorks.	66	65	Midland dfd.	56½	56
London Brighton defd.	59	58½	Nth. British dfd.	13½	13½
London Chatham ord.	81	81	Nth.-Eastern	97	96
			Sth.-Eastern dfd.	29½	29
Canadian Pacific	159½	160	Chesapeake	53	52
E. Indian Guar. 4½% debs.	8½	8½	Erie	22	23
Grand Trunk ord.	84	84	Southern	27	27½
Do. 1st pf.	58	59			
Do. 3rd pf.	19½	19½			
Antofagasta dfd.	130½	131	Cent. Argentine ord.	63	60½
Brazil Common	5	5	Leopoldina	38	37
B. A. & Pacific	40	39½	Mexican ord.	18	17½
B. A. Gt. Southern	75	73½	San Paulo (Brazilian)	183	184
B. A. Western	73½	71½	United of Havana	80	78½
Anglo-South American	78	78	London & S.W.	12½	13
Bank of Australasia	115	114	London City & Midland	72	72
Bank of N.S. Wales	35½	35½	London County & West.	15	15
Barclay & Co. "A"	79	79	London Joint Stock	23	23½
Do. "B"	118	118	Nat. Prov. of Eng. (£100 pd)	27	27½
Capital & Counties	22½	22½	Do. (£12 pd)	31½	31½
Chartered of India	68	68	Parr's	29½	29½
Hongkong & Shanghai	84	84	Standard of S.A.	103	103
Lloyds	24½	25	Union Discount	103	103
London & Provincial	17	17½	Union & Smiths	23½	23½
London & Brazilian	23½	23½			
Armstrong, Whitworth	42½	41½	Kynochs	39½	38½
Birmingham Small Arms	53½	52½	Mond Nickel ord.	38	38
Cammell-Laird	78	77	South Durham Steel	40½	38½
Cargo Fleet	24½	24½	Thornycroft	28	39½
Dorman, Long	46½	45½	Vickers	42½	42½
Associated Cement	34½	34½	Fine Cotton Spinners	34½	33½
Borax dfd.	38½	38½	Forestal Land	47½	48½
Bovril	19½	20½	Furness, Withy	57½	56½
Brazil Traction	45	45½	Harrods Stores	28	28
British Amer. Tobacco pf.	18½	18½	Hudson's Bay	7½	7½
British Aluminium	33½	33½	Imperial Tobacco "C" pf.	33½	33½
British Oil & Cake	32½	32½	Lever Bros. "C" pf.	20½	20½
Brunner, Mond	42½	42½	Lyons, J.	38½	38½
Castner-Kellner	37½	37½	Marconi	40½	40½
Coats	63½	63½	Maypole Dairy dfd.	19½	19½
Courtaulds	61½	61½	National Steam Car	20½	20½
Cunard	4	4	Pears, A. & F.	11½	11½
Dennis Bros.	38½	38½	P. & O. dfd.	340½	337½
Eastern Telegraph	149½	149½	Royal Mail	124½	122½
Eastmans	10½	10½	Underground Inc. Bds.	82	82
English Sewing Cotton	54½	55½			
Anglo-Egyptian "B"	28½	27½	North Caucasian	7	3½
Baku (ros.)	2½	2½	Roumanian Cons.	10½	10½
Burmah	7½	7½	Royal Dutch (100 gulden)	51	51
Lobitos	2½	2½	Shell	58½	58½
Maikop Pipeline	3½	3½	Spies (10-5)	8½	8½
Mexican Eagle pf.	65½	65½	Ural Caspian	12	1
Allagar 2½-	3½	3½	Perak 2½-	7½	7½
Anglo-Java Rub. 2½-	7½	7½	Port Dickson 2½-	4½	4½
Anglo-Malay 2½-	15½	14½	Rub. Estates Johore £1	45½	45½
Ayer Kuning £1	52½	51½	Rub. Estates Krian 2½-	4½	4½
Batang Malaka 2½-	5½	5½	Rubber Trust £1	30½	30½
Bekoh 2½-	5½	5½	Sampang (Java) 2½-	2½	2½
Brit. N. Borneo Trust £1	18½	17½	Sapumakande £1	27½	24½
Bukit Clob 2½-	5½	5½	Seaport £1	29½	29½
Bukit Kajang £1	82½	80½	Selangor	37½	36½
Bukit Mertajam 2½-	5½	5½	Sengat 2½-	37½	37½
Bukit Sembawang 2½-	3½	3½	Seremban £1	44½	44½
Carey United £1	50½	50½	Shelford £1	42½	41½
Ceylon Para 2½-	10½	10½	Sialang £1	76½	72½
Cheroneese	3½	3½	Singapore Para 2½-	41½	41½
Chelik 2½-	6½	6½	Singapore United 2½-	3½	3½
Dalkeith 2½-	3½	3½	Soemba Ajoe 2½-	21½	21½
Eastern Invest. Trust £1	20½	27½	Stratbrook £1	33½	33½
Grand Central £1	29½	28½	Straits Bertam 2½-	7½	7½
Gula Kalumpung £1	36½	35½	Sumatra Para 2½-	10½	10½
Highlands £1	62½	60½	Sungei Bahru £1	42½	42½
Java Investment £1	31½	30½	Sungei Kapar 2½-	11½	11½
Java Para £1	34½	34½	Sungei Kruit £1	56½	56½
Johore Rubber Lands £1	37½	35½	Taipung 2½-	41½	41½
Kamunin 2½-	46½	42½	Tali Ayer £1	42½	41½
Kinta Kellas 2½-	41½	40½	Tandjong £1	96½	96½
Kuala Kubu 2½-	3½	3½	Tandjong Malim £1	34½	34½
Labu 2½-	10½	10½	Tebrau £1	74½	74½
Langen Java £1	47½	47½	Telogoredjo £1	49	48½
Linggi 2½-	29½	28½	Tempeh 2½-	21½	21½
London Asiatic 2½-	9½	9½	United Serdang 2½-	12½	11½
Malacca £1	53	53	United Sumatra 2½-	9	9
Malayalam £1	42½	40½	Val d'Or 2½-	47½	47½
Merlimau 2½-	51½	51½	Vallambrosa 2½-	24½	23½
Padang Jawa 2½-	31½	31½	Way Halim 1½ pd.	27½	26½
Pataling 2½-	45½	43½			
Abbottiakoon (10/-)	4½	4½	Gt. Boulder 2½-	13½	13½
Bechuanaland Exp.	7½	7½	Kyshtim	14½	14½
Brakpan	58½	58	Mashonaland Agency	71½	71½
Broken Hill Prop. (8/-)	53½	53½	Meyer & Charlton	84½	84½
Cam & Motor	11½	10½	Modder "B"	84½	84½
Central Mining (£12)	6½	6½	Do. Deep	78½	78½
Chartered	14½	14½	Mysore	23½	23½
City Deep	34½	34	Rand Mines (5/-)	3	3
Cons. Gold Fields	18½	18½	Rio Tinto (£5)	6½	6½
Cons. Langlaagte	21½	21½	Russo-Asiatic	3½	3½
Crown Mines (10/-)	2½	2½	Spring Mines	3½	3½
De Beers d.d. (£2 10/-)	13½	13	Tanganyika	31½	31½
East Rand	5½	5½	Tanahlyk	14½	14½
Geduld	2	1½	Van Ryn Deep	31	31½
Gov. Areas Mod	31½	31			

better after the large distribution of Government interest at the end of last week. Very little of this money seems to have come on to the market, and the week-end accumulation of orders was conspicuously smaller than usual. Gilt-edged stocks have maintained a fairly firm front with Irish Land, Indian issues, and Metropolitan Consolidated showing to advantage, but the amount of stock changing hands was comparatively trifling. Bank of England stock fell a point, and very few of the other leading issues moved at all. In the Colonial section there was practically no change at all, and the only issue which attracted any attention was the New South Wales issue, which went to a small premium. Among Foreign stocks movements were extremely irregular, the most conspicuous being the further heavy fall in Russians. Mexicans also were rather weak, but Brazilian, Spanish, and Chinese all showed a certain amount of strength.

Home Railways have been very dull all the week, and have persistently shed fractions of $\frac{1}{4}$ to $\frac{1}{2}$ almost daily. The short-lived labour trouble in South Wales was one of the depressing factors, but the truth seems to be that there is no demand for the small amounts of stock that are from time to time put on the market. Americans showed a little strength and Southern Railway and Erie each gained some ground, but Chicago Great Western was very weak and International Mercantile Marine also lost rather heavily, although closing above the best. Canadian Pacific and Trunks moved within narrow limits, but finished dull in spite of good traffics, and the same may be said of Argentines, which opened well on the better labour news, but afterwards gave way. Mexicans, San Paulos, and United of Havana were all weak.

Bank shares were scarcely mentioned until the projected amalgamation between the London and Provincial and the South-Western gave some impetus to the market in these shares which improved a trifle in consequence. Joint Stock and National Provincial were firm, but Bank of Australasia lost a point. Breweries have been one of the most prominently strong sections, and have been in quite active demand by speculative investors owing to the excellent results which nearly all of them are now showing. City of London, Ind, Coope and Watney, Combe were conspicuously strong. Egyptian securities maintained a fair amount of activity, and improved slightly further, but they finished below the best. Among Catering shares, Lyons were firm, but Aerated Bread gave way a fraction. Iron and Steel shares have been persistently weak, Otis dropping several points at a time, and the small shares giving way a fraction almost daily. Among Land shares, Duff Developments were particularly weak on the disappointing report, and Pahangs lost a little ground, but Forestals showed some strength. The others were scarcely mentioned. Nitrate shares have been weak, and Marconis after a firm opening have dropped back. Among Textiles, Courtaulds and Fine Cotton Spinners gave way, but Calico Printers showed some strength. Shipping shares have been sagging all the week, and among Miscellaneous Industrials the movements have been very irregular without much of any prominence coming to the surface. Henley's Telegraph Works, however, gained a substantial fraction on the excellent report.

Oil shares as a rule have been wonderfully firm with Burmahs, Eagles, "Shells," and Trinidad Leaseholds particularly prominent, the last-mentioned being the most active of the group. On the other hand, Ural Caspians and Venezuelan Concessions have been flat. Rubber shares have not made much headway, and with a decline in the price of the commodity holders have been more inclined to take profits than to increase their commitments. Considering the big advance that has continued for many months past, it is a good testimonial to the inherent strength of the market that the weakness has not become much more pronounced.

LONDON PRODUCE MARKETS.

SUGAR.—This market remained without change.

COFFEE.—Quite a steady business was carried through this week, attention being again largely bestowed upon all mild liquoring parcels, while recent rates were maintained. In the terminal market a slow and featureless state of affairs prevailed.

COCOA.—Only a quiet trade resulted in the private market on about former terms. No auctions took place during the week.

TEA.—Fair competition ensued, and while D class ruled fairly steady, maximum rates were not always secured regarding controlled parcels. Quantities offered amounted to 27,800 packages Indian and 23,500 Ceylon.

SPICE.—Actual trade was confined to a narrow compass, but prices ruled mostly steady. Fair black Singapore pepper, on spot, sold, 1s. 2 $\frac{1}{2}$ d.; Muntok, sellers, 1s. 8 $\frac{1}{2}$ d. Cloves dull, and Zanzibar, spot, sold, 1s. 9 $\frac{1}{2}$ d. Tapioca quiet, but steady. Fair flake, spot, changed hands at 7d.; Penang seed pearl, 6s.; for fair and medium, 6s.

RICE.—A good demand was again experienced. Beans and peas ruled unchanged.

HEMP.—East India kinds received good support. Prime dressed Bombay, sold, £103; Itarsi, £82 to £83.

SHELLAC.—Quiet, but prices very firm, and spot sales resulted in fair free second orange at 35s.; December, sold, 35s. to 38s.; March, 35s. to 34s.; May, 35s.

RUBBER.—Market quiet, and easy. Plantation, spot, crepe, sold, 2s. 5 $\frac{1}{2}$ d., 2s. 5 $\frac{1}{2}$ d., 2s. 4 $\frac{1}{2}$ d.; December, 2s. 5 $\frac{1}{2}$ d., 2s. 5 $\frac{1}{2}$ d., 2s. 4 $\frac{1}{2}$ d.; January-March, 2s. 6d. to 2s. 5d.; April-June, 2s. 6 $\frac{1}{2}$ d. to 2s. 5 $\frac{1}{2}$ d. Standard ribbed smoked sheet, spot, sold, 2s. 5d. to 2s. 4 $\frac{1}{2}$ d., and later 2s. 4 $\frac{1}{2}$ d. Fine hard Para, spot, 2s. 6d.; soft fine ditto, 2s. 1 $\frac{1}{2}$ d.; ball, 1s. 5 $\frac{1}{2}$ d.

COPRA.—Nominally unaltered, with few offers to sell.

CORN (Mark Lane).—Steadiness continues to characterise cereal markets, and a good business has been put through in Canadian as also Plate wheat this week. Home grown wheat remains in the same small supply, while ruling at 74s. 6d. per qr. (504 lbs.). Of imported descriptions, No. 1 Northern Manitoba has been selling at 79s. 6d.; No. 2, 78s.; and 3 ditto, 76s. Hard winter's, No. 2, at 78s. Plate, 62 lbs., 69s. 6d.; and 73 lbs., ditto, 80s., all landed. Flour: Country straight runs, 45s. 3d. per sack, ex mill. Barley: English, 62s. 9d. per qr. Oats: English, 45s. 3d. per qr. Maize remains quite nominal.

COTTON (from our Manchester correspondent).—We have experienced a stiff market during the past week, and for anything

CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING DECEMBER 7, 1917.

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt. duty 14 $\frac{1}{2}$ 98% polarisation	£ s. d.	£ s. d.	Wool —per lb. Australian	£ s. d.	£ s. d.
Tate's Cubes	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Crushed	2 13 9	2 13 9	Scoured Crossbred	nom.	nom.
Granulated	2 6 9	2 6 9	Greasy Merino	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Crossbred	nom.	nom.
Foreign granulated	nom.	nom.	New Zealand (scoured) Merino	nom.	nom.
First marks	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	Cape snow white	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Indiarubber p.l. Plantation, Spot		
French Cubes	nom.	nom.	Crepe	0 2 5 $\frac{1}{2}$	0 2 4 $\frac{1}{2}$
Crytallised, West India	2 6 9	2 6 9	Coal —per ton		
Beet, 88% f.o.b.	nom.	nom.	Durham, best	nom.	nom.
Tea —per lb., duty 1 $\frac{1}{2}$ lb.	s. d. s. d.	s. d. s. d.	Seconds	nom.	nom.
Indian Pekoe	1 0 1 6	11 $\frac{1}{2}$ 1 6	East Hartlepool	nom.	nom.
Broken	1 0 2 3 $\frac{1}{2}$	1 0 2 6	Seconds	32 6	32 6
Orange	1 0 2 7 $\frac{1}{2}$	1 0 2 5 $\frac{1}{2}$	Stems, best	29 6	29 6
Broken	1 3 2 9 $\frac{1}{2}$	1 3 2 7 $\frac{1}{2}$	Seconds		
Pekoe Souchong	11 1 3	11 1 0	Lead —per ton.	£ s. d.	£ s. d.
Ceylon Pekoe	11 1 6	11 $\frac{1}{2}$ 1 6	English Pig	nom.	nom.
Broken	11 2 6 $\frac{1}{2}$	11 2 6 $\frac{1}{2}$	Foreign soft	£30 $\frac{1}{2}$ £29 $\frac{1}{2}$	£30 $\frac{1}{2}$ £29 $\frac{1}{2}$
Orange	11 1 6	1 0 1 6	Quicksilver —per bottle first hand	nom.	nom.
Broken	1 3 2 7 $\frac{1}{2}$	1 3 2 7 $\frac{1}{2}$	Tin —per ton		
Pekoe Souchong	11 $\frac{1}{2}$ 1 0	11 1 0	English Ingots	£29-29 $\frac{1}{2}$	£29-29 $\frac{1}{2}$
Cocoa —per cwt. duty 6d. per lb.	s. s.	s. s.	Do. bars	£29-29 $\frac{1}{2}$	£29-29 $\frac{1}{2}$
Trinidad per cwt.	92 0 99 0	90 0 97 0	Standard cash	£29 $\frac{1}{2}$	£29 $\frac{1}{2}$ 10 $\frac{1}{2}$
Grenada	35 0 91 0	35 0 96 0	Tin Plates, per box	nom.	nom.
West Africa	63 0 76 0	68 0 77 0	Copper —per ton.		
Ceylon Plantation	75 0 90 0	75 0 92 0	English, Tough	nom.	nom.
Guayaquil Arriba	100/-104/-	103/-107/6	per ton		
Coffee —per cwt. duty 4 $\frac{1}{2}$ per cwt.			Best Selected	£119-£123	£119-£123
East India	92 0 106 0	96 0 115 6	Sheets	£147	£147
Jamaica	77 0 120 0	77 0 120 0	Standard	£110-110 $\frac{1}{2}$	£110-110 $\frac{1}{2}$
Costa Rica	95 0 113 0	96 0 115 0	Jute —per ton.		
Provisions			Native firsts for shipment	£18 to 1 0 0	nom.
Butter, per cwt.			Oils		
Australian finest	220/-223/-	220/-223/-	Linseed, per ton	£58-£63	£58-£63
Argentine	220/-223/-	220/-223/-	Rape, refined	£71	£71
Irish Creameries	224/-229/-	224/-229/-	" crude	£66	£66
Ditto ditto	229/-	229/-	Cott's Seed, crude	£60	£60
Russian finest	nom.	nom.	Ditto, refined	£67-£95	£67-£95
Paris baskets	256/8	256/8	Petroleum Oil, per 8 lbs.	1/7 $\frac{1}{2}$	1/7 $\frac{1}{2}$
Danish finest	229/-	229/-	Water White	1/8 $\frac{1}{2}$	1/8 $\frac{1}{2}$
Brittany rolls	27/-28/-	27/-28/-	Oil Seeds, Linseed		
doz. lb.			Calcutta—per ton	29 15 0	30 0 0
Bacon —per cwt.			Rape	30 0 0	30 0 0
Irish	172/-	172/-	Iron —per ton		
Continental	172/-	172/-	Cleveland Cash	nom.	nom.
Canadian	172/-	172/-	Tobacco —duty, unmanufactured		
American	172/-	172/-180/-	7/4 to 8/0 per lb.		
Hams —per cwt.			Maryland & Ohio	nom.	nom.
Irish	203/-	203/-	per lb. bend	nom.	nom.
Canadian	162/-165/-	162/-165/-	Virginia leaf	0 8-2 1	0 8-2 1
American	125/-165/-	125/-165/-	Kentucky leaf	0 7-0 11	0 7-0 11
Cheese —per cwt.			Latakia	2 0-5 0	2 0-5 0
Dutch	nom.	nom.	Havana	1 6-6 6	1 6-6 6
Canadian	nom.	nom.	Manilla	nom.	nom.
English Cheddar	142/-	142/-	Cigars, duty 10/0		
Wilt's loaf	nom.	nom.	per lb.	2/ upds.	2/ upds.
New Zealand	nom.	nom.	Timber —Wood.		
Rice —per cwt.	s. d.	s. d.	Pitch Pine	300/-400/-	300/-400/-
Japan	29 6	29 6	Indian Teak	380/-700/-	380/-700/-
Rangoon 2 stars	20 3	26 3	Turpentine		
Eggs —per 120.			American Spot	110/-	119/-
English	43 0-44 0	41 0-44 0	Copra —per ton	46 0 0	46 0 0
Irish	30 0-35 0	31 0-36 0			
Danish	33 0-36 0	34 0-37 0			
Spelter					
G.O.B. as to position	£54-£50	£54-£50			
Flour —per sack.					
Country Straight	44/3	44/3			
Runs ex Mill					

wanted buyers have had to pay very full rates. The rather easier tendency in raw cotton quotations has been ignored by spinners and manufacturers, and there have been cases where buyers of yarn and cloth have had to pay more money than last week. The Control Board has decided to restrict the running of looms to 70 per cent. of the normal, and manufacturers will only be allowed to work more than 60 per cent. on licence. It is expected this development will have some effect upon yarn consumption in a few weeks' time. At the time of writing the special wages conference called on the initiative of the Ministry of Labour is still sitting, but a settlement of the dispute is generally expected, and no one anticipates a strike taking place. A fair miscellaneous business has been done in cloth for India, but operations have not been active. A few more sales have

been mentioned in grey shirtings for Bombay. China shippers at the beginning of the week placed substantial orders in a particular make of grey shirtings, but the general demand for the Far East is rather disappointing, shippers scarcely being prepared to pay to-day's high rates and give long delivery. An advanced price list has been sent out by a leading manufacturer of home trade goods. In American yarns for home use prices have been very stiffly held, and in certain counts and qualities quotations have tended to harden. Here and there favourite marks have been much sought after, and spinners have been very difficult to deal with. There has not been much activity in shipping numbers. Bolton spinnings have been very firmly held, and the undercurrent of demand continues encouraging.

DIVIDENDS ANNOUNCED.

Anglo-Continental Guano Works.—Fourth, at the rate of 25 per cent. per annum for the quarter ending Dec. 31.

Asahan Rubber Estates.—At the rate of $17\frac{1}{2}$ per cent. for year to July 31, less tax, against 10 per cent.

Bank of New South Wales.—At the rate of 10 per cent. per annum for quarter ended Sept. 30, same as a year ago. £75,000, against £50,000, added to reserve fund, making it £2,875,000, and £119,187 carried forward, against £105,242.

Baraocora (Sylhet) Tea Co.—Interim $2\frac{1}{2}$ per cent., less tax, for year ending Dec. 31, on ordinary shares; last year, 1916, 5 per cent. was paid.

Bode Rubber Estates (1914), Limited.—Interim of 5 per cent. (actual), less tax, in respect of year 1917, to be paid on the 22nd inst. An interim of same amount was paid in Oct., 1916.

Central Railway of Chubut.—3 per cent., less tax, for year ended June 30 last; forward, £20,505.

Chadburn's Ship Telegraph Co.—Interim of 4 per cent. (actual), less tax, same as a year ago.

Claudius Ash, Sons and Co.—At the rate of $5\frac{1}{2}$ per cent. per annum on the preference shares for six months ending Dec. 31.

Consolidated Gas, Electric Light, and Power Co. of Baltimore.—Regular quarterly $\frac{1}{2}$ per share, or at rate of 8 per cent. per annum, for quarter ending Dec. 31.

Deamoolie Tea Co.—Interim 6 per cent., less tax, for 1917, paid Dec. 6, same as a year ago.

The Marine Insurance Co.—Interim £1 2s. 6d. per share, less tax, same as a year ago.

Ulu Rantau Rubber Estates.—Second interim 10 per cent., same as a year ago.

Vallambrosa Rubber Co.—Interim 6d. per share, less tax, for year to March 31, 1918, same as a year ago.

Dominion Steel Corporation.—No. 15, $1\frac{1}{2}$ per cent. on the common shares, payable Jan. 1.

Dreyfus and Co.—Final on ordinary shares of $3\frac{1}{2}$ per cent. and in addition a bonus of $1\frac{1}{2}$ per cent., making $7\frac{1}{2}$ per cent. for year ended June 30, against 6 per cent.

Eastern Assam Co.—Interim 5 per cent., free of tax, for 1917, to be paid on Dec. 15, the same as a year ago.

East Indian Railway.—£1 9s. per cent. on deferred annuity capital and the deferred annuity capital class D in respect of the company's share of surplus profits for half-year ended Sept. 30 last, in addition to guaranteed interest of £2 per cent. for the half-year ending Jan. 31 next. A year ago additional dividend was £1 7s. per cent.

Egyptian Markets.—Interim 5 per cent., less tax.

Goldsbrough, Mort, and Co.—Interim 5 per cent. (1s. per share), the same as a year ago.

Hyderabad (Deccan) Co.—Interim of 1st per share, less tax, payable Dec. 10.

Harpندن (Selangor) Rubber Co.—Third interim of 25 per cent., less tax, for year ending Dec. 31, the same as a year ago.

Highlands and Lowlands Para Rubber Co.—Second interim 10 per cent. less tax, payable Dec. 22, against 12 per cent. a year ago.

Kapar Para Rubber Estates.—Second interim 15 per cent., same as a year ago.

Loders and Nucoline.—Final $7\frac{1}{2}$ per cent., making 20 per cent. for year, less tax, same as for preceding year.

Melbourne Electric Supply Co.—Final 5 per cent., free of tax, making 10 per cent., free of tax, for year ended Aug. 31, same as a year ago.

Mexico Mines of El Oro.—(No. 26) 4s. per share, free of tax.

Middle West Utilities Co.—\$50, cash payable on Jan. 2, to common stock holders, covering quarter ended Nov. 15.

Natal Steam Coal.—10 per cent. (actual), payable after the 15th inst.

Provincial Tramways Co.—Final of 10d. and a bonus of 6d. per share on ordinary £1 shares, making a total distribution of 2s. per share, i.e., 10 per cent. per annum, for the year ended Sept. 30, the same as for the previous year; £10,000 for reserve and depreciation, and £3,000 as a reserve for "third party insurance, excess profit duty or for other purposes."

Rio Claro Railway and Investment Co.—Final 3 per cent., making 5 per cent. for year, same as for preceding 12 months.

Rupai Tea Company.—Interim 6 per cent., less tax, on account of the year 1917, to be payable on Dec. 6, the same as last year.

Sepinjur Bheel Tea Co.—Second quarterly 10 per cent., less tax, on account of season 1917, payable on Dec. 20, same as a year ago.

Sun Insurance Office.—Interim 7s. per share, less tax, payable on Jan. 8, the same as a year ago.

Sun Life Assurance Society.—At the rate of 3s. 9d. per share, payable on the 1st prox., free of tax.

Tandjong Rubber Co.—Final for year ended June 30 at rate of 10 per cent., less tax, against 15 per cent.

Tara Tea Co.—Interim 6 per cent., less tax, on ordinary shares, for 1917, payable on Dec. 6, the same as a year ago.

Letters to the Editor.

APPLIED PATRIOTISM.

The Press of Monday contained an interesting development on a fairly large scale of the scheme for premium bonds, which has been prominently before the minds of financiers for some time. In the *Times* of that day Messrs. Harrods, Limited, announced a series of prizes, totalling 1,500 guineas, to be drawn for on December 22 amongst those who purchased War bonds between December 3 and 15. In the evening Press of the same day Messrs. Selfridge and Co., Limited, capped this offer by one of over £5,000 in 972 individual prizes for War Bonds purchased between December 3 and 12; and, not content with a larger offer, announced that the drawing for prizes would take place on December 14, the result to be published immediately, thus gaining on their rivals by a clear eight days.

The initiative displayed by these firms is to be commended, and it is hoped that others will follow their lead. In this way interesting examples of the possibilities of "Premium Bonds" will be placed before the public and the Government, and a comparison will be possible with the results of the "Tank Bank" campaign, which is absorbing so much energy and talent.

There is profound importance in this matter—the small investor with £5 is worth sedulous cultivation, and he is not now being tempted as he should be in the national interest. The National War Debt should be distributed as widely as possible to enable all to feel that they have a stake in national affairs. Beyond this, however, is the important business of reducing expenditure of an unnecessary kind, and so saving shipping and transport, and, by reducing demand, keeping prices from soaring still further.

From a psychological point of view there is real value in providing munition workers and others, who are debarred from their customary football matches and the like, with a genuine source of interest. The effect of a £500 prize falling to a worker in Woolwich Arsenal would be worth more than ten times that amount spent in advertisement.

Incidentally, the development of a saving habit throughout the nation's workers would be of tremendous importance for the future.

We wish the firms who have displayed this initiative in applied patriotism every success, and look forward with interest to the results.

X.

[** We agree, and admire the pluck and enterprise of these firms. But what about the law? And will not success in this direction make the Government's obstinacy in refusing to issue bonus bonds look ridiculous? —Ed.]

Insurance News.

The provisional agreement for the fusion between the Eagle and British Dominions Insurance Company and the Star Assurance Society, which has been approved by the shareholders of both companies, has been ratified and confirmed in the High Court. Under the scheme the goodwill of the Star is transferred absolutely to the British Dominions. Star policyholders retain their fund as security, and in addition they will have the liability of the British Dominions in the event of that fund being insufficient, the British Dominions having an uncalled liability of nearly £2,000,000. The paid-up capital of the Star was only £5,000, and the company owned 8,000 of its own shares. With regard to the purchase price to be paid, the British Dominions will issue to the liquidators of the Star 20,000 £3 ordinary fully paid shares and a sum of £200,000 5 per cent. War stock. Shareholders will get one share for every five Star shares, and £2 War stock for every £1 share. The combined assets of the new undertaking, irrespective of uncalled capital, will exceed 12 millions, and its annual premium income will approximately amount to £3,000,000.

A new French insurance company is about to be established by a number of leading business men of the North of France, in conjunction with the insurance company La Minerve. The capital is £120,000, and the new undertaking will be known as the Etoile du Nord. It is intended to undertake all the principal forms of insurance, with the exception of life, especial attention being concentrated on marine business, while later it is intended to make a feature of reinsurance business.

A further increase was shown in the profits of the Queensland Insurance Company for the year to September 30, the total of £61,633 being £9,455 higher. The distribution of 12½ per cent. is repeated, and reserve again receives £25,000, while £4,055, against £3,850, is applied in paying a war bonus to the staff and in contributions to the officers' provident fund, the balance forward being £1,327 higher at £1,468. A year ago £6,000 was set aside as a provision for taxation.

In his presidential address at the opening meeting of the Institute of Actuaries, Mr. S. G. Warner observed that the intervention of the State itself as an active participator in the thrift movement had rendered stronger than ever the need for the help of an actuary. The enormous importance of statistical inquiry was being more fully realised every day. The actuary, he remarked, was a missionary of warfare against the hoary and deep-rooted delusion that theory and practice were enemies, and his weapon was the translation of scientific truth into the dialect of daily intercourse.

Tea, Oil and Rubber.

Nothing of much interest has occurred in the commodity market, where the price of standard crêpe has slipped back to 2s. 4½d. Last week the amount landed was 953 tons, while the deliveries were 888 tons and the stock is now 12,100 against 9,570 tons a year ago. The statistical position does not give much scope for undue optimism on the part of the bulls, and no doubt that is the reason why we are threatened with a fresh agitation in favour of "regulating" output. But what a different story it was only a few months ago, when we were constantly assured by alleged experts that the price of rubber was going to 4s. or 5s. per lb. before the end of the year! We have always rather resented these extravagant views, because we are convinced that the industry in the long run will do much better on sound commercial lines than if it is to be largely at the mercy of violent fluctuations created by share speculators. This week the share market has been dull enough, and although holders do not show much inclination to sell, except for a little profit-taking here and there, very few new buyers have been coming forward.

The Rubber Growers' Association, which we are glad to learn is to be strengthened by the infusion of new blood, has prepared an estimate of the acreage planted with rubber in the East. We need not go into all the details; it is sufficient to state that the area is approximately 2,000,000 acres, of which 1,033,000 acres are in the Malay Peninsula, 250,000 acres each in Java and Sumatra, and 240,000 in Ceylon. No figures are given for the area planted in the Philippines, chiefly on American account, although there is reason to believe that it is considerable, and we are rather bewildered why the estimate should be omitted, even although investors here have little or no direct interests in that region. In any case, it is generally admitted that an acre of good rubber in full bearing will yield from 500 to 600 lbs. Assuming that the average is only 300 lbs., the planted area (exclusive of the Philippines) would shortly be producing 600 million lbs., which is much above what has usually been estimated. Is that the reason why the Rubber Growers' Association is being implored to "devise and adopt a practical scheme" for the regulation of output so as to fit the demand and "keep the commodity always at a remunerative level"? Certainly, if the Association is to embark on this ambitious programme, it will want the

infusion of a great deal of new blood. Has the price of anything that grows ever been successfully "regulated" in the manner desired in the case of rubber?

SINGAPORE PARA RUBBER ESTATES, LTD.—Year to June 30. Issued capital, £130,900 in 2s. shares. Estate account, £127,240. Reserve fund, £14,000.

	1915.	1916.	1917.
Nett profit.....	£16,476	£37,360	£40,870
Dividend	10 p.c.	22½ p.c.	20 p.c.
Carried forward	£5,860	£12,760	£26,350
Output.....lbs.	359,725	509,980	635,814
Average price	2s. 2.45d.	2s. 7.60d.	2s. 7.08d.
All-in cost	1s. 3.55d.	1s. 1.33d.	1s. 1.77d.
Planted area	1,655 acres	1,664	1,784
Yield per acre	218 lbs.	306	356

Amount carried forward is subject to excess duty for the past two years, and accounts for the reduction in the dividend. For the current year the output is estimated at 675,000 lbs. From the area actually in bearing the yield last year was 404 lbs. per acre, which may be regarded as highly satisfactory, and, in spite of higher freights and war risk insurance, all-in costs have been kept at a very moderate level.

STRAITS PLANTATIONS, LTD.—Year to June 30. Issued capital, £87,500, half in ordinary and half in deferred shares of £1 each. Also, debentures for £9,100. Estate account, £107,220. Reserve fund, £14,125.

	1915.	1916.	1917.
Nett profit	£9,236	£11,290	£5,610
Dividend	6 p.c.	6 p.c.	6 p.c.
Carried forward	£3,725	£4,200	£4,180
Rubber	68,930 lbs.	52,450	47,500
Average price	2s. 0.21d.	2s. 5.24d.	2s. 2.46d.
All-in cost.....	1s. 0.20d.	1s. 4.03d.	1s. 6.06d.
Coconuts	4,411,000	3,818,500	4,987,000

Most of the company's revenue is derived from copra, which, owing to shipping difficulties, had to be sold in the East at much lower prices than could have been obtained in Europe. Average price obtained was £14 7s. 7d. per ton, against £20 4s. 5d. in the previous year, while the cost was £10 0s. 6d., against £11 4s. 11d. For the current year the crop is estimated at 5,000,000 nuts. The rubber output continues to dwindle, and is estimated at 40,000 lbs. for the current year. There is a liability for three years' excess duty, and it might have been more prudent to pass the dividend.

What Balance Sheets Tell.

RUSSIAN CORPORATION, LTD.

In the year to September 30 the nett revenue was £44,850, or £25,000 less than in the previous 12 months, but this figure is arrived at after writing off £55,220 for the depreciation on the rouble deposits of the company owing to the abnormal rise in the exchange. But for this the business of the company would have shown a substantial improvement. After meeting administration expenses and income-tax there is a nett profit of £28,540, to which has to be added £3,460 brought in, and it is proposed to place £20,000 to reserve, raising it to £60,000, and leaving £12,000 to be carried forward. A year ago a dividend of 5 per cent. was paid, but the directors have prudently decided to conserve the company's resources, and do not recommend any distribution on this occasion. Business conditions must have been extremely difficult, owing to the continuance of the war, and the political upheavals in Russia, but all things considered the company has done better than might have been expected in the circumstances, and it ought to do well when more settled conditions supervene.

LAGUNAS SYNDICATE, LTD.

Considerable progress was made in the year to June 30, the nett profit showing an increase of £27,600 at £54,400. After providing for debenture interest and loss on exchange, the balance of £32,620, or £28,400 more, is carried to the sinking fund in accordance with the arrangement arrived at with the debenture-holders in 1914. The company is terribly overloaded with its £394,000 debentures and £550,000 share capital, the latter being in a rather hopeless position. However, the outlook for the industry is favourable, and the debenture-holders at any rate may feel more comfortable. Work was resumed at North Lagnas in November last year, and operations at both the north and south oficinas have proceeded satisfactorily.

STRAND HOTEL, LTD.

In the year to September 30 this company which owns the Strand Palace and Regent Palace Hotels did a very flourishing business, and the balance from trading account shows an increase of £27,000 at £215,100, but expenses were £15,000 higher and the nett profit of £108,500 is up £12,000. With £4,500 more brought in the available balance is £16,500 to the good at £124,450, but the directors prudently set aside £26,000 against £16,000 for depreciation, and leave the dividends unchanged. The preferred ordinary get 6 per cent. for the year, and the £5,000 deferred shares again dividend £20,700 between them, which is certainly a very handsome return, leaving £6,300 more at £22,200 to be carried forward. Changes in the balance-sheet do not call for detailed mention. It is stated that building operations in connection with the Baker Street Hotel site remain suspended in accordance with the present national policy.

The Week in Mines.

Except as regards tin shares, the Mining markets have been less active this week, but the tone has been fairly steady. The South African market has been much interested in an announcement that recruiting of natives is now allowed north of latitude 22 degrees, for it is hoped thereby to solve the unskilled labour problem on the Rand, which had become very acute.

SOUTH AND WEST AFRICANS.

In the South African market, New Modderfonteins relapsed 58 to 23½, despite the announcement of an increased dividend, but Welgedachts improved to 17-32. Modder Leases were easier at 3 21-32, in sympathy with a slight reaction in most of the Far Eastern Rand shares. Geldenhuis Deeps advanced 3-32 to 48, and Luipaards Vleis rose 6d. to 5s. 6d. on the report, but City Deeps relapsed 3-32 to 3 13-32 on profit-taking. Rhodesian shares have moved rather irregularly. Rezendes, on rumours of good developments, rose ¾ to 4½, and British Central Africas, on the expectation of a maiden dividend, have risen 1s. to 8s. 6d. Tanganyikas weakened after the issue of the report, and show a loss of 5-32 at 3 17-32. Zambesia Explorings declined 9d. to 25s. 6d., and Falcons 9d. to 17s. 6d. De Beers deferreds have reacted to 13. Among West African shares, Fanti Consols were supported at 7s. on the statement made at the meeting that the profits for the 10 months to October 31 were £48,641, which is at a rate sufficient to pay a 10 per cent. dividend on the reduced capital of £600,000. The financial position will be quite strong when the capital scheme is given effect to, for, including investments readily marketable, the company has about £298,830 available at short notice.

COPPER AND MISCELLANEOUS.

Copper shares have been fairly firm, notably Mount Lyells at 28s. 3d., which is 9d. higher. Cape Coppers declined ¼ to 3 on the report, and Rio Tintos ¼ to 63½. Tin shares have been the most active and firmest market in the mining sections. Anglo-Continentials have been particularly active, and have advanced 1s. 3d. to 15s., and a similar rise occurred in Naragutas to 18s. 6d., on the increase in dividend. Geevors at 19s., Malayan Dredgings at 2½, and Ropps at 19s. 6d. are also all 1s. 3d. higher. Russian shares are, curiously enough, a little better on the week. Nundydroogs have risen 1s. further to 24s. 9d., ex dividend. Broken Hills have been firm.

MINING NEWS.

KYSHTIM CORPORATION, LTD.—The directors announce that owing to the state of disorganisation in Russia during recent months the accounts for 1916 are not yet completed, but it is satisfactory to learn that the Russian company has found it practicable and advantageous to continue operations up to the present time. According to the latest development reports the aggregate length of the ore body is now 4,500 ft., averaging 11.1 ft. wide, and 2.94 copper, representing about 600,000 tons for each 100 ft. vertical depth. The necessity for the adoption of prompt measures to safeguard British interests in Russian mines has been so forcibly impressed on the directors that they recently made arrangements which they believe will secure the object desired. The chairman ought, therefore, to have an exceptionally important statement to make at the forthcoming meeting, and it will be eagerly awaited by everyone interested in Russian mining.

CAPE COPPER.—Despite a further increase in working costs and a smaller output, the profits of this famous company were again higher in the past year. The nett profit comes out at £147,842, as compared with £131,248, but the ordinary shareholders receive only 3s. per share, as against 4s. last year. The explanation of the increase in profits is, of course, the higher price which has ruled for copper, which has been more than sufficient to offset the increase in costs and diminished output. It has been found necessary to carry forward a much larger balance than usual in order to provide funds to carry on the business until such times as conditions improve and the Indian mines become revenue-producing. The output was 66,988 tons, as compared with 84,173 tons. With regard to the Rakha Hills property, the ore reserves have been increased from 393,148 tons to 407,641 tons.

ASHANTI GOLDFIELDS.—A further improvement in the results for the year ended June 30 are reported by this consistently prosperous company. The income was £486,702, as against £482,975, and the nett profit amounted to £176,685, against £173,281. Thus the dividend is raised from 70 per cent. to 75 per cent., and the carry forward from £89,052 to £100,278. The ore reserve position, notwithstanding a slight drop in grade, again shows an improvement. Ore in sight on September 30 is estimated at 534,100 tons, of a gross value of £2,772,000, and a profit value of £1,131,000, showing increases, as compared with the previous year's estimate, of 97,500 tons, £459,000 in gross value, and £63,300 in profit value. During the current years the accustomed rate of profit-earning should be maintained.

SUB-NIGEL.—Particulars have now been issued of the scheme for extending the property and operations of the Sub-Nigel. The area to be acquired consists of about 500 claims on the Grootfontein Farm, owned by the Consolidated Gold Fields, who have agreed to accept 130,000 shares of the Sub-Nigel to be issued as from January 1, 1921, as the purchase consideration. Under the scheme a life for the mine of 20 years is expected. For the first three years, 1918-20, milling is estimated at a rate of 100,000 tons per annum, giving a working profit of 12s. per ton, but for the fourth year it is anticipated 170,000 tons will

be milled giving a working profit of 15s. 6d. per ton. Thereafter the crushing will rise to 330,000 tons per annum, yielding a working profit of 19s. per ton. During the whole 20 years a gross working profit of £5,000,000 is estimated. These figures, it is necessary to emphasise, are mere estimates. It is proposed to create 300,000 new shares of £1 each to be offered at par to shareholders registered on January 23, *pro rata* to their holdings. The issue has been sanctioned by the Treasury. During the next four years the capital expenditure is expected to reach £347,800, with an addition of £37,000 in the sixth year. The Gold Fields Co. has agreed to lend £40,000 to the Sub-Nigel, if required, during the next three years.

THE DE BEERS MEETING.—At the meeting of the De Beers Co. the chairman said that sales of diamonds had been well maintained since the new contract was entered into in August last, but laid stress on the necessity for restricting sales in order to maintain prices at the advanced level established as a result of the acquisition of the control of the Premier Co. He referred to the formation of the South African Marine, Fire, and General Insurance Co. with a capital of £2,000,000, the diamond producers and Diamond Syndicate holding all the shares in the company, which was formed in order to facilitate the diamond business which was severely handicapped by the high rates of marine insurance, and the impossibility of obtaining cover for more than a limited amount. No hint, however, was given at the meeting as to when the next dividend on the deferred shares would be paid.

RAYFIELD (CORNWALL) TIN.—The report of this company covering the period to September 30 shows a loss of £11,092, which increases the debit balance to £13,047. Some of the properties in which the company is interested are developing satisfactorily, but owing to the Treasury regulations it is impossible to raise capital for an extension of operations.

JOHANNESBURG CONSOLIDATED INVESTMENT.—At the meeting held at Johannesburg last week Mr. Imroth announced that the Government Gold Mining Areas (Modderfontein), Ltd., familiarly known as Modder Leases, would declare its maiden dividend at Christmas. The "Johnnies" company would have a substantial participation in the New State Areas, Ltd., the Barnato subsidiary formed to work the new Government lease on the Far Eastern Rand, but the public would be afforded an opportunity of subscribing for 150,000 shares at par. The "Johnnies" mining assets showed an appreciation of £2,000,000 upon book values. The Van Ryn Deep mine was never in better condition than at present, and at the end of the year the ore reserves would show a marked increase in tonnage.

The Anglo-South American Bank, Ltd., notify that a branch office will be opened on December 3 at Comodoro Rivadavia, Argentine Republic.

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COMPANY MEETINGS.

ANGLO-PERSIAN OIL.

GOVERNMENT'S INTEREST IN THE UNDERTAKING.
SHARE CAPITAL INCREASED TO £5,000,000.

The eighth ordinary general meeting of the Anglo-Persian Oil Co., Ltd., was held on December 3 at the registered office of the company, Britannic House, 23, Great Winchester Street, E.C., Mr. Charles Greenway (chairman and managing director) presiding.

The Secretary (Mr. F. Macindoe) having read the notice convening the meeting and the report of the auditors.

The Chairman said: Gentlemen,—The directors' report, balance-sheet, and profit and loss account having been duly circulated, we will, with your permission, follow the usual course of taking them as read. I am pleased to say that there has been some acceleration—about five weeks—in the presentation of the accounts this year, but they would have been submitted a month earlier had it not been for the postal delays now occurring. In the future, subject, of course, to postal irregularities, I hope we may be able to submit them not later than in the month of October in each year.

ACCOUNTS.

I will now ask you to kindly give your attention to the printed figures. Dealing first with the balance-sheet, you will see that the paid-up capital stood at £3,250,000, being an increase of £250,000 upon the figure of the previous year, due to the payment by his Majesty's Government of a further call of that amount. This payment brought the total amount of capital provided by the Government up to £1,251,000, leaving a balance of £949,000 still due at the end of the financial year out of the £2,200,000 which they undertook to provide by the agreement of 1914. This balance they have, as mentioned in the report, recently paid. I may mention that, in addition to £199,000 of debenture stock which has been issued to the Government in respect of a portion of the payment to which I have just referred, we have issued a further £1,400,000 of that stock, bringing our total debenture issue at date up to £2,000,000. Including these debentures, the total capital now issued amounts to £6,000,000. Beyond the debentures we have no liabilities outstanding, either in respect of our recent large acquisitions of shares or on any other account, excepting the contingent liability of £209,741 2s. 2d. to the Burmah Oil Co., other than the usual liabilities to trade creditors, which are more than offset by the amount due to us by sundry debtors. The other items on the debit side are self-explanatory, and do not, I think, need any comment. Coming to the credit side of the account, you will see that there has been an increase of about £200,000 in the first item, this being due to additional shares which have been taken up in our subsidiary companies to provide the further capital required by them from time to time for necessary developments. The item of "Refinery, tank installations, pipe lines, &c.," also shows an increase of about £145,000, this representing the outlay on the various large extensions which were carried out during the year, less the depreciation on the whole which has been written off. The only other item in this account requiring comment is the claim against the Persian Government for the losses sustained by this company owing to the rising of Persian tribesmen in 1915. As you will see, these losses have now been ascertained to have amounted to the large total of £402,887 3s. 1d., and a claim has been lodged against the Persian Government for the payment of this amount. The further claims of our producing companies for losses sustained by them on the fields amount to £211,602, making a total of £614,489 3s. 1d. due to us by the Persian Government, and it is, perhaps, superfluous for me to say that had it not been for this destruction of property by Persian tribesmen, the profits of the Anglo-Persian Co. during the past two financial years would, to the extent that the claims represent loss of revenue, have been correspondingly greater.

LARGE INCREASE IN PROFITS.

Turning to the profit and loss account, you will see that the trading profit for the year amounted to £415,827 5s. 10d., as against £171,723 1s. 4d. in the previous year, which fully confirms the anticipations expressed by me when I last had the pleasure of addressing you. This result has been arrived at after making a very liberal allowance for depreciation, and in view of the fact, to which attention is drawn in the report, that this profit only includes a very small benefit from the capital subscribed by his Majesty's Government, I think it may be considered as eminently satisfactory. During the current year we shall be deriving the full benefit of the extensions which have been carried out with the first half of this capital, and the year is now sufficiently advanced for me to be able to say with confidence that the trading profit shown in our next accounts will not be less than £800,000, and will probably be nearer £1,000,000. And this profit, gentlemen, I would particularly like to emphasise, can in no sense be regarded as "war profit," inasmuch as practically the whole of our products were either contracted for before the war or, in the case of those contracted for since, have been sold at pre-war prices. As regards excess profits duty, this company, in common with all concerns which were in process of development on the outbreak of war, is in the unfortunate position of having a very low pre-war standard of profits. We have therefore claimed to be assessed on a capital percentage basis, and this has been fixed at 11 per cent., in addition to which we shall,

of course, get the allowance of 3 per cent. on new capital put into the business since the beginning of the war. I think I may safely say that there will be no liability for this duty in respect of the past financial year. What the amount may be for the current year it is impossible at present to estimate, but in any case there will be an ample sum available for the payment of the full 8 per cent. dividend on the preference shares, as well as a substantial one on the ordinary shares. In this connection I would like to refer to some misleading references to this company which have appeared in the Press during the past 12 months. Some of these journals, quite disregarding the explanations which I gave last year that no portion of the plant for which Government capital was provided had been in operation, and that our refineries had, from quite exceptional causes, been shut down for about five months, took the profits of the preceding year and tried to show from them that the Government had made a very bad investment. Another referred to the Government having "dabbled in petroleum to the nation's cost," and to their having sunk "millions" of public money in Persia, &c. To these writers I would commend a careful study of the accounts we are now submitting, and, still more, of those which we shall be submitting for the current year. From the former they will see that not only had the Government, when these comments were written, not sunk "millions," but only one million and a quarter, but also that this million and a quarter had only just begun to fructify. No one can expect eggs to produce chickens until they are hatched, but the best proof that the Government eggs in this company are in the course of being satisfactorily hatched is that if it were possible to assume that the Government repented of their bargain I would undertake to find a purchaser for their 2,000,000 shares at not less than £6,000,000, and probably for as much as £8,000,000. (Applause.) This increment on an investment of £2,000,000, which has only been locked up for an average period of 18 months, is, I think you will all agree, a magnificent one, and one that quite refutes any suggestion that the Government have by their investment in this company made a bad investment or squandered public money. But this increment is, I predict with confidence, only a small instalment of the increment that will be shown five to ten years hence when we shall have been able to build refineries more commensurate with the vast supplies of crude which we have at our disposal. (Applause.) You all know, gentlemen, the time occupied, even under peace conditions, in laying pipe lines, erecting tanks and refineries, building jetties and in carrying out the other extensive engineering operations connected with the development of a large oil refining business in a country so remote as Persia. Under war conditions, with the difficulties in obtaining delivery of steel plant of all kinds, the delays in ocean transport, accentuated by the occasional loss of essential portions of plant by the action of enemy submarines, the interruptions to work caused by the scarcity of labour, &c., the time occupied is necessarily very much greater; and in the circumstances we consider ourselves very fortunate indeed that we have been able to complete one half of the programme for which the National money was provided at the beginning of this year. The other half it will not, I am afraid, be practicable to complete for some considerable time, and in the meantime we shall have to be satisfied with only a portion of the benefit of the national investment. This portion will, however, as I have just indicated, be eminently satisfactory, and when the whole benefits are shown they will be such as to gratify the desires of any investor.

FUEL OIL AND OTHER CONTRACTS.

While on the subject of the future profits of the company, I should like to take this opportunity of announcing that the Government of India, after a long series of experiments and trial runs, which have amply demonstrated the greater efficiency and economy of oil, have recently decided to substitute to a large extent oil for coal on the Western Indian Railways. This substitution will not only be of financial advantage to the railways, but it will also—and this, as you all know, is a matter of the very greatest national importance at the present time—effect a very considerable economy in tonnage, inasmuch as the time occupied in carrying coal from Bengal to the West Coast of India is about 30 days for the round voyage, as against only 15 days for the round voyage for oil from the Persian Gulf, whilst oil as a fuel for locomotives has roughly twice the efficiency of coal. In other words, to carry the fuel equivalent of 1,200,000 tons of coal, oil will only occupy space to the extent of 300,000 tons. The great importance to the nation, at the present time of stress, of the enormous economy of tonnage which will thus be effected is too obvious to need any elaboration, but I would like to take the opportunity of remarking that this is another of the many benefits which this country is gaining from the Government's participation in the business of this company. A similar substitution will, I understand, be carried out shortly on the Mesopotamian railways, whereby a further large economy of tonnage will be effected. You will be pleased to learn that the contracts which we have secured for fuel oil and other products now amount to a total of no less than 12,000,000 to 15,000,000 tons. The value to the company of this enormous volume of assured business is immense, for it renders us absolutely independent for many years to come of all competition. Rate wars, or no rate wars, we shall always be certain of some profit, no matter at what prices we may have to sell our benzine and kerosene, and we can therefore regard with perfect equanimity any competition that may present itself in these products. This, gentlemen, is an extremely happy position for an oil company to be in when

as in our case, it can be sure of an ample supply of the raw material, for it renders us absolutely unassailable, and enables us to take advantage of such opportunities as may occur for advantageously marketing the balance of our products. One of the journals to which I previously referred expressed a very earnest desire to be informed of the extent to which this company has been able to assist the Navy by deliveries of fuel oil. I should like very much to give this figure, because it would greatly emphasise the national importance of the company, but I am afraid that I cannot give the information asked for without committing a serious breach of the provisions of the Defence of the Realm Act, and the divulgence of this information must therefore be withheld until the conclusion of the war, when it can be disclosed without any danger. Apart from this assistance, however, the fact that the Admiralty and the War Office have had this substantial source of supply to draw from, in addition to others, has not only been of great service to the operations of the Allies, but it has, by the competition which it has created, undoubtedly saved the nation many millions of public money in the lower prices at which it has enabled the Government to purchase the balance of its supplies. Though the company will, when the extensions now under contemplation are completed, doubtless be able to provide the whole of the British Naval requirements of fuel oil, and also the requirements of the Government generally for all petroleum products, it would not be wise, either politically or economically, for the Government to rely upon any one country as its sole source of supply; but we shall, as you will have gathered from what I have said as to the volume of business already secured, have no difficulty at all in finding outlets for the balance of our production, apart from the great trade which awaits petroleum and benzol producers after the conclusion of the war, as the result of the extended use which is being developed by the war for spirit and petroleum products of all kinds for railway, marine, aviation, and industrial purposes.

STATE PARTICIPATION.

Mr. Walter Long recently, in the House of Commons, said "that oil is probably more important than anything else; you may have men, munitions, and money, but if you have not got oil all other advantages will be of comparatively little value." Of this fact there can be no gainsaying. Although it has only recently come home to the minds of the people of this country, a nation which again enters into war without an ample supply, absolutely free from foreign control, of fuel oil for the service of its naval and mercantile fleet, of benzine for its motor transport and aircraft, of oil for the lubrication of the many mechanical appliances which so largely enter into modern warfare, and of aromatic hydro-carbons for the manufacture of high explosives, will be committing an act of madness. These are just as necessary for the successful conduct of a war as men, ships, or munitions, and although in these days of great events and of wholesale upheavals of old political shibboleths, the national importance of the transaction is apt to be overlooked, the Minister and Cabinet who first recognised this essential fact by securing control of this company, and who thereby established an important source of supply, free from foreign or monopolistic domination of any kind, of a commodity which is necessary for our national existence, performed a greater service to this country, both financially and politically, than even did Disraeli when he concluded his historic purchase of Suez Canal shares. (Hear, hear.) A further very desirable step in the same direction is now being taken by the department which has been recently constituted under the presidency of Mr. Long in its efforts to promote the production of indigenous oil. But, although a good deal may be done in the development of production of oil from shale and coal, it is hopeless to expect that these sources of production can compete with natural oil, excepting under particularly favourable conditions, or that the quantity produced will ever meet the whole of the national requirements. And, so far as natural oil is concerned, the chances of finding it in quantity in this country are, if the opinions of geologists are of any value, so remote as to render this a very uncertain source of supply. Therefore, in addition to the steps which are being taken in connection with indigenous oil, what is wanted is an extension of the policy initiated when the Government secured a controlling interest in this company, and the formation of an "all-British" company, similarly controlled and free from foreign taint of any kind to deal with the development of oilfields outside of the British Isles. This company might absorb all the existing British oil-producing companies, and at the same time undertake the examination and exploitation, so far as concessions are obtainable, of all the known oil territories of the world not already taken up by these or other companies, but directing its attention more particularly to the British colonies and dependencies, and to countries whose friendship can be relied upon. Some step of this kind is all the more essential now that the United States—hitherto the chief source of supply of the world—has come to the point where demand is overtaking production, and is beginning to have grave doubts as to whether she will be able to maintain her export trade for many years longer.

PURCHASE OF GERMAN COMPANIES' SHARES.

In connection with the commercial aspects of the company's business, I will now refer to the important development which has recently taken place in the purchase of the shares of the German companies known as the British Petroleum Co.,

Ltd., the Homelight Oil Co., Ltd., and the Petroleum Steamship Co., Ltd. The two former are what is known in the trade as distributing companies, and their organisations will, later on, when our present arrangements for the sale of benzine and kerosene come to an end, doubtless prove a most valuable acquisition, as they will provide a means of disposing of our output of these products at much better prices than we are realising at present, for without such an organisation, oil companies have necessarily to surrender to intermediaries a large portion of the profits realised on the sale of their products. These companies have, unfortunately, owing to the arrangements which have been made by the Board of Trade for the regulation of petroleum supplies with a view to economising man power and tonnage, had to abandon their share of the benzine trade of this country for the period of the war. They are, however, continuing their trade in kerosene, obtaining their supplies from the same sources as before, and will in the meantime make all necessary arrangements for resuming their business in benzine after conclusion of the war on a scale that will ensure their securing a substantial share of the trade of the United Kingdom. In this connection I may mention that the company's production of benzine is now at the rate of about 150,000 tons per annum, and will, by the time our extensions are completed, probably amount to 600,000 to 700,000 tons per annum. This may appear to be a very large figure compared with the United Kingdom's pre-war trade of less than 400,000 tons per annum, but with the very large increase in motor transport of all kinds which will certainly take place in this country and in Europe generally after the conclusion of the war, and with the entirely new demand which will have been created by the great development in aviation, I have not the slightest doubt that there will then be an offtake for all the benzine and all the benzol which the world will be able to produce. You have all probably read of the enormous increase in the consumption of benzine which has taken place in the United States during the past few years. The consumption there has now gone up to 5,000,000 to 6,000,000 tons per annum, or to about six times the total pre-war consumption of the United Kingdom and Europe, the population of which is vastly greater, and with the new aviation demand which is now being created, America's requirement will no doubt in the future be very much larger. The same ratio of consumption will, given the necessary supplies of spirit, sooner or later be developed on this side of the Atlantic, and as it will be quite impossible for the United States to meet this demand, even if she can spare any at all for export, it is obvious that there is ample room in these markets for all the spirit that can be produced elsewhere for many years to come.

FLEET.

The purchase of the shares in the Petroleum Steamship Company, Limited, has given us an addition of nine tankers to our fleet, which, as mentioned in the report, now numbers 22 vessels of a deadweight capacity of 130,915 tons. In addition to these, we are managing nine other tankers of a deadweight capacity of 74,500 tons, bringing the total number of boats now being run by us up to 31, of a deadweight capacity of 205,415 tons. This fleet, though large, will not nearly suffice for our future requirements, and will need to be augmented considerably whenever it may be practicable to purchase or build additional tonnage.

THE NEW PIPELINE.

Our new 10-inch pipeline was completed in January last, and has since been working very satisfactorily. Unfortunately, however, a serious fire at our pumping station at Tembi in July last, which was, I regret to say, accompanied by the loss of the life, under particularly heroic circumstances, of our chief engineer there, Mr. R. L. Lindsay, has partly deprived us for the time being of the use of our smaller line, but we are still able to deliver to Abadan all the oil that our refineries will be capable of dealing with until our extensions are completed. That the whole station was not destroyed was entirely due to the great bravery displayed by Mr. Lindsay, who, when the outbreak took place, rushed through the flames to almost certain death to close down the valves, and to the aid given him by one of his assistants, Mr. Still, who very ably, and at great risk to his life, seconded Mr. Lindsay's efforts. You will all be pleased to learn that this great courage and devotion to duty has been recognised by his Majesty by the bestowal on Mr. Lindsay of a posthumous decoration of a gold Albert Medal, the civilian equivalent to the V.C., and on Mr. Still of the ordinary Albert Medal, and also that these services have been liberally recognised by the company. (Applause.) The necessary repairs at the Tembi station are being carried out with as little loss of time as possible, and we are also, at the same time, arranging to erect the additional pumping stations necessary to bring the capacity of the lines up to a total of 3,000,000 tons per annum.

REFINERIES.

As mentioned in the report, the refinery extensions to which I referred in January last have not yet been completed owing to the loss at sea of some of the plant and to the delay under present conditions in replacing it, but we hope to get them in operation in the course of a few months. Further large extensions now require to be taken in hand immediately to meet urgent war requirements. The plant for these has already to a large extent been ordered, and to meet the additional capital outlay which will be incurred on them it is proposed to make an issue about a fortnight hence of a further 1,000,000 participating

preference shares. These shares, which will rank for dividend as from October 1 last, will be issued at a premium, and at the conclusion of this meeting I shall submit to you the resolution necessary for carrying this increase of capital into effect.

FIELDS AND PRODUCTION.

As regards the fields which are being developed and tested by our producing companies, you will have seen from the report that these continue to show most satisfactory results. In past year we have hesitated to state the full extent of our belief in the great extent and richness of our oil territories, but the confirmatory evidence which we get as we proceed with our developments so exceeds our most sanguine expectations that the time has now come when we can express the opinion with a good deal of confidence that the oilfields embraced in our concession are among the most extensive and most prolific of any in the world, and that Persia may even one day become as big a producer of oil as the United States. One evidence of this is that in the field from which we are now obtaining our crude we could, had we the refineries to deal with it, now obtain a production of something like 4,000,000 tons per annum from the wells which have so far been carried down to the main horizon. These wells, nearly the whole of which have necessarily to be kept shut down until we can deal with their oil, are pretty widely scattered over the field, and so far as can be judged all the intervening territory is equally rich, since the gas pressure is constant throughout the field. I have several times previously referred to well No. F7, and you will be interested to learn that this well, which has so far yielded something like 1,750,000 tons of oil, still continues to produce as freely as ever, with practically no diminution in the gas pressure. This well, I may mention, is by no means exceptional, since many others which we have opened and tested appear to be just as prolific, but I quote it as it is the only one from which we have been able regularly to produce, and therefore properly to gauge the extent of its producing capacity and of the capacity of the field as a whole. The measure of the richness of this field can be better appreciated, gentlemen, when it is remembered that the production now obtainable from it is larger than the pre-war production from the whole of the Rumanian and Galician oilfields, to obtain which production a total of something like 2,000 wells had to be worked and a capital of over £40,000,000 was employed. But this is not the only field which we have to rely upon for our supplies. Adjacent to it we have, as I mentioned at the last meeting, proved another field, which promises to be just as rich, and we have recently received a telegram reporting that another well which has been sunk on it has practically proved an additional square mile of productive territory. In the second outside field to which I referred last year the test well has now been carried down to 2,195 ft., and is passing through favourable strata. In the third outside field oil has been struck with strong gas pressure, and although it has not yet been practicable to test the capacity of this field, there is ground for anticipating that in it we have secured another valuable addition to our reserves of oil. This last field is, I may mention, situated some hundreds of miles nearer to the mouth of the Persian Gulf than any of the other fields so far tested by us, and is in close proximity to a deep water harbour, and, as there are several other good anticlines in the neighbourhood, we are hopeful that this may prove to be a field of the greatest importance. A further outside field which is now about to be tested is reported by our geologists to be of larger area than, and as likely to be just as rich as, the one from which we are now obtaining our production. In order that you may better appreciate the extent of the oil territory included in our concession, I have had a map hung up for exhibition, and after the meeting I shall be pleased if shareholders will examine it, and I shall be glad to give them any explanation they may desire regarding it. From what I have said now and on former occasions, you will, I think, be able to appreciate that, so far as supplies of crude oil are concerned, there is, as far as can be judged, practically no limit to our potentialities. The only limits are (1) refineries and (2) outlets for our manufactured products. The first of these is, in these days of shortage of steel, our principal difficulty, but we shall lose no opportunity of pushing on with the erection of further refineries until we are in a position more adequately to deal with the enormous supplies of crude which we have available. As regards the second limitation—namely, outlets for our products—there is, as I have already indicated, little to fear.

QUALITY OF OIL.

One other point of importance in connection with our crude which I should not pass over is that it is of an exceptionally high grade, and much superior to the average of the oils produced on the American continent. It contains a very large percentage of benzine and kerosene of the best quality, excellent lubricating oils, fuel oil of unusually high thermal efficiency, and a good percentage of first-rate paraffin wax. This means that our crude is much more valuable than that of most of the producing fields of the world, whilst its cost of production—inasmuch as it is all obtained from flowing wells of big volume entailing the minimum of field expenditure—is much lower. These advantages, I may say, far more than compensate for any disadvantage at which we may be placed in freight as compared with fields which may be more favourably situated geographically for supplying the European markets.

WAR SERVICES OF STAFF.

Before concluding my remarks, gentlemen, I would like again to draw attention to the work of our staff, both in London and in Persia during the past year. I have already referred to the magnificent services rendered to us by the late Mr. Lindsay and by Mr. Still, but these are only characteristic of the devotion to duty which has been displayed by all, and which is inspired by the knowledge that they are serving a company in which the Government is the predominating partner and in work which is of vital importance to the nation in the prosecution of the war. The company has earned the distinction—a unique one, I think, for a joint stock concern—of a "mention in despatches," but the word "company" in this case is only a synonym for our staff, who have in many directions, and often at considerable risk to their lives, rendered services of a very valuable character to the authorities throughout the period of the military operations in Mesopotamia. Among other things, they have rendered a large amount of assistance in the shipbuilding which has been going on in the Gulf, more particularly in the erection and fitting of the gunboats now operating on the Tigris, a large number of which were built in the company's yards.

POLITICAL SITUATION.

In this connection, I have much pleasure in stating that the political situation in the part of Persia in which we are working remains in the same state of tranquillity as when we last met, and that we are able to carry on our operations in every direction without let or hindrance of any kind. I am also pleased to report that our relations with the Persian Government and with the local chiefs continue to be of a most friendly character. Gentlemen, I now beg to move:—"That the report of the directors, balance-sheet, and profit and loss account for the year ended March 31, 1917, be received, approved, and adopted." I will ask Lord Inchcape kindly to second this motion. Before putting the resolution to the meeting I shall be glad to answer, to the best of my power, any questions you may desire to put. (Applause.)

The Right Hon. Lord Inchcape, G.C.M.G., K.C.S.I., K.C.I.E.: I have great pleasure in seconding the resolution.

The Chairman: Have any shareholders any observations to make?

Mr. A. R. Ricardo: May I ask if the loss owing to the destruction of pipe lines by the Persian tribes is being recouped by the company by withholding the royalties due to the Persian Government?

The Chairman: Yes, that is so. We are not paying any royalties until that claim has been met.

The resolution was then put to the meeting, and carried unanimously.

DIVIDENDS.

The Chairman: The next business before the meeting is the declaration of dividends, and I now beg to move:—"That an additional dividend of 2 per cent. on the preference shares, making 8 per cent. for the year, be paid in respect of the year ended on March 31, 1917, such dividend to be paid on January 31 next, together with the 3 per cent. interim dividend then falling due, and that a dividend of 6 per cent. per annum on the ordinary shares in respect of the same year be paid on the same date." In moving this resolution, I would like to draw attention to the appropriations of £50,000 and £100,000 respectively which have been made to the "preference share reserve fund" and to the "general reserve fund." The first of these appropriations has been made as the nucleus of a fund to be established for the protection of the preference shareholders, in accordance with the terms of our original prospectus. The second has been made with the object of building up a fund for the purpose of amortising the cost of our concession and other properties. Both of these appropriations, which I have no doubt we shall be able to augment considerably in the near future, will, I am sure, meet with your approval. I will now ask Mr. Cargill kindly to second this motion.

Mr. John T. Cargill seconded the resolution, which was unanimously agreed to.

THE DIRECTORATE.

The Chairman: The next resolution which I have to move is for the election of directors. Before proceeding to this matter, however, I would like to take the opportunity of referring to the great loss which we have sustained since we last met in the death of our esteemed colleague, Mr. W. Knox D'Arcy. As you all know, it is to Mr. D'Arcy's enterprise and far-sightedness in securing and exploiting the Persian oil concession that the Anglo-Persian Oil Co. owes its existence to-day. But what many of you probably do not know is that it is entirely due to his strong spirit of Imperialism that the concession now remains in British hands, and it is a matter of the very greatest regret to us all that he should not have been with us for a few years longer to see a fuller realisation of the expectations which he had formed as to the great future which awaited this company. Mr. D'Arcy, like that other great pioneer, Cecil Rhodes, with whom he had many traits in common, was a man of large heart and great integrity, and in his death we have to mourn the loss of a valuable colleague and an esteemed friend. I will now pass on to the subject of the resolution. Since we last met we have elected Mr. F. W. Lund and Mr. Frank C. Tiarks as members of the board, and their election now requires confirmation. Everyone who knows these gentlemen will, I am sure, agree with me that by securing their co-operation we have materially

strengthened the board, and therefore I have no doubt that you will cordially support their re-election. We are advised that the election of Admiral Slade as an ordinary director also needs confirmation, and this appointment will likewise, I am sure, be agreed to unanimously. The directors retiring by rotation are Mr. John T. Cargill, Sir Campbell K. Finlay, and Mr. H. E. Nichols. They are all eligible for re-election, and I have no doubt that you will wish that we should continue to avail ourselves of their extremely valuable services. I now beg to move:—"That the election of Mr. F. W. Lund, Mr. Frank C. Tiarks, and Admiral Sir E. J. W. Slade as members of the board be confirmed, and that Mr. John T. Cargill, Sir Campbell K. Finlay, and Mr. H. E. Nichols, who retire by rotation and are eligible for re-election, be and are hereby re-elected members of the board." I will ask Sir Hugh S. Barnes kindly to second this motion.

Sir Hugh S. Barnes, K.C.S.I., K.C.V.O., seconded the motion, which was unanimously adopted.

The Chairman: The next business of the meeting is the election of auditors, and I shall be obliged if two of the shareholders present will kindly propose and second the necessary resolution.

Mr. FitzAdam-Ormiston: Gentlemen,—I have pleasure in proposing the next resolution:—"That Messrs. Brown, Fleming, and Murray be re-elected as auditors for the ensuing year at such fee as may be determined by the board."

Mr. W. A. Buchanan seconded the motion, which was passed unanimously.

The Chairman: This, gentlemen, concludes the business of the ordinary general meeting.

EXTRA-ORDINARY GENERAL MEETING.

The Chairman: We will now proceed to hold the extraordinary general meeting, of which notice has been given, and I will ask the secretary to read the notice convening that meeting.

The Secretary having read the notice,

The Chairman said: Gentlemen,—I do not think the resolutions which are to be submitted to this meeting require much explanation. As I have already mentioned at the preceding meeting, the additional capital is being created to provide the funds necessary for further extensions, which are to be carried out immediately in order to meet urgent war requirements of fuel oil and other products. Although undertaken at the moment to meet these urgent war requirements, the plant will, it is scarcely necessary to say, be of permanent utility, as it will be of the same character as that already installed, and will after the war serve to produce the various commodities for which we have entered into more permanent contracts. With regard to the second resolution, I would explain that the object of this is to maintain the majority of votes now held by the Government. They now hold 2,001,000 votes out of 4,000,000. With the proposed alteration they will hold 4,001,000 votes out of 8,000,000. The great advantages of the Government association are so obvious that they need no explanation, and I am sure you will support this resolution most cordially. I now beg to propose the first resolution, namely:—"That the board be and they are hereby authorised to increase the capital of the company to £5,000,000 by the creation of 1,000,000 additional preference shares of £1 each, ranking in all respects *pari passu* with the existing preference shares of the company." I will ask Lord Inchcape to second this motion.

Lord Inchcape seconded the motion, which was carried unanimously.

The Chairman: I now beg to propose the second resolution, namely:—"That the articles of association of the company be altered by cancelling the first sentence of article 70, and by substituting therefor the following sentence:—"Every member shall have one vote in respect of each preference share held by him and two votes in respect of each ordinary share held by him." I will ask Mr. J. T. Cargill kindly to second the motion.

Mr. Cargill seconded the motion, which was unanimously agreed to.

The Chairman: That concludes the business of the extraordinary general meeting.

PREFERENCE SHAREHOLDERS' MEETING.

The Chairman: We will now proceed to hold the preference shareholders' meeting, and I will ask the secretary to read the notice convening that meeting.

The Secretary having read the notice,

The Chairman said: Gentlemen,—The resolution to be submitted to this meeting is self-explanatory. The only point in connection with it in regard to which shareholders would, perhaps, like some explanation is as to the method which will be followed in allotting applications for the new capital. The board have not yet settled this, beyond deciding that preference of some kind will, of course, be given to existing shareholders. One or two preference shareholders have written suggesting that they are entitled to an allotment *pro rata* to their existing holdings, but I would point out that the ordinary shareholders, who have gone for many years without dividends while the preference shareholders have had theirs guaranteed, are also entitled to some consideration in this matter, and to the extent of their interest in the company the board will have no alternative but to pay some regard to their wishes in the matter of allotments. With this explanation I now beg to propose:—"That this meeting of the holders of the preference shares of Anglo-Persian Oil Co., Ltd., hereby consents to the increase of the capital of the company to £5,000,000 by the

creation of 1,000,000 additional preference shares of £1 each, ranking in all respects *pari passu* with the existing preference shares of the company." I will ask Mr. J. T. Cargill, who represents the principal preference shareholder, to second the resolution.

Mr. Cargill formally seconded the resolution, and it was unanimously adopted.

The Chairman: Gentlemen, I have to thank you for your very kind attendance.

The proceedings then terminated.

BENGAL-NAGPUR RAILWAY CO.

The 59th ordinary general meeting of the stockholders of the Bengal-Nagpur Railway Co., Ltd., was held on Thursday at the company's offices, Gresham House, Old Broad Street, Mr. Robert Miller (the chairman) presiding.

Sir T. R. Wynne, K.C.S.I., K.C.I.E. (managing director), read the notice convening the meeting and the auditors' report.

The Chairman, in dealing with the accounts for the financial year ended March 31 last, said that the capital expenditure for that period amounted only to £214,500, and was incurred mainly on rolling stock ordered before the war, on improvements on the main line to facilitate traffic, on expenditure on the company's colliery at Bokharo, and on the purchase of the Tumsar Road-Tirodi Manganese Tramway. There was no capital expenditure on the construction of new lines. With regard to revenue, he stated that the nett earnings increased from Rs. 2,26,20,000 for the year ended March, 1916, to Rs. 2,65,92,000 for the year ended March, 1917. The working expenses fell from 49.01 per cent. to 48.10 per cent. Passenger traffic showed an increase in receipts of about 8½ lakhs, and goods traffic an increase of Rs. 60 lakhs. The surplus revenue of the railway amounted to £723,612, of which the share of the company was £101,257 for the 12 months ended March 31, 1917, as compared with £68,910 for the previous corresponding period, and the share taken by the Government was £617,265, as compared with £415,358. These were very satisfactory figures, earned under conditions entirely different from those before the war. There was no doubt that the war had created a great deal of traffic on the line which was of a temporary character, and when peace was declared this traffic would cease. At the same time, the normal conditions of trade had been revolutionised by the state of war. New markets had been opened for the productions of India, and the seeds of new industries hitherto strange to India had been sown which, when peace was restored in the world, would, the board believed, bear fruit in adding to the productive wealth of the country and to the traffic of its railways, in which this undertaking would share. Another factor which would create new traffic for the railway was the diversion of traffic from the sea-coasting routes to destinations also on a railway route. In his opinion, the effect of the war on this railway would be to the good, and there was no need to fear that when it ended their present earnings would be seriously affected. With regard to the condition of the railway, expenditure on this account was divisible under two very distinct heads. The first was the maintenance and the second was the improvement of the undertaking. These two distinct operations must not be confused together under the single head of "renewals." As regarded this railway, it had been well maintained up to date, and the last report by the Government inspector confirmed this view. In regard to improvements, such works had necessarily been restricted to narrow limits for want of sufficient supplies from home of stores required for their construction. As to capital expenditure, he remarked that for some years great caution must govern them, as the interest on all capital raised in the future would certainly be much higher than in the past, and if there was any danger of nett receipts being affected, it would be most likely from the direction of high interest on capital for works which the railway must carry out to meet its public obligations. The negotiations which had been in hand for the last three or four years for this railway to construct a harbour and docks at Vizagapatam had been successfully concluded, and the formal agreement with the Secretary of State was now in course of preparation. The harbour and docks would be constructed and worked by the Bengal-Nagpur Railway, and the port had every prospect of ranking equally with the other large ports of India, and would most certainly be a large factor in developing traffic on this railway. They had many projects incubating, waiting only for hostilities to cease to spring into existence. Great developments were taking place in the Tata Iron and Steel Co.'s works situated on this railway. The steel plant was being largely increased, and other plant was to be erected which would induce the creation of other local industries, whose wants the steel company would later be able to cater for. In fact, the whole valley from Sini to Khargpur bade fair to be the site of an industrial development which would be of advantage to the railway. After a tribute to the work of the staff, a large number of whom are engaged on military service, the Chairman said that it was proposed to pay a final dividend of ¾ per cent. and a bonus of 2 per cent., the dividend being the same but the bonus ½ per cent. higher than last year, leaving about £194,000 to be carried forward. In conclusion, he moved the adoption of the report and accounts.

Mr. A. Brereton, C.S.I., seconded the resolution, which was carried, and the dividend and bonus, as recommended, being in addition to the guaranteed interest, were also agreed to.

ARGENTINE GREAT WESTERN RAILWAY.

The ordinary general meeting of the Argentine Great Western Railway Co., Ltd., was held on Thursday, at Winchester House, Old Broad Street, E.C., the Right Hon. Lord St. Davids (the chairman) presiding.

The Secretary (Mr. J. T. Dillon) having read the notice convening the meeting and the report of the auditors,

The Chairman said: The gross receipts for the year show a slight increase over those of the previous year, having amounted to £998,000, as compared with £972,000, being an increase of £26,000, which is equivalent to 2.69 per cent. Seeing that there was a dividend of 5 per cent. paid on the ordinary stock last year, and that the gross receipts show the increase mentioned, the ordinary stockholders may possibly ask why their dividend has been reduced to 1½ per cent. They may wonder whether they would have been better off if the company had been working the line for its own account instead of having entered into the agreement with the Buenos Ayres and Pacific Co., under which the dividend on our ordinary stock has to correspond with the dividend paid by the Buenos Ayres and Pacific Co. on its second preference stock. Our railway must always of necessity be more expensive to work than any other of the large railways in Argentina, on account of its long distance from the coast. In the last year during which we worked our line ourselves our working expenses were 68.11 per cent., or 10.27 per cent. higher than the Pacific Co.'s expenses in that year. If that rate of expenses were applied to our receipts this year we should only be able to distribute in interest and dividend £320,000, whereas we are actually distributing £460,000. We have, however, to take into account that a great deal of our traffic has been diverted to the Pederera La Paz section, which belongs to the Pacific Co., and that without this diversion our gross and nett receipts would have been larger. Another factor to be considered on the other side is that for the last three or four years we have been owing to the Pacific Co. on capital account over £1,400,000, and if we had raised this money ourselves we should have had to find the interest upon it. It is difficult to arrive at an exact figure based on the various factors I have mentioned, but a statement of them which I have before me shows that we should not have fared so well as we have done during the past year if we had been working on our own account. There would not have been sufficient to pay any dividend at all on the ordinary stock, and not enough to pay the full dividend on the preferred stock. Since the commencement of the new financial year we have, as you are all aware, had serious troubles with strikes on all Argentine railways. Some damage was done to our railway, and the proper claim for compensation will be put forward to the Argentine Government. At the request of the companies the Government has approved of an all-round increase of rates by 22 per cent., which came into force last month, but we understand that some further increase will be sanctioned to make up the amount which the railway companies have to pay in higher wages to the men. I told you at our meeting last year that the prospects of the harvest were bad; to-day they are quite good, with the exception of an area in the south, where some damage has been done by frost. The position as to this year's prospects of the Pacific group of railways on which your own dividend depends is that there appears to be enough grain on the point of being harvested to give us a year substantially better than last year if it can all be exported. You must remember, however, that the financial year of the railways ends on June 30, and it is highly doubtful to my mind whether the bulk of the wheat and oats can have been exported by then owing to the shortage of shipping. To sum it up, if there are plenty of ships we may do better than last year, and if there are not we shall possibly not do so well. The whole matter turns upon the shipping available. With regard to our own line and the outlook for the vines, the general manager in a cable which came to hand last week said that "the prospects generally could not be better."

The Hon. Charles N. Lawrence seconded the motion, which was unanimously adopted.

SUMATRA PARA RUBBER PLANTATIONS.

The tenth annual ordinary general meeting of the Sumatra Para Rubber Plantations, Ltd., was held, on Thursday, in the Council Room of the Rubber Growers' Association (Incorporated), 38, Eastcheap, E.C., Mr. Herbert Augustine Barrett (chairman of the company) presiding.

The Secretary (Mr. W. E. Crane) having read the notice convening the meeting and the report of the auditors,

The Chairman said: In the accounts we have endeavoured to set out the position as clearly as possible, and I think you will agree it is eminently satisfactory. There is no change in either the amount of the issued capital, £125,000, or in reserve, £80,000. We have not thought it necessary to add to the latter, as the company's position is already so sound, and in these times we conceive it our clear duty to recommend as high a division of profits as is compatible with the proper safeguard of our resources. After writing off the usual amount of £1,500 for depreciation of buildings and machinery, property account shows an increase of £10,229. The greater part of this expenditure was on the further development of the estate and the upkeep of the areas not yet in bearing. Our investments remain the same, and I am glad to say no further provision for depreciation has been necessary. With our available cash you will see we took up £20,600 of the last 5 per cent. War Loan, together with 5 per cent. Exchequer Bonds to the

amount of £6,000—a patriotic and at the same time business method of utilising the cash until such time as it is required in the business. Turning to the profit and loss account, you will see that undivided profits to the total of £9,033 were carried forward from last year, making, with this year's net profit of £57,847, a total of £66,881. Deducting the amount of the interim dividend of 3d. per share paid in February last, there remains an amount of £51,256, out of which we recommend for your consideration the payment of a final dividend of 7d. per share, making 10d. per share—the same distribution as last year. A distribution on that basis increases the undivided profits to £14,797, which, however, is subject to excess profits duty. In reviewing the accounts, I have left to the last the price at which our produce was marketed and its cost. Our total crop was 727,727 lbs., being 27,727 lbs. over the estimate, and I think you will agree that at 2s. 9.14d. per lb. gross it was disposed of to good advantage. That price is 1d. per lb. better than was realised for the previous season's crop, but against this we have to face an increase of nearly 2d. per lb. in our "all-in" cost of production. The report in your hands shows an additional 450 acres ready for planting, and cable advice has recently been received from our Singapore agents, Messrs. Hooglandt and Co., that the planting of this additional area should be completed by the middle of this month. They also send us the gratifying news that a further 450 acres have been felled. Mr. Maurice Maude, of Cicely Estate, who you will remember has visited the estate on several occasions at our request, having returned to England, we asked Mr. E. D. Lane, of the Rubber Estates of Krian, in September last to pay a visit to the estate, and make a report. You will be pleased to hear that Mr. Lane fully confirms all that Mr. Maude told us about the fine condition of the property. Mr. Lane was particularly struck by the standard of tapping, and in his report he states that he has "seldom seen tapping so well done, and certainly never seen better." Our estimate of crop for the current season is 840,000 lbs., towards which the first four months contributed 306,000 lbs., so that it looks as if the estimate will be comfortably exceeded.

Mr. J. C. Tate seconded the motion, which was carried unanimously, and resolutions were passed approving the payment of the final dividend recommended, re-electing the retiring directors and auditors, and voting 500 guineas to war charities.

The meeting closed with a vote of thanks to the chairman and the directors and to the managers and staff in the East.

FANTI CONSOLIDATED MINES.

The ordinary general meeting of the Fanti Consolidated Mines, Ltd., was held on Tuesday at the Cannon Street Hotel, Mr. Edmund Davis (the managing director) presiding.

The Secretary (Mr. J. Coltman) read the notice convening the meeting.

The Chairman, in moving the adoption of the report, said that owing to the depreciation in the value of some of the company's shareholdings the payment of dividends was rendered impossible. For all practical purposes the depreciation might be taken as arising from two holdings—namely, 255,431 shares in Abbontiakoon Mines, Ltd., and 300,000 of Prestea Block A. It was proposed that application should be made to the High Court for the reduction of the Fanti capital by writing off 2s. per share. With regard to the question of revenue, at October 31, there was a balance of £53,873 to the credit of profit and loss account; deducting £5,232 brought in at December 31 last, this showed a balance for the first ten months of the current year of £48,641. Were the capital reduced, and as the directors anticipated that no further provision would be required for depreciation, there would be, with such revenue, a large amount available for distribution in each year after the reduction of capital, and it was with that object that they were recommending the scheme. He desired to draw special attention to the working of the very extensive manganese deposits on the Dagwin Extension Concession owned by the Wassaw Exploring Syndicate, which was controlled by the Fanti Consolidated, and to the manganese deposits which ran into the adjoining property, the Dagwin Concession, in which their interest was two-fifths. On receiving intimation relating to the discovery steps were taken for the immediate development of the proposition, and shipments commenced in September, 1916. Up to November 28, 1917, 24,786 tons had been shipped and sold from the Dagwin Extension and 5,961 tons from the Dagwin Concession. They had done everything possible to develop this manganese proposition on a large scale, and were now in a position, with their present limited supply of labour, to mine and produce 5,000 tons per month from the Dagwin Extension and Dagwin properties. With reference to the development of the properties the latest reports from the Dagwin were for the week ended October 20, 1917, when there were in stock on the mine 6,350 tons, of which from 4,000 to 5,000 tons were shipping ore. On the Dagwin Extension at the same date there were in stock on the mine about 15,000 tons of ore, of which about 10,000 tons were shipping ore. On the Dagwin Extension they had now proved the existence of the deposits right through the property and into the Insuta Concession.

Mr. Edmund W. Janson seconded the motion, which was carried unanimously.

A resolution was also passed approving the proposed reduction of capital by writing down the shares from 10s. to 8s. each.

LONDON-AMERICAN MARITIME TRADING.

The annual general meeting of the shareholders of the London-American Maritime Trading Company, Limited, was held on Thursday at the Great Eastern Hotel, Liverpool Street, E.C., the Earl of Wemyss (the Chairman) presiding.

The Secretary (Mr. J. E. Wilkins) having read the notice convening the meeting and the auditors' report,

The Chairman said that they were still in the throes of the greatest tragedy the world had ever seen, and that it would be folly to attempt to forecast the future or to estimate profits that are to be. All that directors of companies in these days can do is to do the best for their shareholders and at the same time loyally to support those restrictions on their trading that the Government thinks necessary to impose. The company's fleet had had its full share of losses by submarines. When the company started business, all the ships were under time charter—an excellent arrangement when freights were low, but when freights were high they were unable to take advantage of that fact, while an enormous sum had to be paid for insurance. In the past year this outlay was £100,000, but the Government had taken over all war risks on requisitioned vessels, and this expenditure would, he hoped, be materially lightened in the next year. The cost of running these ships was enormous, for although they were debarred from charging high freights, they were obliged, of course, to pay all the expenses and all the premiums, &c., and the position was therefore very difficult.

The result of their acquisition of the Leander Steamship Company, however, was that a dividend of £48,435 had been received, which had saved the situation, because under the time charter it would have been impossible to run their ships at a profit. During the year they had purchased the ss. *Benwood*, which was not under time charter, and had done very well for the company. Moreover, in the current financial year three more ships had been purchased, from which he hoped very good results would be shown next year. At the time of last year's meeting the outstanding debentures were £169,945. On July 31, 1917, they were £81,880, and on September 25 £66,750. At that date the company deposited £72,000 for the redemption of all debentures, premium and interest, and in consequence the ships were released from mortgage to the trustees. Out of the sum of £72,000 deposited with the trustees a further drawing of debentures has taken place, and the balance outstanding at the date of the meeting will be approximately £54,000; so practically the debentures were wiped off, a satisfactory state of affairs which enabled the preference shareholders to have a first charge on the revenues. Against the reduction of debentures they had obtained an advance from their bankers of £81,000, now reduced to £72,500. From profit and loss account they transferred £20,000 to reserve for contingencies, and they had also a general reserve of £20,000 and a special reserve of £90,000. Of the last, however, he feared that excess profits tax (the amount of which was not yet ascertained) would absorb by far the greater part. Therefore the reserves they could count upon at present might be called £80,000. The large item of £186,785 for sundry creditors was perfectly good; it consisted of claims which the Government had not yet settled for insurance of vessels sunk. The result of the year's trading was an available balance of £41,331 4s 11d, after transferring the £20,000 to reserve. They had already paid to the ordinary shareholders a dividend of 5 per cent., which, with the 7 per cent. on the cumulative and participating preference shares, left £26,831 4s 11d. at their disposal. The directors proposed to pay a further and final dividend of 7 per cent. on the ordinary shares, which would require £10,000, and there would remain a balance of £16,331 4s 11d. to be carried forward. This balance, however, would be subject to the proposal which the directors thought it right to make that the preference shareholders should receive a further £1,750, representing an additional dividend of 1½ per cent., so that they would receive in all for the year a return of 8½ per cent. He hoped shareholders would not think that the result of the year's work was unsatisfactory.

A resolution was formally passed to pay the directors' fees, free of income-tax, and the proceedings terminated with a vote of thanks to the chairman and directors.

OILFIELDS PRODUCTION.

Anglo-Egyptian.—For the past week:—Gemsah, 608 tons, against 19 tons previous week; Hurghada, 1,958 tons, against 3,419 tons previous week.

European.—Week ended Nov. 25, 67,700 poods.

Lobitos.—Month of November, 6,668 tons.

New Schibaieff Petroleum.—For Oct., gross 4,559 tons, nett 2,544 tons.

Spies Petroleum.—Week ended Nov. 11, 3,413 tons; and week ended Nov. 18, 3,272 tons. Total for year from Jan. 14 to Nov. 18, 129,429 tons, against 119,520 tons for the corresponding period of last year.

United British of Trinidad.—Week ended Wednesday, Nov. 28, 607 tons.

Ural Caspian.—Week ended Nov. 8, 2,362 tons.

Imperial Chinese Government Five per Cent. Hukuang Railways Sinking Fund Gold Loan of 1911.—The coupons due December 15 will be paid on and after that date at the offices of the Hongkong and Shanghai Banking Corporation, 9, Gracechurch Street, E.C.

The Treasury has been consulted under the notification of the 18th January, 1915, and raises no objection to this issue. It must be distinctly understood that in considering whether they (the Lords Commissioners) have or have not any objections to new issues the Treasury does not take any responsibility for the financial soundness of any schemes or for the correctness of any of the statements made or opinion is expressed with regard to them.

The special permission of the Committee of the Stock Exchange has been granted for dealing in the Notes.

The Subscription List will open on Saturday, the 8th December, 1917, and close on or before Thursday, the 13th December, 1917.

THE GRAND TRUNK RAILWAY COMPANY OF CANADA.

Issue of £1,000,000 Three-year 6 per Cent. Secured Notes, dated 15th January, 1918, repayable at par 14th January, 1921, for the purpose of redeeming a similar amount of 5½ per Cent. Secured Notes falling due 14th January, 1918.

Interest payable half-yearly on the 15th July and 15th January. The Notes will carry the full half-year's interest payable 15th July, 1918.

The Notes will be to bearer in denominations of £200 and £100, which may be registered as to principal only.

The Notes will be secured by the deposit with the Trustee of £1,700,000 Grand Trunk Perpetual Four per Cent. Consolidated Debenture Stock.

TRUSTEE:

UNION OF LONDON AND SMITHS BANK, LIMITED.

Issue price £98 10s. per cent., payable as follows:—

£10 per cent. on Application.
£88 10s. do. 11th January, 1918.
£98 10s.

The Holders of the existing Three Year 5½ per Cent. Notes maturing on the 14th January next may convert the whole or any part of their holdings into the new 6 per Cent. Notes at the rate of £100 £5½ per Cent. Note for each £100 £6 per Cent. Note, receiving in addition a cash payment of £1 10s. per cent.

The Directors of the Grand Trunk Railway Company of Canada invite applications for the above Notes.

As the present issue is for the purpose of paying off a similar amount of Notes maturing, the annual fixed charges of the Company will not be appreciably increased.

Applications must be made on the accompanying Form A and forwarded to the Company's Bankers, Messrs. Glyn, Mills, Currie and Company, 67, Lombard Street, London, E.C., 3, with a deposit of £10 per cent. on the amount of Notes applied for.

Should it not be possible to make an allotment in full in respect of the amounts applied for, any excess on the amount deposited on application will be applied towards the sum payable on the 11th January, 1918.

Holders of the existing Three Year 5½ per Cent. Notes maturing 14th January, 1918, desirous of converting their holdings into the new Six per Cent. Notes now offered should fill up the Form B, printed in red, which accompanies the prospectus, and forward it to the Office of the Company.

A brokerage of 5s. per cent. will be paid in respect of allotments and conversions made on forms bearing the stamps of Bankers or Stockbrokers.

The Six per Cent. Notes with half-yearly interest coupons attached will be issued after the 14th January, 1918.

Prospectuses and Forms of Application can be obtained at the Offices of the Company: of Messrs. Glyn, Mills, Currie & Company, 67, Lombard Street, London, E.C. 3, and of Messrs. Coates, Son & Company, 99, Gresham Street, London, E.C. 2.

On behalf of the Board,

ALFRED W. SMITHERS, Chairman.

Dashwood House, 9, New Broad Street, London, E.C.2.

7th December, 1917.

THIS FORM MAY BE USED.

A. FORM OF APPLICATION. No.....

The Grand Trunk Railway Company of Canada.

ISSUE OF

£1,000,000 THREE-YEAR 6 PER CENT. SECURED NOTES.

Issue Price £98 10s. per cent.

£10 per cent. payable on application.

To the Directors of the Grand Trunk Railway Company of Canada. GENTLEMEN,—Having paid to Messrs. Glyn, Mills, Currie & Co., 67, Lombard Street, London, E.C. 3, the sum of £....., I request that you will allot to me on the conditions of the Prospectus, dated 7th December, 1917, £..... of the above Notes, and I agree to accept the same or such lesser amount as may be allotted to me, and to pay the balance due thereon on the 11th January, 1918.

Signature.....

Name of Applicant in full (Mr., Mrs., or Miss).....

Address.....

Date..... December, 1917.

All Cheques to be made payable to Bearer and Crossed, and when altered from "Order" to "Bearer" the alteration must be signed by the Drawer. A separate Cheque must accompany each application.

An acknowledgment will be forwarded in due course, either by Allotment Letter or by return of the Deposit.

The List of Applications will be closed on or before Thursday, the 13th December, 1917.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Wks. Amount	In. or dec. on last year.	
Assam Bengal ..	Oct. 20	Rs. 1,27,617	— 10,399	Rs. 3,51,133	— 46,015	
Barsi ..	" 27	15,300	— 13,200	4,92,500	— 102,900	
Bengal & N.W. ..	" 20	3,17,270	— 54,607	8,56,730	— 89,921	
Bengal Nagpur ..	" 27	9,81,000	— 92,000	3,04,87,358	— 3,79,280	
Bombay, Baroda ..	Nov. 24	13,89,000	— 88,000	99,76,000	— 1,88,000	
Burma ..	Oct. 13	6,59,223	— 38,573	10,731,537	— 1,37,798	
Delhi Umballa ..	Nov. 24	92,800	— 11,243	7,76,486	— 1,54,920	
East Indian ..	Dec. 1	25,10,000	— 2,00,000	2,05,06,000	— 10,74,000	
Gt. Indian Penin. ..	Nov. 24	23,18,300	— 16,800	1,34,21,700	— 8,77,382	
Lucknow-Bareilly ..	Oct. 20	46,091	— 7,626	1,26,171	— 20,083	
Madras and S. ..	" 27	8,75,000	— 10,352	33,75,000	— 11,890	
Nizam's Gd. (Broad) ..	" 13	1,12,063	— 3,523	2,14,000	— 429	
.. (Metre) ..	Sept. 30	59,103	— 1,471	1,14,403	— 5,900	
Rohilkhand ..	" 27	4,41,440	— 965	1,20,867	— 7,996	
Kumaon ..	Oct. 23	6,22,350	— 74,848	23,83,664	— 1,26,158	
South Indian ..	" 27	4,24,354	— 74,848	23,83,664	— 1,26,158	

TRAMWAY AND OMNIBUS.—HOME.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Wks. Amount	In. or dec. on last year.	
Bristol ..	Nov. 30	£ 11,303	— 1,472	£ 527,711	— 42,885	
Dublin United ..	" 30	6,836	— 784	322,771	— 31,032	
Hastings and Dist. ..	Dec. 2	1,013	— 162	59,770	— 9,661	
Isle of Thanet ..	Oct. 13	195	— 141	350	— 324	
Lancashire United ..	Nov. 28	2,383	— 653	112,942	— 25,213	
Provincial ..	Oct. 27	2,335	— 201	9,138	— 507	
Yorks. (Wst. Rding.) ..	Dec. 2	2,387	— 619	102,463	— 17,980	

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Wks. Amount	In. or dec. on last year.	
Alabama Power ..	Sept. 2	£ 105,607	— 17,457	£ 1,231,011	— 369,531	
Anglo-Argentine ..	Dec. 2	54,691	— 1,641	2,492,924	— 38,493	
Auckland Electric ..	Oct. 26	22,308	— 880	92,118	— 7,832	
Brazilian Traction ..	Sept. 2	M7,925,000	— M787,000	M684,300	— M527,900	
Brisbane Elec. Inv. ..	Oct. 1	33,880	— 820	328,420	— 2,000	
British Columbia ..	" 1	91,456	— 5,038	291,155	— 27,648	
B. A. Lacroze ..	" 1	39,057	— 603	149,879	— 1,737	
Burmah Electric ..	" 1	Rs. 28,955	— Rs. 813	55,123	— Rs. 3,907	
Calcutta ..	Dec. 1	Rs. 71,598	— Rs. 518	Rs. 312,016	— Rs. 84	
Carthage and ..	Nov. 6	3,932	— 1,680	45,142	— 17,751	
Cordoba Light ..	Sept. 2	12,463	— 850	82,895	— 1,588	
P. & T. ..	Sept. 22	14,080	— 365	513,646	— 41,551	
Hongkong ..	Oct. 6	4,069	— 365	40,615	— 1,441	
La Plata ..	Sept. 13	13,700	— 522	142,448	— 1,335	
Lima ..	Nov. 30	Rs. 33,914	— Rs. 4,250	Rs. 765,562	— Rs. 70,392	
Madras Electric ..	Aug. 8	65,467	— 4,667	547,492	— 70,625	
Manila Electric ..	Nov. 5	215,256	— 108,666	3,193,333	— 197,227	
Mexico ..	Oct. 6	13,420	— 209	49,313	— 1,975	
Rangoon ..	Nov. 1	5,358	— 325	517,304	— 13,174	
Singapore Electric ..	Oct. 6	14,813	— 7,190	4,603,620	— 247,886	
Toronto ..	Nov. 1	31,060	— 2,656	31,060	— 2,656	
United of Monte V. ..	Sept. 5	56,400	— 4,282	464,000	— 531,038	
Vera Cruz ..	Oct. 1	91,961	— 4,282	562,088	— 531,038	
Winnipeg ..	Oct. 1	91,961	— 4,282	562,088	— 531,038	

b 28 days. * From Jan. 1. † Net. a From July 1. c Two weeks.

FOREIGN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Wks. Amount	In. or dec. on last year.	
Alcoy and Gandia ..	Nov. 24	Ps. 10,000	— Ps. 9,500	Ps. 519,520	— Ps. 80,780	
Antofagasta (Chili) ..	Dec. 2	49,505	— 11,970	2,040,850	— 368,460	
Arauco ..	Oct. 31	10,500	— 2,500	102,580	— 17,700	
Argentine N.E. ..	Dec. 1	9,100	— 3,400	161,480	— 13,998	
Bilbao R. and Canta ..	Oct. 1	3,911	— 1,426	35,861	— 10,946	
Bolivar ..	" 1	10,000	— 3,186	42,708	— 13,384	
Brazil ..	Aug. 1	M4,432,000	— M532,287	M319,800	— M377,987	
Brazil Gt. Southern ..	Dec. 1	Mis. 38,300	— M2,080	M325,937	— M43,467	
B. Ayres & Pacific ..	Dec. 1	100,000	— 17,000	1,407,000	— 439,000	
Do. Central ..	Sept. 1	18,317	— 7,787	70,915	— 4,287	
Do. Gt. South'n ..	Dec. 2	148,000	— 29,000	1,916,705	— 361,549	
Do. Western ..	" 2	73,000	— 23,000	804,000	— 355,000	
Central Argentine ..	" 1	129,000	— 21,000	1,751,700	— 723,000	
C. Ur'g'ay of Mts V. ..	" 1	21,932	— 5,728	386,347	— 116,796	
Do. East'n Ex. ..	" 1	6,533	— 1,251	99,486	— 8,811	
Do. North'n Ex. ..	" 1	2,992	— 736	64,621	— 21,096	
Do. West'n Ex. ..	" 1	2,504	— 335	43,290	— 2,336	
Cordoba Central ..	" 1	31,500	— 6,000	619,560	— 62,825	
Costa Rica ..	Oct. 20	3,577	— 736	148,659	— 33,216	
Cuban Central ..	Dec. 1	12,747	— 3,674	259,547	— 58,899	
Dorada Extension ..	Oct. 1	8,300	— 1,500	90,700	— 7,800	
Egyptian Delta ..	" 10	9,395	— 2,506	119,011	— 21,090	
Entre Rios ..	Dec. 1	19,200	— 8,700	262,200	— 6,500	
French Santa Fé ..	Aug. 1	132,000	— 29,099	900,336	— 173,429	
Gt. South of Spain Gt. West. of Brazil ..	Nov. 24	Ps. 42,951	— Ps. 27,475	Ps. 403,762	— Ps. 153,338	
Havana Central ..	Dec. 1	22,200	— 2,800	652,350	— 141,850	
Inter. of C. Amer. ..	Nov. 10	7,627	— 1,333	138,448	— 19,495	
La Guaira and Car. ..	Oct. 27	10,889	— 381	227,876	— 29,867	
Leopoldina ..	Nov. 1	6,500	— 500	80,500	— 4,750	
Midland Uruguay ..	Dec. 1	36,084	— 7,017	1,434,244	— 234,547	
Mogiana ..	Oct. 1	14,362	— 783	51,703	— 6,130	
N.W. of Uruguay ..	Aug. 1	M3,248,000	— M526,674	M14,591,000	— M40,707	
Nitrate ..	Oct. 1	26,000	— 783	296,174	— 84,141	
Paraguay Central ..	Nov. 30	33,006	— 606	707,618	— 85,799	
Paulista ..	Dec. 1	2,990	— 220	63,700	— 6,400	
Peruvian Corp'n ..	July 1	M3,330,000	— M638,609	M15,086,000	— M949,280	
Salvador ..	Nov. 1	S1,034,790	— S108,970	S4,997,180	— S472,530	
State of Bahia S.W. S. Paulo (Brazilian) ..	Dec. 1	M10,000	— M2,000	M10,000	— M1,000	
Sorocabana ..	Aug. 1	46,344	— 8,694	1,451,621	— 83,447	
Taitai ..	Oct. 1	M2,676,000	— M222,853	M12,975,000	— M144,547	
United of Havana ..	Oct. 1	31,335	— 8,940	92,108	— 13,448	
West'n of Havana ..	Dec. 1	42,062	— 8,173	821,817	— 137,273	
Zafra and Huéla ..	Oct. 1	6,919	— 1,780	151,538	— 25,032	
	Oct. 1	11,796	— 207	113,282	— 2,870	

* Months. † From Jan. 1. ‡ From July 1. c Net. b 15 days. a 10 days

COLONIAL RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Wks. Amount	In. or dec. on last year.	
Belra ..	Aug. *c	£ 54,914	— 12,287	£ 706,175	— 4,297	
Canadian Northern ..	Nov. 30	\$1,183,300	— \$24,100	\$18,583,600	— \$437,500	
Canadian Pacific ..	" 30	\$4,598,000	— \$52,000	\$13,990,000	— \$1,176,000	
Gr. Trk. Main Line ..	" 30	274,169	— 4,746	9,808,374	— 886,930	
Gr. Trk. Western ..	" 30	55,887	— 9,036	1,824,891	— 70,928	
Detroit G. H. & M. ..	" 30	19,190	— 2,128	634,234	— 12,393	
Gr. Trk. Pac. Prairie Sc. ..	" 30	50,771	— 5,990	641,496	— 170,212	
Mashonaland ..	Aug. *	£ 54,914	— 12,287	£ 706,175	— 4,297	
Mid. of West'n. Aus. ..	Sept. *	6,507	— 42	17,546	— 376	
New Cape Central ..	Oct. 20	2,209	— 591	76,286	— 10,812	
Rhodesia ..	Aug. *c	£ 92,200	— 5,417	£ 931,147	— 48,185	

* Months. † July 1. ‡ Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year	No. of Mths.	Amount.	In. or Dec. on last year
		Dols.	Dols.		Dols.	Dols.
Atchafalpa T. & S. Fe ..	Sep.	3,933,000	— 850,000	9	37,525,000	+ 4,430,000
Atlantic Coast Line ..	"	757,000	+ 132,000	9	8,260,000	+ 337,000
Baltimore & Ohio ..	"	3,441,000	— 197,000	9	24,037,000	— 629,000
Canadian Northern ..	Oct.	591,100	— 620,200	4	2,515,100	— 1,707,200
Canadian Pacific ..	"	5,055,000	— 1,383,000	10	37,377,000	+ 2,514,000
Chesapeake & Ohio ..	"	1,164,000	— 218,000	9	10,329,000	— 1,172,000
Chicago & N.W. ..	"	2,634,000	— 404,000	9	19,483,000	— 2,498,000
Chicago Burl. & Q. ..	Aug.	3,439,000	— 674,000	8	24,422,000	+ 1,507,000
Chicago G.W. ..	Sep.	188,000	— 172,000	9	4,273,000	— 746,000
Chicago Mil. & S.P. ..	"	1,599,000	— 1,525,000	9	17,298,000	— 4,550,000
Chicago, Rock I. & P. ..	"	1,664,000	— 359,000	9	15,157,000	— 1,977,000
Colorado & Southern ..	"	476,000	— 47,000	9	9,339,000	+ 719,000
Cuba ..	"	75,896	— 106,949	4	581,810	— 123,689
Delaware & Hud. ..	"	673,000	+ 2,000	9	5,002,000	— 893,000
Denver & Rio Gran. ..	"	742,000	— 182,000	9	5,741,000	— 878,000
Erie ..	"	832,000	— 725,000	9	8,094,000	— 5,877,000
Gr. Tr. Main Line ..	Oct.	£ 157,600	— £ 120,300	10	£ 1,821,100	— £ 499,300
Grand Trunk Westn ..	"	£ 27,850	— £ 3,800	10	£ 219,800	— £ 364,350
Detroit G.H. & Mil. ..	"	£ 64,000	— £ 250	10	£ 67,700	— £ 98,800
Gt. Northern ..	Sep.	2,626,000	— 859,000	9	17,196,000	— 2,282,000
Illinois Central ..	"	1,703,000	+ 88,000	9	4,220,000	+ 1,864,000
Kansas City Southn. ..	Oct.	351,000	— 77,000	9	3,405,000	+ 659,000
Lehigh Valley ..	Sep.	851,000	— 231,000	9	7,775,000	— 1,560,000
Louisville & Nashvl. ..	"	1,472,000	— 114,000	9	14,070,000	— 250,000
Minn. S.P. (So.) ..	"	911,000	— 316,000	9	7,054,000	— 2,765,000
Miss. K. & Texas ..	"	760,000	+ 2,800	9	5,503,000	+ 2,344,000
Missouri Pacific ..	"	1,630,000	— 9,000	9	15,523,000	+ 1,111,000
New York Cent. & H. ..	"	4,955,000	— 1,281,000	9	36,447,000	— 11,970,000
N.Y. N. Haven & H. ..	Aug.	2,061,000	— 305,000	8	13,960,000	— 970,000
New York Ont. & W. ..	Sep.	193,000	+ 6,000	9	1,869,000	— 114,000
Norfolk & Western ..	"	1,861,000	— 125,000	9	16,005,000	— 1,820,000
Northern Pacific ..	"	2,388,000	— 957,000	9	21,435,000	— 31,000
Pennsylvania East ..	"					
and West Lines ..		10,356,000	— 415,000	9	72,908,000	— 11,917,000
St. Louis & San F. ..	Aug.	1,939,000	+ 404,000	2	3,576,000	+ 1,154,000
Seaboard Air Line ..	"	487,000	— 34,000	8	4,805,000	+ 196,000
Southern ..	Sep.	2,280,000	+ 365,000	3	6,220,000	+ 1,078,000
Southern Pacific ..	"	3,127,000	— 2,605,000	9	44,034,000	— 7,131,000
Union Pacific ..	"	4,276,000	— 801,000	9	30,325,000	— 1,455,000
Wabash ..	"	1,159,000	— 72,000	9	9,055,000	— 32,000

The Investors' Review

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CONTENTS.

Passing Events:—Revenue — Composition of the 5 per cent. War Loan — Mr. Asquith on a "Clean Peace" — Non-Ferrous Metal Industry Bill — National Bank of Scotland — Commercial Bank of Scotland — Beira Junction Railway — Mexican Railway — Khedivial Steamship — Henry Tate and Sons — *Book Monthly* — John I. Thornycroft — Pahang Consolidated — Four Important Russian Mines (pp. 559-603).

Leading Articles:—The Last Vote of Credit for the Year 1917-18 — Smudging the Nation's Credit — Rise in Food Prices — The Gas Industry and the Sliding Scale — By-the-Way War Notes (603-8).

American Business Notes:—Federation of Labour's Stipulations — Stock of Money in the Country — Seaboard Air Lines (p. 608).

Insurance News:—South British — British and South African — Fire Losses in November — Scottish Widows' War Bond Scheme — Union Marine and Northern Marine Companies' Provisional Agreement (p. 609).

Money and Credit Notes:—Money Slightly Harder — Bank Return — Scandinavian Exchange Lower — Nicaraguan Settlement — San Paulo Treasury Notes — Silver (pp. 610-2).

Answers to Correspondents (p. 608).

Letters to the Editor (p. 609).

The Week's Stock Markets (pp. 612-3).

London Produce Markets (pp. 613-4).

The Week in Mines (p. 614).

Mining News:—Transvaal Gold Production — Native Labour Returns — Naraguta (Nigeria) Tin — Kalgurli — Luipaard's Vlei — Middleburg Steam Coal — Pigg's Peak Development — Transvaal and Rhodesian Estates — Arniston Coal — Frontino and Bolivia — Jantar Nigeria Tin — St. John del Rey — Hampden Cloncurry — Tolima — Irtys Corporation — Koffyfontein Mines — Chillagoe Railway and Mines (pp. 614-5).

Tea, Oil, and Rubber:—Rubber Market — Excess Duty Inequalities — Sumatra Para Rubber Plantations — Kamuning (Perak) Rubber and Tin Co. — Jong-Landor Rubber Estates (pp. 615-6).

What Balance Sheets Tell:—Richard Hill and Co. (1899) — Argentine Southern Land Co. — Cassel Cyanide Co. — Argentine Transandine Railway Co. — Bombay, Baroda and Central Railway Co. — Bengal-Nagpur Railway Co. (p. 616).

Company Meetings:—Peninsular and Oriental Steam Navigation Co. — Cape Copper — Ashanti Goldfields — Spies Petroleum — Mount Yagahong Exploration and Finance Co. — Middleburg Steam Coal and Coke Co. — Irtys Corporation — The Tanalyk Corporation — Russo-Asiatic Corporation — The Kyshtim Corporation — Sengat Rubber Estate (pp. 617-22).

Oilfields Production (p. 622).

Dividends Announced (p. 623).

Public Income and Expenditure (p. 623).

Traffic Returns (p. 624).

BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital ...	£3,894,980
Reserve Fund ...	2,800,000
Reserve Liability of Proprietors ...	3,894,980
	£10,589,960

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, *Chairman*.

H. L. M. TRITTON, Esq.

WALTER S. M. BURNS, Esq.

DAVID GEORGE, *Manager*.

J. S. CAMPBELL, *Secretary*.

HALKERSTONE MELDUM, *Assistant Manager*.

DAVID GEDDIE, *Accountant*.

The Bank has 337 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, Queen Victoria Street, London, E.C. 4.

AUTHORISED CAPITAL £5,500,000

SUBSCRIBED CAPITAL.

Four per Cent. Guaranteed Stock	£529,988
"A" Preference Shares issued to New Zealand Government	500,000
"B" Preference Shares issued to New Zealand Government	250,000
Ordinary Shares	1,500,000
	£2,779,988
Reserve Fund and Undivided Profits	£2,246,595

Negotiates and collects Bills of Exchange. Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager

THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,980,000; together £3,980,000

Reserve Liability of Proprietors 4,000,000

Total Capital and Reserves £7,980,000

HEAD OFFICE 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection

DEPO-ITS are received for fixed periods on terms which may be ascertained on application.

THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - - - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital	£4,000,000
Paid-up Capital	1,800,000
Reserve Fund	2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Cordoba, Tucuman, Parana, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fe (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILI—Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	Yen 48,000,000
Capital Paid Up	Yen 36,000,000
Reserve Fund	Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Antung-Hsien.

Bombay.

Calcutta.

Changchun.

Dairen (Dalny).

Fengtien (Mukden).

Hankow.

Harbin.

Honolulu.

Hong Kong.

Kobe.

Liaoyang.

Los Angeles.

Lyons.

Nagasaki.

Newchang.

New York.

Osaka.

Peking.

Ryojun (Port Arthur).

San Francisco.

Seattle.

Shanghai.

Singapore.

Sydney.

Tientsin.

Tientsin.

Tokyo.

Tsinanfu.

Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

LONDON COUNTY & WESTMINSTER BANK LIMITED.

ESTABLISHED IN 1836.

AUTHORISED CAPITAL £17,000,000, in 850,000 Shares of £20 each.

Reserve exceeds - - - £4,600,000.

Chairman: The Right Hon. The **VISCOUNT GOSCHEN.** Deputy Chairman: **WALTER LEAF, Esq.**

HEAD OFFICE: 41, LOTHBURY, E.C. 2.

Joint General Managers: **F. J. BARTHORPE.** **J. W. BUCKHURST.**

Foreign Branch Office: 82, Cornhill, E.C. 3.

The Bank is represented by Branches or Agents in all the Principal Cities and Towns of the United Kingdom and has Correspondents throughout the World.

Spanish Branches:—Barcelona: Paseo de Gracia 8 & 10. Madrid: Calle de Alcalá 43.

Affiliated in Ireland: Ulster Bank Limited.

Affiliated in France: London County and Westminster Bank (Paris) Limited.

Paris: 22, Place Vendôme. Bordeaux: 22/24, Cours de l'Intendance.

EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED

EXECUTOR AND TRUSTEE DUTIES UNDERTAKEN.

STANDARD BANK OF SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province, to the Imperial Government in South Africa, and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL	£6,194,100
PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

BOARD OF DIRECTORS

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Sir David Miller Barbour, K.C.S.I.	William Smart, Esq.
K. G.	Right Hon. Lord Sydenham, G.C.S.I.,
Robert E. Dickinson, Esq.	G.C.M.G., G.C.I.E., G.B.E.
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OVER 250 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, South-West Africa Protectorate and the Belgian Congo, and with the Bank's Agencies in New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED AND COLLECTED.

MAIL AND TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT AND DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK issues CIRCULAR LETTERS OF CREDIT available in all parts of the world.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE AND SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, Etc., received.

EXECUTOR AND TRUSTEE BUSINESS undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

FRANCIS SHIPTON, London Manager.

ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

PAID-UP CAPITAL £2,000,000

REST AND UNDIVIDED PROFITS 914,968

DEPOSITS 26,177,865

Head Office: ST. ANDREW SQUARE, EDINBURGH.

Cashier and General Manager, **A. K. WRIGHT.** Secretary, **J. B. ADSHEAD.**

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager.

ALEX. DICK, Deputy-Manager.

Glasgow Office: EXCHANGE SQUARE.

A. DENNISTOUN, Agent.

THOMAS LILLIE, Sub-Agent.

167 Branches throughout Scotland.

Banking Business of every description transacted. Accounts opened and Agency business undertaken for Foreign and Colonial Banks and other financial establishments. Drafts, Circular Notes, and Letters of Credit issued—available throughout the world. Cable transfers are also made. Deposits received at interest repayable at call or at notice. Correspondence invited.

THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71 Old Broad Street, E.C. 2.

Subscribed Capital £1,278,747 10 0

Paid up Capital 689,670 0 0

Reserve Fund and Undivided Profits 375,680 11 8

Reserve Liability of Proprietors 606,962 10 0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon

Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

THE WESTERN AUSTRALIAN BANK.

Established 1841.

Paid-up Capital .. £250,000 0 0 25,000 Shares of £10 each.

Reserve Fund .. £700,000 0 0 Reserve Profits .. £16,065

Reserved Liability of Shareholders £250,000.

Drafts issued, Remittances cabled, Bills negotiated or collected, Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents, The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	£1,500,000
Capital Issued	1,125,000
Capital Paid Up	562,500
Reserve Fund	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS, CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital	£1,000,000.	Subscribed Capital	£825,000
Paid-up Capital	£500,000		
Reserve Fund	540,000		
	£1,040,000		
Uncalled Capital	125,000		
Reserve Liability of Shareholders	625,000		
	£1,790,000		

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD Manager.

ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office—38, Lombard Street, E.C. 3.

Subscribed Capital	£1,078,875 0 0
Paid-up Capital	539,437 10 0
Further Liability of Proprietors	539,437 10 0
Reserve Fund	500,000 0 0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION Manager.

Owing to the restrictions placed upon paper supplies we cannot provide newsagents with copies for chance sales. Would regular readers of the "Investors' Review," therefore, kindly place an order with their local newsagents or subscribe direct to the publisher?

The Investors' Review.

Vol. XL.—No. 1,041.
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Telephone No.:
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Telegraphic Address:
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The Editor cannot undertake to return rejected communications.

Letters from correspondents must, in every case, be authenticated by the name and address of the writer.

The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and they cannot accept responsibility for statements made therein.

ANSWERS TO QUERIES.

One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

Telegrams advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

Private Letters in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

Passing Events.

Last week's Treasury receipts and payments were of the stupendous amount of £166,010,000, or nearly £24,000,000 a day. Most of that total was made up of credit, and the actual expenditure upon the current affairs of the Empire was only £42,176,000, or an average of barely £6,011,000 a day. But interest on the war debt payable on the 1st inst. took £24,776,392. This was roughly the second half of the total amount due. In the previous week £26,777,457 was disbursed, so that altogether the half-yearly interest payable on the debt amounted to £51,540,000—and what became of this money? The Government, through its advertisement agents, inspired all newspapers to recommend reinvestment of it in new Government debt, in National War Bonds, and the recommendation seems to have been promptly and loyally obeyed. At any rate, the net sales of National War Bonds last week was the highest yet recorded, and £16,552,000 of the £23,000,000 odd subscribed came into the Exchequer during the week. Then the subscriptions to Treasury bills were of quite unusual magnitude, the total having been £117,745,000. Against this, £69,569,000 of due bills was repaid. The nett increase in the sales was nearly £38,000,000, and the increase in the War Bond sales over £10,000,000, so that together about £48,000,000 of the £51,556,000 of interest disbursed seems to have been reinvested. That shows that the public is fully awake to its duties, and anxious to perform them.

Besides these Treasury bills, the Exchequer last week received £1,300,000 from the Cunard Company, another £1,000,000 from sales of War Savings certificates, £19,524,000 from "other war debt" sources, £16,552,000 nett from National War Bonds, and £2,991,000 from temporary borrowings, making a total, including £11,727,000 from taxes and monopolies, of £170,899,000. The whole of this was not spent, although the amount of temporary war borrowings repaid exceeded the fresh amount borrowed by £18,000,000; but the large receipts from other sources enabled the Government to meet all demands upon it with £4,889,000 left over. This was added to the Exchequer balances, which a week ago were run

down to £10,585,000, and raised them to £15,474,000. Of the week's real income above mentioned, £4,673,000 was provided by excess profits duty and munitions levy and £542,000 came from ordinary income-tax and super-tax, or together, £5,215,000 out of the total £11,727,000. Except Customs, which gave £1,853,000, most of the other categories of income were quite modest in yield. It is noticeable that for the first time the return contains an entry of other war debt repaid. The amount was £6,296,000, which, deducted from the amount obtained from this unexplained source left the nett increase in that debt at £13,228,000.

At long length, for the "Finance Accounts for 1916-17" are lamentably behind date, we get an insight into the composition of the 5 per cent. War Loan. Its total amount was £2,067,219,000, but only £836,454,000 of this was actual cash subscribed. The balance of £1,230,765,000 came from conversions of pre-existing credits. That is to say, Treasury bills and War Expenditure certificates to the amount of £130,205,000 were converted, and £820,112,000 of the 4½ per cent. War Loan was also turned into the new 5 per cent. stock. Then £260,757,000 of 5 per cent. Exchequer bonds were exchanged, and also £19,690,000 of the 6 per cent. Exchequer bonds. We had hoped that the cash subscriptions—although really insignificant considered as a withdrawal from the nation's capital—would figure for a larger amount, and in this respect the disclosure made in the Finance Accounts is disappointing. That so little money should have been found after all the effort made may seem to reflect upon the policy followed in raising the money, or to indicate apathy and ignorance on the part of the nation, but it assuredly does warn the Government to look to current income for the bulk of its borrowings, even in time to come. Stored capital and credit both have their limits. The fact should stir up the Government to leave no legitimate device untried in order to get back from the people as much as possible of the credit dispersed as wages now flowing out in a delusively abundant stream. For what have we spent? Since the war began, and including the credit of £550,000,000 asked for this week by the Chancellor of the Exchequer, we have spent

£6,242,000,000, and the great War Loan at the beginning of this year did not provide us with one-eighth of that amount. At the very best an enormous and most complicated debt consolidation and conversion operation will therefore have to be carried through at the end of the war. Meantime, whatever can be done to relieve the strain upon our much-enduring and most loyal banks must be done so that we may be able to finish the war, and to obtain that clean peace which Mr. Asquith demands, without throwing our affairs into confusion.

Always when Mr. Asquith makes an important speech his words exercise a great and most valuable influence on the minds of his fellow-countrymen. His speeches at Birmingham on Tuesday were worthy of his commanding position and responsibilities, and should have a valuable effect in dissipating the mists which have in recent weeks been gathering around the war, causing doubts to generate and gnaw at the hearts of many even amongst those most resolute in desiring its prosecution to a successful end. We are not losing this war nor in the smallest danger of going to lose it unless we betray ourselves. So long as the high purpose proclaimed at the very beginning of the contest by Mr. Asquith and his colleagues is adhered to, so long does it remain certain that we shall win. In all but the necessary killing of the slave pawns of the Prussian the war is won already. Undoubtedly, as Mr. Asquith told the people at Birmingham on Tuesday, the failure of Russia at a critical juncture in the contest has thrown an immeasurably increased strain upon the Allies in the West, and perhaps, above all, upon Italy, but it is not an unbearable strain, and the comradeship of the United States will far more than compensate us for Russia's desertion. Moreover, the strength of the criminal empires is far less equal to the task of profiting by the *débâcle* in the East than their tyrants would have us believe. We must, therefore, keep a stout heart to a stiff climb and press on. For it is a "clean peace" that we must have for ourselves and for all our Allies, for the oppressed nationalities everywhere. It is not a peace of annexation and plunder such as the arrogant Prussian military tyrants still openly proclaim as their goal. Our peace must come from the destruction of just this accursed Prussian militarism. It is quite true, therefore, and quite right to insist upon our absolute freedom from any desire to coerce even the miserable German people themselves. We are not going to try to arrange their form of government for them; that is their affair. But we none the less hope that it is not the intention of the Powers to leave the Prussians in possession of their present frontiers at any point. That would not be leaving the German people to form their own government, it would be a betrayal of our Ally, France, of Belgium, of all the little nations, and Europe. The Prussian must be dislodged from all the territories grabbed by Prussia's rulers one may say since the close of the seven years' war. That is one of the essential conditions of a "clean peace," without which no suppressed nationality within the two brigand empires could be set free. The Rhine must be completely delivered from German dominance, and all the mineral regions wrenched from France in 1815 and 1871 must be taken out of Prussian hands, because only thus can they be deprived of the means to prepare for and wage another war, and the German people must learn, as Mr. Asquith, sanguine man that he is, believes they are learning now, that as a matter of business, apart from sentiment and from ethics, "the system of inducing prosperity by force of arms does not pay." Perhaps—but we mean to "mak siccar."

After carefully reading Tuesday's debate in the Commons on the Non-Ferrous Metal Industry Bill we remain as much befogged as ever. Is it by any chance the beginning of that "persecution of the Jews" of which we have heard so many signallings. The Metallgesellschaft, of Frankfort, is a Jewish conceived and governed corporation, and all-powerful the world

over just because it is so. And undoubtedly this far-spread corporation did have a practical monopoly control over the metals other than iron which are required in our industries. Is that control going to be broken and ended by putting the dealers in these metals under licence? There seems to be doubt upon that point, and we could not get light even from what the Chancellor of the Exchequer himself said. He was very strenuous and most protestatory as to his motives, and the sincerity of his desire to act in accordance with the memorandum adopted at the Paris Conference of the Allies, and also in harmony with the feeling in the House of Commons in dealing with this subject; but why this haste? What has been happening? Has this Semitic Metallgesellschaft been interfering even during the war with our supplies? And is there no other way possible of preventing this interference, assuming it active, than by passing an Act to put every dealer in these metals, and every user, we suppose, under licence and official supervision? Really, we think the country ought to be treated a little more frankly when important matters of this kind are sprung upon it. We are quite willing to admit that there may be difficulties and dangers in the present unregulated position of the trade in these non-ferrous metals, and that the sources of supply may be still far too much under the control of the enemy just because they are in the hands of the cosmopolitan Jew; but surely it would have been better to make the control of these metals by the Allies part of a general scheme for regulating our entire trade with the populations of the Central Empires. What is the objection to setting up a joint controlling board, with sub-boards in the various Allied countries and at their ports, to regulate the entire German overseas trade, to take control of the whole buying and selling allowed to go on between the abandoned and degenerate enemy and the rest of the world? It seems to us that this Bill is one of those hasty empiricisms which are prone to arise out of nervousness; but then we know so little about the motives for it that condemnation is in a manner forbidden. Only we distrust the mysterious always, and do not believe that our officials can cope with the business acumen, the astuteness, and unrivalled combining facilities of the Jew—except by being given a plain, equitable and clearly defined line of action to pursue, and one of universal application.

In examining the figures of the National Bank of Scotland, Ltd., covering its year ended October 31 last, we cannot help noting how Government business has come to overshadow all others. The profit was £31,017 up at £297,557. A year back the increase in profit was £15,560, so there was again marked progress. The balance, however, brought forward was £9,482 down, so that allowing for a slight decline of £261 in the bonus to the staff, to pay which this year took £8,961, the final clear balance was only £21,797 up at £342,962, but this enabled the directors to declare the usual dividend at the rate of 16 per cent. per annum, payable half on January 8 and half on July 9 next, less tax. The tax took £40,000 of the gross total, or £6,800 more than last year. Officers' pension fund and real estate account both again got £10,000 each, but this time investment account demanded only £40,000, whereas a year ago it got £120,000, of which £100,000 was withdrawn from the reserve, reducing it to £700,000. This time the reserve gets that £100,000 back, so that £140,000 has this time been provided out of the free revenue and the balance left to carry forward is £8,597 higher at £62,962. How was this profit obtained? The balance-sheet figures show an increase of £5,048,209 in the liabilities on deposit, current and other accounts, raising them to £29,005,324, but there is only an increase of £23,399 in the acceptances, making their total £1,173,909. That does not indicate expansion in general business, and, indeed, there can be but little. The principal source of the larger liabilities is found in the item "bills

discounted," which is £4,209,906 up at £10,535,118, but of that increase £3,466,000 is due to the amount of Treasury bills held, which is now £9,338,000, not to general business. There is likewise an increase of £2,294,136 in the advances on cash, credit and current account, making them £6,823,298, and this increase also is not improbably due to Government business or impulsion in one shape or another. The mixture of cash and cash balances is up £803,111 at £4,324,005, but call and short notice loans in London, &c., are down £689,059 to £2,699,733. The fixed investments are not much changed, but the British Government section of them is £172,888 up at £5,878,927. Loans on railway and miscellaneous securities are down £427,559 at £1,244,734, and Indian and Colonial Corporation and Railway stocks, &c., at £1,193,319 are £300,891 smaller. The aggregate of the balance-sheet is up £5,587,487 to £34,472,144.

In its year closed October 31 last the Commercial Bank of Scotland, Ltd., did very well. Its profit, after providing for rebate, interest, and bad and doubtful debts, was £34,629 larger at £282,536. The balance brought forward was also £16,241 larger at £41,973; consequently the £324,509 available as clear nett profit was £50,870 up, and the dividend at the rate of 16 per cent. per annum, less income-tax, which amounted to just one-fourth of the dividend, is continued. By throwing the tax on to the shareholders this dividend absorbed only £120,000, its actual total being £160,000. Therefore the balance available for other purposes was £160,000, and of this £60,000 has been applied to meet depreciation on the bank's investments, which are now, as usual, held at or under market prices ruling at the close of the financial year. The balance-sheet shows an increase of £3,786,243 in the liabilities on deposits, making them £26,659,325. The note circulation is also £311,439 up at £2,421,155, and other smaller liabilities on acceptances, endorsements, drafts, circular notes, &c., are slightly up. The mixture of specie, cash balances with banks, &c., amongst the assets is up £1,025,424 to £3,318,124, and the holdings in British Government securities are £1,181,822 up at £7,671,843, while the holdings in other stocks are £162,346 down at £1,538,186. There is a decrease of £475,076 in the call and notice money afloat in the London market, and loans on securities are £48,335 down at £807,578, but bills discounted, including £8,041,000 of British Treasury bills, have risen £5,402,738 to £8,992,116. Advances also are £1,238,172 up at £4,837,550, all other changes being insignificant. As the result the balance-sheet total is £4,282,420 up at £32,223,406. So the "Commercial" has been doing very well.

As the governing body of a huge territory in which many millions of British capital have been sunk, the Chartered Company does not set a very good example to its subjects, and, perhaps, that is one of several reasons why Rhodesian finance has fallen into such disrepute as to have become a byword of reproach. For instance, the Beira Junction Railway, Limited, which the Chartered Company controls, only now presents its report for the year to September 30, 1916—that is to say, the accounts are nearly 15 months old. Surely that indicates a contempt for the interests of investors which is not very creditable to the Government of the Colony. True, the company is only a little one, which has cost a trifle of £600,000 or so, but it would look more decent if the ordinary proprieties were observed. The line is worked by the Mashonaland Railway, and in the period under review the nett revenue was £29,970, an increase of £4,000. Only £3,000, against £5,000, is set aside for depreciation and renewals, and after paying debenture and other interest the loss for the year is £5,500 less at £4,860, which raises the debit balance to £101,150, apart from £23,400 arrears on the preference shares. Nor is the outlook very cheerful, as the nett earnings of the Beira-Salisbury line (of which the Beira Junction gets about 12½ per cent.) for the year to September last show a

reduction of £17,000 at £199,300. However, the shareholders probably find their reward in the pleasures of hope.

Nothing of a very encouraging nature appears in the report of the Mexican Railway Co., Ltd., for the half-year to June 30. The line passed out of the possession of the company on April 3, and has remained in the hands of the Government since that date. The directors are, therefore, obliged to postpone the submission of accounts until a later period. Since April, although considerable difficulties are experienced in giving an adequate service owing to the lack of engines and rolling stock, it is understood that a certain amount of traffic has been carried on under the control of the Government. As regards the condition of the property, it appears that only such repairs as are absolutely necessary are being effected to the permanent way, and bridges and buildings have received little if any attention. The directors have not yet been able to press their claim for compensation against the Government, but small payments on account have been received, which, with the funds in hand, will enable a sort of organisation to be preserved for a time both here and in Mexico. As regards conditions in the country generally, they appear to be still in an extremely unsettled condition, and the financial strain remains acute. No mitigation of the position can be anticipated until a loan is obtained from abroad, and that is not likely to be easily negotiated. The amount of the deferred interest on the debentures outstanding at July 1 was £453,000, and unless something is done soon to rehabilitate the finances, the position of the company will be decidedly deplorable.

In the year to June 30, 1916, the Khedivial Mail Steamship and Graving Dock Co., Ltd., secured an increase of £32,000 in its trading profits, but for the past year this has been more than wiped out, the decline on the same basis being £34,000 at £51,500. It was possible, however, to reduce expenses by £6,000, and the nett profit comes out £28,000 lower at £24,060. With £6,000 more brought in the available balance is £22,000 down at £37,160, and this permits of the payment of the usual dividend of 10 per cent., but on this occasion there is no bonus, which was 10 per cent. last year, and even then the carry forward is reduced by £7,000 to £21,660. The directors are able to report that a number of the company's ships have been used in various capacities in the service of the country, while others have traded between Egypt and the United Kingdom. Advantage has been taken of the presence of such ships as have come here to carry

THE DIRECTORS OF LLOYDS BANK LIMITED

desire to call the attention of
their customers and others to
the advisability of investing all
available moneys in

NATIONAL WAR BONDS

and of applying further savings in
the same way.

In the Savings Bank Department small
sums can be accumulated at interest
until they reach the minimum required
for purchasing WAR BONDS.

out much-needed repairs, so that the condition of the fleet must be gradually improving. Nothing in the balance-sheet need detain us, but the company appears to be in a thoroughly sound condition.

Although the public is not financially interested in Henry Tate and Sons beyond the debenture and preference share issues, the name has at the present time a certain fascination. The company is making substantial profits, but nothing like those of 1914 or the best of those halcyon days when sugar was so plentiful that one scarcely appreciated it. In 1911 the company made a profit of £282,500, and paid a dividend of 42 per cent. In 1914 the profit was £337,450 and the dividend 50 per cent., but in 1915 the profit fell to £163,500, and for the last two years it has come out at £186,500 and £197,000 respectively. The debenture interest is covered nine times, and the preference dividend over ten, and after providing for the ordinary dividend of 25 per cent., the same as for the last three years, and allocating £20,000 to reserve, there remains £38,300 to go forward. Sugar stocks and stores are up £271,600 at £624,500, and the financing of these has tied up a large proportion of the company's liquid resources. For although sundry debtors, cash, and investments are £112,150 higher at £945,700, current liabilities exhibit an increase of £356,000 at £1,161,170. The result is that whereas a year ago trading assets, apart from stocks, exceeded current liabilities by £28,470, this time current liabilities exceed liquid assets by £215,460. But there is, of course, a substantial reserve in the shape of stocks of sugar, and the company's credit is of the first grade.

The pluck and industry with which Mr. James Milne contrives to keep his dainty *Book Monthly* alive is in these times worthy of all admiration. In the Christmas number just issued readers will find all the usual pleasant, chatty notes and interesting articles on John (Viscount) Morley's and Sir Chas. Dilke's memoirs, with all the new books of the autumn attractively set forth at the end. Sometimes we amuse ourselves by jotting down from this list the names of books we should like to buy—but, alas! nowadays we seldom get any further. Either our spare shillings are needed to buy food, or the odd pounds must go into war debts, or there is income-tax or the doctor's bill to pay, or lads at the front to be remembered and cheered, and once in a long while one needs a rag or two of clothes. So we can only turn the leaves over and sigh, "Oh, you beguiling *Book Monthly*, wherefore do you tempt?"

John I. Thornycroft and Co., Ltd., has not yet been able to settle the accounts for the year to July 31, 1916, and those for the past year are also necessarily in abeyance. The directors state that they would have preferred to estimate the company's liability under the munitions levy and excess profits duty, but the questions outstanding involve such considerable amounts that it is quite impossible to do this without running serious risk of misleading the shareholders. Negotiations have been carried on continuously with the various assessing authorities, and the failure to come to a settlement cannot be attributed to any unwillingness on the company's part to supply information or to accept any reasonable arrangement. However, the turnover of the business (which a year ago was four times the pre-war average) continues to increase, and the directors feel justified in repeating the dividend of 17½ per cent., leaving sufficient margin for reserves, so the shareholders can await the accounts with a certain amount of confidence.

Thanks to the high price of tin, the results of the Pahang Consolidated Company for the year ended July 31 show a marked improvement. Thus, although the tonnage treated declined from 162,200 to 156,700, the production of tin rose from 2,647 tons to 2,772, owing to an improvement in the grade. The average price realised for black tin was £124 per ton, as com-

pared with £113 and £103 in the preceding two years. This advance in price was more than sufficient to offset an increase in working costs, and the profit on working rose from £100,588 to £136,783. For the first time the rubber plantations yielded a profit, namely, £24,857, making the total profit £161,640. The nett profit was £160,538, an increase of £61,613. Of this total £18,890 is written off for depreciation, £1,861 off the cost of shaft sinking, and the reserve gets £20,000, or double as much as last year. A final dividend on the ordinary of 15 per cent. brings the total up to 20 per cent., or 5 per cent. more than for 1915-16, and the preference dividend is raised from 12 to 15 per cent., while the carry forward is increased from £9,815 to £39,728. The exceptionally large amount carried forward is, in the opinion of the board, advisable in view of the still uncertain position in regard to excess profits duty. The ore reserves have been increased to half a million tons, partly as the result of development work, and partly in consequence of the rise in tin which renders profitable the treatment of low-grade ore.

The reports of four of the most important Russian mines have been issued this week, the Kyshtim, Tanalyk, Irtysh, and Russo-Asiatic Corporations. All of them, from a mining point of view, are satisfactory, but political complications and war conditions were the predominant problems confronting the companies in the year preceding the revolution, and what the effect has been since may be better imagined than described. The accounts of the Kyshtim mining works have not yet been completed, owing to the revolution, with the result that the English corporation is unable to present accounts. But the copper ore mined averaged only 864 tons per day in 1916, as against 990 tons in 1915, and the recovery in blister averaged 68 per cent. copper, 86 per cent. gold, and 72 per cent. silver, against 74, 91, and 74 per cent. respectively for 1915. Costs rose from 8.78 roubles to 12.43 roubles per ton of ore, but as against an increase of 47 per cent. in expenses, the price realised by blister copper was 65 per cent. higher. No recalculation of ore reserves has been possible, but a further decrease in the blister copper output for 1917 is a foregone conclusion. The Tanalyk's receipts in 1916 more than covered its debenture interest and administration expenses. Developments at the Tuba mine were excellent. The total quantity of sulphide ore reserves is 570,000 tons, as against 126,000 tons a year ago. The accounts of the Russian company, the South Urals Mining and Smelting Co., indicate a trading profit of Rs. 700,000, against Rs. 685,057, and this will probably be carried forward. As to the Irtysh Corporation, its accounts show that advances to the Ridder and Kirgiz mining companies amounted to £428,324, the total being now £813,069. Shortage of labour has seriously interfered with operations at the mines, but there were produced 5,400 tons of zinc concentrates, and 1,770 tons of lead concentrates. Irrespective of a new gold discovery at Sokolmi, the ore reserves developed and in sight aggregate a profit value of £13,000,000 for the two properties on the basis of pre-war metal prices. At the Irtysh meeting this week Mr. Leslie Urquhart explained the arrangements which had been made in order to safeguard British interests in the Russian companies controlled by the corporation. Exactly similar arrangements have been made by the Kyshtim and Tanalyk Corporation in order to prevent further attempts being made to substitute foreign for British control, the value of which the *Frankfurter Zeitung* hinted at in leading articles on November 26 and November 27. The shares of the Russian subsidiaries of the Irtysh are to be vested in the Russo-Canadian Corporation, Ltd., a company which is operating in Russia, and which has a cash capital of \$2,500,000, now being increased to \$5,000,000. In exchange for the Russian shares the Irtysh Corporation will receive debentures of the Russo-Canadian Corporation specifically charged on the Russian shares, and entitled to the earnings which

they confer, and second debentures in respect of the advances made to the Russian companies. The administration of the Russo-Canadian Corporation will be in the hands of a permanent voting trust, consisting of Messrs. C. J. Cater-Scott, L. Urquhart, Reginald Fellowes, R. Gilman Brown, Reginald Scott, T. B. Reynolds, H. A. Andreae, E. M. Edgar, Baron Meller-Takomelsky, Major Reid Scott, T. J. Jones, Herbert Gibson, D. P. Mitchell, W. M. MacLeod, and Raleigh Phillpotts. Shareholders of the Irtysh will later be given an opportunity of purchasing Russo-Canadian Corporation shares.

The Last Vote of Credit for the Year 1917-18.

It is not possible always to agree with the Chancellor of the Exchequer in every particular of his ingenious financial expositions, but nobody can say that he does not sometimes speak clearly. His description of the state of our finances in introducing his vote of credit on Wednesday was as lucid as could be desired, and not nearly so discouraging as the public is becoming prone to fear. That was well, for it was not an exhilarating story, but yet nothing to be daunted at. The amount now asked for is £550,000,000, which will carry the country to the end of March next, and means that altogether £2,450,000,000 will have been spent on the war in the present financial year. The last vote was taken on October 30 for £400,000,000, a sum reckoned to be enough to meet all our expenditures until the first week of January. It will do more than that, Mr. Law said. He expects that it will carry us to January 9, but because of the intervention of the Christmas holidays it has been necessary to get Parliamentary sanction for the further expenditure beyond that date to the end of the fiscal year.

This expenditure has exceeded the Budget estimate by £1,275,000 a day. For the first half of the year, to September 29, the daily expenditure averaged £16,648,000, which was £1,237,000 more than the estimate. Since then to the end of last week the 63 days that have elapsed have brought an increase in the daily expenditure, putting it up to £6,794,000, which is £1,383,000 a day in excess of the original estimate, but the average for the whole period is £1,275,000, as stated, and it is a most formidable debt, amounting, in fact, to no less than £309,000,000 beyond what was reckoned on. We never had a peace Budget of anything like the magnitude of this excess, but it is no use harking back to peace times now. The world and its empires, if any, will be in an entirely different position when this war ends from what pre-existing empires have been. Mr. Law, however, gave some figures ingeniously put together to indicate that after all things are not quite as they seem in respect of our great disbursements. He points out that £79,750,000 of the excess is due to excess expenditure on account of our Allies, and altogether he deducts £225,000,000 of the gross account, bringing down the nett increase per day beyond the Budget estimate to a daily £350,000. The dead weight of capital charge left, in fact, amounts to only £84,000,000, a mere trifle in these times. But, as Mr. McKenna pointed out, the total addition to the National Debt by the end of March net will be not less than £6,000,000,000, and whatever sets off we may have against this total, involving recoupments by our Allies and Dominions, it is improbable that the charge laid by it upon the country will be less than £285,000,000 a year. How are we going to find this money? Mr. Bonar Law foreshadows further taxation. He will not make a levy on capital, but does not indicate what he means by that, or how the levy is to be avoided. He thinks it will be his duty as Chancellor of the Exchequer to put on such additional taxation "as will make it certain that when the war ends there will be no possibility of having to put on further new taxation." On the contrary, he hopes, sanguine

man that he is, when peace arrives that it may be possible to take some of the taxes off.

Here we venture to differ from Mr. Law, because he seems to be ignoring facts. He has, for instance, overlooked the prodigious increase that has taken place in our civil expenditure and the multiplications of public functions and salaried officials that have gone on step by step with the expansion of our military forces. Does he mean to say that the immense hosts of paid servants of the State now in existence, and still being increased in number, can be dismissed at a stroke when the war ends? If not, where is he to get the means with which to pay these people their salaries, to provide for the disbandment of the troops, for the increase in the pay of those retained, for the heavier pension and insurance charges, for the million and ten other urgent requirements which will come upon us at the peace, without maintaining taxation at a height never before seen or imagined in the history of any empire? It is well to be confident, and to face our difficulties like courageous citizens, but neither prudent nor expedient to conceal or slur over these difficulties. We shall, it seems to us, want a revenue for some years after the war closes approaching, if it does not exceed, £100,000,000 a year in excess of the sum budgeted for last April. Our Chancellor would do well to shape his programme with an eye to having £750,000,000 a year to find for, say, five years after the war closes.

Nothing could be more just, however, than the Chancellor's exposition of the reasons why it would have been a mistake to have tried to meet all our expenditure, or the greater part of it, out of revenue. That would have been suicidal; it would have meant in reality a withering levy on capital of the worst imaginable description, a levy that would have killed enterprise and caused many established businesses to wither up. Business has enough of a struggle to get on and keep solvent as it is. Had the taxation been doubled, a stroke that would still have left us with a large amount to borrow, we should have been by now more than half insolvent, in a condition bordering on impotence, when the time came again to resume our place among the producing nations.

Smudging the Nation's Credit.

Has Mr. Bonar Law ever given a thought to psychology? It is rather a Scotch failing to dabble in the mysteries thereof, but we cannot find signs of attention to abstruse questions relating to the mentality of the average citizen in any of the Chancellor of the Exchequer's utterances. On more than one occasion he has been very eager to insist upon the State's perfect solvency and on its perfect honesty of purpose, which we never heard questioned. He was particularly emphatic last week in asserting that after the war nothing would be more important than to preserve and buttress the fabric of national credit, and nothing would so easily undermine it as the refusal of the Government to honour its debts, truisms platitudinous both. This week, also, in thanking the fashionable drapers, eminent publishers, and so forth, who have done some quite dazzling advertising in the American manner to further the sale of National War bonds, the Chancellor of the Exchequer occupied much space in the daily newspapers, not only to express—at so much per inch—his gratitude for this help, but to emphasise once again the old truth that Britannia's word is her bond. "The solemn pledge of the British Government backs every war bond. The whole wealth and resources of the British Empire stand behind the security, and no more absolutely sound security exists in the world." That, surely, ought to be enough for anybody, and it is the unquestioned and unquestionable truth.

Why, then, has this necessity arisen to shout the fact from the house-tops as if it were something new? Until recently we never heard of anybody being in the remotest degree inclined to suggest that we could not pay our way as a nation and empire. This serenity

appears now to have changed. Some doubts must have been expressed or some hints given in official quarters which prompted Mr. Law to come forward with these gratuitous-looking assurances. And we suspect it is because the methods by which the Chancellor of the Exchequer is seeking to raise money are sensational and strange. What can be more hurtful to public credit in its more sensitive quarters than all this cheap sensationalism about the "Tank Bank," and these irregular lotteries started by Harrod's and Selfridge's great stores, or than the sudden flush of war-bonds advertisements thrust before us by traders of all sorts? These modes of raising money, or the wind, suggest a Government in difficulties—which may mean a nation embarrassed—and the study of them is by no means unlikely to be a considerable source of encouragement to the enemy. The Prussian brigand keeps his finance skilfully dark, and we know little of how the details of his loan-raising are managed; but at least in one respect his methods compare favourably with our recent fashions. Public loan has followed public loan in Germany since the war commenced, and in some manner they may be taken to have been subscribed. Are we at the end of our power to raise a big loan? That is what the enemy might, not without superficial reason, infer from our recourse to the methods of the pushing salesmen and the vendor of quack remedies in our struggles to get cash.

And the worst of it is that all this expenditure of ingenuity—and really these dodges are almost as 'cute as the German plan of campaign—do not fill the coffers of the Treasury. All the drum-beating and Tank-meandering succeeded last week in bringing in no more than £23,039,250, with the dividend money to help. This brings up the total received under the National War bond device to £151,494,200, or about three weeks' expenditure at the present rate; and in the meantime the floating debt in the form of Treasury bills had increased by last Saturday to £1,059,525,000. Not only so, but the Treasury owed the Bank of England £129,000,000 on Ways and Means advances. In the ten weeks ended last Saturday the Exchequer issues for supply and consolidated fund services had been £538,731,000, of which only £109,977,000 came from the ordinary revenue. Another £130,530,000 was provided by the sale of National War bonds, but £298,284,000 had to be found by other devices. Only £38,000,000 of it was financed by Ways and Means borrowing at the Bank of England. Where did the rest of it come from? We cannot quite tell. What is going to be the end of this dazed-looking and confusing method of providing resources? Shall we have to raise an enormous loan in the United States, or what? One thing only is clear—that we cannot hope to go on much longer financing this gigantic war by the flare-up retail stores fashion of providing the money. And the fact that we cannot raise in the minds of thoughtful people throughout the country a doubt whether the nation will really much longer be in a position to fulfil its obligations. That is, doubtless, why the Chancellor of the Exchequer is moved to issue these reiterated and somewhat shrill assurances, and we think it a pity.

That the empire has resources sufficient to carry the present debt and another thousand millions or two on top of that, we have no doubt at all, but what is doubted by most thoughtful citizens is whether this Government is showing the courage and far-sighted resourcefulness requisite to the utilisation of the country's wealth by judicious and systematic methods, or whether the "bargain sales" style of doing business the drapers have accustomed us to is not calculated to shut out many available resources, and in the end to throw the heaviest responsibility for the protection of our solvency upon just those classes of the community who until now have been most completely fenced off from the risk of being called upon to pay their full share, or upon our magnificent banking credit.

Look again at the fumbling manner in which Mr. Law is dealing with this "premium bond" question.

We wondered last week whether the stores that boldly started to bestow lottery premiums on their own account had been permitted by the Chancellor of the Exchequer to do so, or whether they had acted, like true patriots, anxious to help in an emergency, in defiance of the law, and wholly on their own initiative. Apparently they are unlicensed law defiers. At any rate, the Chancellor of the Exchequer disclaimed any responsibility for them whatever, and was full of an attitude of Pecksniffiously virtuous disgust that anybody should be so wicked as to take that course. "Quite apart," he said, "from his opinion that it would be well to avoid any introduction of the principle—"principle," eh?—of the lottery bond, the collection of large numbers of small subscriptions by parties possessing no adequate machinery for dealing with them—a position which will undoubtedly arise if the offers recently made are widely imitated—would lead to complications of a serious character," and so on. What has that to do with "the principle"? Of course they would. We believe the assistance the two great stores have had to call in from outside to enable them to cope with the business that rushed in upon them has been something unprecedented. But what has all this got to do with the duty of the Government? Why cannot it take control of issues of this kind? These two stores have demonstrated up to the hilt that, given a moderate temptation—a perfectly straightforward temptation, nowise corrupt—and the millions will flow in day by day and week by week to help us to pay for the war. It will come from all classes, but above all from classes which have now no knowledge of banking, no familiarity with finance, no systematic means of putting away the large pay they are now receiving and often wasting with no benefit to themselves.

Why did Mr. Law allow these stores to break the law? Under the law as it at present stands, they were acting with "doubtful legality." Was not that phrase only partially straightforward? Have they not actually been breaking the law as it stands? And what did the Chancellor mean by declaring that he had given no sanction to the experiment "although his attention had been drawn to several offers of the kind referred to"? The whole thing was thus made to present an aspect of disingenuousness and of lack of moral courage in facing the facts. We have got to see this war through if it costs us our last shilling, if we have to begin the world again anew. Why, then, boggle over honest methods of obtaining the money? By continuing to follow the sensation-mongering, periodical special bargain sales style of whipping up refreshers for the Exchequer balances, the present Government seems to be running us into the gravest possible danger of being one of these days suddenly confronted with something very like financial paralysis. And, recollect, we must win this war.

Rise in Food Prices.

Everyone is more or less painfully aware of the increased cost of living, and in the accompanying table we show the progressive rise that has taken place in some of the leading articles of consumption. War always spells waste, and this greatest of all wars has inevitably produced a condition of affairs which presses with increasing severity on the mass of the people. With the huge armies that have to be maintained in the field there is not only an actual increase in the consumption of foodstuffs, but an enormous amount of waste is probably unavoidable under the conditions of active service, while at the same time production is reduced by the diversion of labour to the killing business, and the output of all the numerous supplies of munitions which armies require. Even so we are not at all sure that the advance in prices which has taken place is justifiable, or might not have been avoided by better organisation on the part of the authorities. Everything possible appears to have been done to encourage what has come to be called "profiteering," and scarcely any real attempt has been made to keep prices at a reasonable level.

Both the State and the public suffer from the vicious circle which has been introduced. It is at least an arguable point whether the so-called food "control" has not done a great deal more harm than good, and whether much better results could not have been obtained by simpler methods, without the necessity for all the elaborate and expensive machinery that has been set up. At any rate, no thinking person is likely to be deceived by such clap-trap as Mr. Lloyd George was guilty of when he declared that "we have reduced the price of bread 25 per cent." Seeing that the State has to pay the difference, and is subsidising the landlords to the tune of uncounted millions a year, the boast is a particularly empty one. It is probably too late to change the policy now, but we are inclined to think that if the Finance Acts had annexed *all* excess profits for the State prices would not have risen to anything like the extent they have done, and if traders had been left to make their own arrangements uncontrolled there would certainly have been no occasion for potato, sugar, tea, butter, and margarine queues, and it might still have been possible to get an occasional rasher of bacon for breakfast. But it actually looks as though the Government encouraged profiteering—as in the case of tea, wines, spirits, and beer—in

stocks of coffee and cocoa no attempt has apparently been made to regulate prices, and the unfortunate consumer has to pay quite double the pre-war level. Tea, however, has been the Department's most conspicuous failure. It had only advanced about enough to cover extra freight and insurance until towards the end of last year, when officialdom intervened, and made a sorry muddle of the business. The Sugar Commission, on the whole, has done its work well, and has kept up supplies marvellously, but the Food Ministry has not been equally successful with their distribution, and we are not yet at the end of the muddle. Now it is perfectly certain that if the Department cannot handle with any degree of efficiency two such articles as tea and sugar, the whole of which are imported, and might be effectively controlled at every stage, it must fail still more lamentably in the case of articles which are largely produced here. Milk is becoming increasingly scarce, eggs are only for millionaires and war profiteers, bacon has been driven off the market, and if the price of meat has been reduced the quality has deteriorated in still greater proportion. And all we have to show for these achievements are some hundreds of tons of waste paper and gorgeous establishments with an army of useless officials.

We have received the following interesting figures, taken from the audited accounts of four well-managed and typical institutions, and it will be seen that the average advance in costs is much smaller than might have been expected. The case of A is perhaps the most typical, as the same scale of feeding has been maintained, and the increase agrees with Lord Rhondda's statement that "the cost of foodstuffs has gone up 60 per cent. since the war began, and in the last five months had diminished 10 per cent." But there are one or two observations to be made about the figures. Stores would be purchased in wholesale quantities or under contracts and at prices which are not within the reach of ordinary consumers. Moreover, there has been a change in the scale of rationing. At

	1914.				1916.				1917.				1917.					
	July.				January.				January.				December.					
BUTTER.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.		
Australian																		
per cwt.	108	0	—	116	0	144	0	—	152	0	202	0	—	206	0	220	0	
Irish	116	0	—	122	0	—	—	—	—	—	nom.	—	224	0	—	229	0	
Danish	130	0	—	133	0	150	0	—	154	0	216	0	—	220	0	229	0	
Brittany rolls																		
per doz. lbs.	11	0	—	14	0	14	6	—	18	0	21	6	—	23	6	27	0	
CHEESE.																		
Dutch, per cwt.	38	0	—	64	0	—	—	—	—	—	98	0	—	126	0	138	0	
English Cheddar																		
per cwt.	64	0	—	74	0	92	0	—	102	0	132	0	—	140	0	142	0	
Canadian	62	0	—	64	0	94	0	—	98	0	134	0	—	138	0	nom.	—	
RICE.																		
Rangoon																		
per cwt.	6	10	—	7	1	14	6	—	14	9	20	0	—	—	—	26	3	
Japan	—	—	—	—	15	6	—	—	—	9	20	6	—	—	—	29	6	
EGGS.																		
English, per 120	8	3	—	10	3	26	0	—	28	0	32	0	—	33	6	40	0	
Danish	—	—	—	—	—	—	—	—	—	—	30	0	—	32	0	33	0	
SUGAR.																		
Duty, per cwt.	1s.	10d.	—	—	9s.	4d.	—	—	—	—	14s.	—	—	—	—	14s.	—	
Tate's cubes	18	0	—	—	40	6	—	—	—	—	47	1	—	—	—	53	9	
Fine gran.	16	3	—	—	33	0	—	—	—	—	nom.	—	—	—	—	46	9	
Lyle's gran.	15	4	—	—	32	3	—	32	9	41	7	—	42	1	—	46	9	
TEA.																		
Duty, per lb	5d.	—	—	—	1s.	—	—	—	—	—	1s.	—	—	—	—	1s.	—	
Indian pekoe	0	7	—	0	11	0	7	—	1	1	0	11	—	1	3	1	0	
Ceylon	0	7	—	0	9	0	7	—	0	11	0	11	—	1	3	0	11	
COCOA.																		
Duty, per lb.	1d.	—	—	—	1	3	d.	—	—	—	6	d.	—	—	—	6	d.	
Trinidad																		
per cwt.	56	0	—	64	0	90	0	—	96	0	74	0	—	79	0	92	0	
Ceylon Plantation																		
per cwt.	70	0	—	88	0	77	0	—	91	0	70	0	—	90	0	75	0	
COFFEE.																		
Duty, per lb.	1	3	d.	per lb.	2	1	s.	per cwt.	4	2	s.	per cwt.	4	2	s.	per cwt.	4	2
E. Indian																		
per cwt.	61	0	—	99	0	56	0	—	94	0	67	0	—	95	0	92	0	
Jamaica	54	0	—	118	0	52	0	—	126	0	62	0	—	120	0	77	0	
Costa Rica	58	0	—	93	0	53	0	—	76	0	62	0	—	84	0	95	0	
BACON.																		
Continental																		
per cwt.	54	0	—	77	0	98	0	—	105	0	107	0	—	127	0	172	0	
Canadian	12	0	—	70	0	84	0	—	93	0	100	0	—	112	0	—	—	
American	64	0	—	72	0	81	0	—	84	0	90	0	—	110	0	—	—	

order to make a bigger haul of excess duty, sublimely oblivious to the fact that what it rakes in with one hand it pays out twice with the other. Moreover, its hordes of unnecessary—often useless—clerks have seriously depleted the labour market, raising wages for untrained boys and girls to an unheard of level, and laying up a store of trouble which it will take many years to adjust and rectify. And nine-tenths of the mischief results from failure to recognise the fact that "bustle is not business."

Turning to our list of prices (which we need hardly say are wholesale, not retail) it is interesting to follow the steady advance that has taken place since immediately before the war. With the exception of sugar, which was in an altogether exceptional position owing to the fact that we drew so large a proportion of our supplies from Germany, the rise in prices did not make more headway than might reasonably have been expected up to the beginning of 1916, that is to say, the first 18 months of the war. Coffee actually fell during 1915, and cocoa in 1916, but perhaps the most significant fact that emerges is the sharp advance which has taken place since last January, when we were first introduced to the beneficent attentions of a Food Ministry and a Food Controller. In spite of the huge

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Institution C £350 a year has been saved by substituting margarine for butter, and further economies have been effected by giving up eggs and beer. However, the figures show what can be done by careful management, even in these hard times.

INSTITUTION A, 500 ORPHANS.—Plenty of funds. Same feeding. Cost of food and clothing only:—

	£	s.	d.	
1914 ..	9	0	0	per head
1915 ..	9	10	0	.. .. Increase over 1914
				approximately... = 5.5 %
1916 ..	11	10	0	.. .. = 27.5 %
1917 to date	14	10	0	.. .. = 61.0 %

INSTITUTION B, 250 GIRLS.—Very hard up. Small advance owing to gifts of food and strict economy and alteration in diet. Total keep including all outlay:—

1916 over 1914 12½ %

INSTITUTION C, 230 PATIENTS, 120 STAFF.—Food only:—

1916 increase over 1914 33½ %
1917 1914 33½ %

INSTITUTION D, 90 GIRLS.—Accounts are made up to July 31:—

FOOD, FUEL AND LIGHTING ONLY.

1914-1915 over 1913-1914..... 11.25 %
1915-1916 9.3 % (stoppage of waste)
1916-1917 17.28 %

AVERAGE.

A—Food and clothing 61.0 % over 1914
B—Entire keep 12.5 %
C—Food only 33.33 %
D—Food, fuel and light 17.28 %

124.11 average 31.3 %

The Gas Industry and the Sliding Scale.

During the last three years national requirements have made a great call upon the gas industry. Increasing quantities of coal gas have been manufactured for power, heating and lighting purposes. Coke, owing to the greatly augmented output of the furnaces and the high price of coal, has been supplied in enormous quantities, and last, but by no means least, the demand for multifarious residual products, essential bases of our explosives and chemical industries, has reached a magnitude never before attained. In spite of the important national character of the work performed, however, the various gas companies, far from obtaining a remunerative return upon their capital, have, owing to adverse working conditions and statutory peace-time control, suffered severe financial hardship. Profits in nearly every case have undergone a severe shrinkage, while much smaller dividends have been paid than before the war.

The most serious obstacle to financial prosperity has been the greatly increased cost of coal, which has raised working expenditure to a ruinous height. Recourse has been made as in other great industries to increased selling prices, but this expedient, while of some benefit to the companies in that it has prevented nett revenue reaching the vanishing point, has been of no assistance to the shareholders in so far as preventing a drastic reduction in the dividend. This is because in the vast majority of cases the rate of distribution is determined by a sliding scale based upon variations in the price of gas below or above the standard rate as enacted by Act of Parliament.

In the circumstances, it is not surprising to learn that a number of gas companies operating in various parts of the country have given notice of their intention to promote in Parliament next session Bills empowering them to raise their charges and to amend the provisions of previous Acts relating to the sliding scales regulating prices and dividends. Thus the Brentford, Cardiff, Commercial, Gas Light and Coke, Hampton Court, Liverpool, Maidenhead, Maidstone, Newcastle-upon-Tyne, Plymouth, Richmond, South Metropolitan, South Shields, South Suburban, Swansea, and various other companies are, according to the

London Gazette, promoting Bills seeking, among other things, relief from the present onerous financial restrictions. It is obviously impossible to give an outline of all the various proposals here, but, taking that of one of the most important undertakings, the Gas Light and Coke Company proposes, among other things, "to repeal, alter or amend either temporarily or for such period as may be prescribed by the Bill, or otherwise, all or any of the provisions of the Acts of or relating to the company with respect to the sliding scale of price and dividend and to the standard price and standard rate of dividend, and to make new or substituted provision in lieu thereof, and . . . to provide for and authorise the payment of dividends on the ordinary and maximum stocks of the company at rates not less than such minimum rates (if any) as may be specified in the Bill, and . . . to confer on the company all such powers with reference to the charging for gas supplied by them as may be deemed necessary or expedient." It will be seen that changes of a far-reaching character are in contemplation. The extent of the financial relief sought has naturally not been divulged, but in this connection it is interesting to recall the scheme put forward at the conference of gas company representatives held a short while ago, and eventually, we understand, discussed with the President of the Board of Trade, who was said to have been sympathetically disposed towards it. This scheme, in effect, provided that the dividend would only fall 20 per cent. of the amount by which it would be diminished if the existing regulations were adhered to. In other words, shareholders' present dividends would be increased by 80 per cent. of the difference between present and pre-war rates. For instance, take the case of a company when before the war gas was supplied at 2s. 4d. per cubic foot, when the standard price was 3s., the standard dividend 4 per cent., and the scale varying the dividend 3s. per cent. for every change of a 1d. in the price of gas. Before the war, when the price charged for gas was 8d. below the standard price, the sliding scale dividend would work out at £5 4s., while at the present time, with the price of gas up to 3s. 4d., it would have been reduced to £3 8s. per cent., the amount of the reduction being £1 16s. per cent. If the stockholder were allowed relief on the lines indicated, his present dividend would be increased by 80 per cent. of this £1 16s.—i.e., he would receive £4 16s. 9d. per cent. as against £3 8s. The scheme also contained a proposal that a company might pay the prescribed dividend instead of the dividend provided for by the scheme, whichever might be the greater, a provision framed with the evident intention of assisting those companies with a low standard price and consequently only a slender margin between the pre-war selling price and the standard price. It was also proposed that maximum price companies should be authorised to raise their prices by 6d. per 1,000 cubic feet.

As would be naturally expected, the intimation that the companies are seeking Parliamentary sanction for a measure of relief from their financial hardships has already raised considerable opposition in certain quarters. It may be admitted that the companies have a fair case for a moderate and temporary modification of statutory peace time restrictions. That any increase in the price of gas will press heavily on a good many consumers who are not benefiting from "war prosperity" is undoubtedly true, but many others are at the present time deriving greatly increased incomes or profits attributable to the same conditions which have so greatly raised the cost of the manufacture of gas. The fact is the exigencies of the war, the extensive credit operations, and the inflation caused by the destruction of vast quantities of wealth, have produced conditions forming a vicious circle, and the gas shareholder is legitimately entitled to a reasonable return upon his capital, but in many cases the consumer has not been so generously treated in the past that the proposals of the companies are likely to be accepted without a good deal of opposition.

We give below a table showing standard dividends,

sliding scales, and prices of gas of a number of representative undertakings:—

Company.	Price per 1,000 Cubic Ft. of Gas		Extent to which Variations in Price Affect Dividends.		Standard Dividend.
	Present.	Standard.	d.	%	
Brentford, "A" stock	3 4	3 9	1 = $\frac{1}{25}$ †	4	
Do. "B" stock	—	—	" = $\frac{1}{16}$ †	3½	
Brighton and Hove, orig. ord.	3 2	3 2	" = $\frac{1}{16}$ †	10	
Do. "A"	—	—	" = $\frac{1}{16}$ †	7	
Commercial, 4 p.c. stock	3 2	3 3	" = $\frac{1}{16}$ †	4	
Do., ¾ p.c. stock	—	—	" = $\frac{1}{16}$ †	3½	
Derby, consold. stock.....	2 6	Above 2 11 or below 2 10	" = $\frac{1}{16}$ †	5	
Gas Light and Coke	3 4		" = $\frac{1}{16}$ †	4	
Hornsey	2 11	3 9	" = $\frac{1}{16}$ †	7	
Ilford, "A" and "C" stocks	3 5	4 6	" = $\frac{1}{16}$ †	5	
Do. "B"	—	—	" = $\frac{1}{16}$ †	3½	
South Metropolitan	3 1	3 1	" = $\frac{1}{16}$ †	4	
South Suburban	3 1	2 9	" = $\frac{1}{16}$ †	5	
Tottenham District, "A".....	3 4	3 8	" = $\frac{1}{16}$ †	5	
Do. "B"	—	—	" = $\frac{1}{16}$ †	3½	

* Of yearly dividend. † Of half-yearly dividend.

The following table shows prices and dividends compared with those ruling before the war:—

Company.	Dividends p.c.		Market Prices.	
	Pre-war.	Present.	July 30, 1914.	Present.
Brentford "A" stock	£ s. d. 14 0 0	£ s. d. 5 1 3	261—266	79—82
Do. "B" stock ..	11 0 0	4 17 6	204—209	76—79
Brighton and Hove, Original.....	11 0 0	10 0 0	208—213	145—150
Do. "A"	8 0 0	7 0 0	154—159	98—103
Commercial, 4 p.c. Stock	5 9 4	2 4 0	106—108	70—72
Do. ¾ p.c. stock ..	5 6 8	2 0 0	103—105	64—66
Derby	6 0 0	5 10 0	123—125	95—100
Gas Light and Coke	4 17 4	1 17 4	98—102	71—73
Hornsey	11 0 0	9 0 0	—	115—125
Ilford, "A" & "C" stocks.....	7 17 6	7 0 0	151—154	92—97
Do. "B"	6 7 6	5 10 0	115—118	72—77
South Metropolitan.	5 4 0	2 6 8	111—113	75—77
South Suburban....	6 0 0	4 12 6	114—116	75—77
Tottenham District, "A"	7 10 0	5 10 0	135—138	94—97
Do. "B"	6 0 0	4 0 0	115—117	70—72

It will be seen that in every case the dividend has been substantially reduced, but it must not be forgotten that the capital of most of the companies has been heavily "watered" at some time or other.

By-the-Way War Notes.

Once more an epidemic of pessimism has come over the country, and you hear on every side expressions of doubt about the war. There is, there can be, no doubt about how the war is going to end, and very little about how it is progressing now; but, as usual, a large and popular section of our Press sucks up as with a sponge all the German messages of menace and brag and repeats them to us with a guileless air of credence until we hardly know what to believe. Look what has been made of that German "victory" at Cambrai, as it is called. It did not, so far as we can discover, give the Germans back any of the Hindenburg or Siegfried lines captured by us in our original onslaught. That part of our new line was surprised and many of our troops captured, that we had to evacuate the Brouillon Wood and other forward points, is true enough, but what had all this to do with Germany winning the victory? Have any more food or supplies of raw material got through to their starving people and pinched industries at home? Not an ounce.

"Oh, but look how the Germans are freed by Russia's defection to pour all available troops on to the Allied lines in France and Belgium. Thanks to Russia's desertion not only are the Prussians able to bring masses of men and artillery to bear upon these lines, but to fill the passes of Northern Italy with gun and human gun fodder to an extent that bodes disaster to Italy." Now, that is just what the Germans want us

to believe, and exactly suits their frenzied endeavours to trick the Allies into a disastrous peace. The nearer they are to exhaustion, to final defeat, the louder is their boasting, the more truculent their attitude, the more colossal their mystifications, and the more frenzied their peace intrigues. We do not believe that the masses of men and artillery available through the armistice with Russia and Rumania are anything like so great as represented by the German Press and functionaries; and sure we are that, whatever their size, their quality is not equal to that of the hosts destroyed by millions in the last three years of war. We shall have fighting, probably the assaults of the enemy may increase in drunk-sodden desperation, but surely we are not going to flinch and show dread now when the enemy is more than half strangled, when hunger is gnawing at his vitals within the two Empires, when he has destroyed all his markets abroad, lost all his colonies, betrayed his allies, sees himself shrunk from everywhere, and when all his ingenuity in "fake" finance cannot much longer conceal the fact that he is to-day more irretrievably bankrupt than Russia. No, certainly not.

The great stimulant of the week, helping to raise our spirits, has been the capture of Jerusalem, and sentimentally, or in a religious sense, that event is bound to have a far-reaching influence upon the attitude of the three faiths to whose devotees the city is holy, towards the Allies of the *Entente*. We need not, however, proceed from religious sentiment to military strategy and assume that with Jerusalem in our hands we hold all Palestine, or that there is little more to do before General Allenby joins hands with General Marshall on the Tigris. There is much to be done yet, and Damascus is more than a day's journey away, let alone Aleppo. All we dare hope for is that General Allenby's great success thus far proves the Turk to be nearly exhausted; forsaken he is also by his beguiler, the Hohenzollern, and therefore unable to continue to struggle on anything like equal terms. We may hope that this is so, but it will be well not to count upon it any more than to believe that no offensive may be attempted by Austria and her brigand associate in the Balkans. We think it probable, indeed, that we shall have a flare up there before the finale, because we may be sure that the armistice arranged with Rumania will not be treated as an idle holiday by the Governments of Vienna and Berlin. Nevertheless, symptoms multiply, all indicative that the savages are confronting a winter campaign with gathering dread.

Italy holds fast and well, with splendid devotion and courage, in fact, beating back the insolent assailant; and the longer her troops, with the Allied contingent

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sent by France and Britain by their side, do so, the less probability is there that the enemy will be able to work much mischief on the Lombard plains, on the Eastern front, in the Balkans, or anywhere else. It was a desperate gamble from the first that invasion of Italy, especially at the late season of the year when it was undertaken; it proclaimed an empire in extremity and in despair, and should the masses of men and war material hurried into the Trentino and over the Isonzo be kept there during the winter, it seems not to be a sign of over-confidence to hazard the opinion that there will be little or no military force of any kind left to the Habsburgs for their hostilities when another spring comes round.

Last week's returns of our shipping losses by the attacks of enemy submarines was identical in number with that for the week ended November 25; 14 ships of over 1,600 tons were sunk in each of these two weeks, and seven under that figure. In the intervening week ended December 2, 16 large and only one small vessel were destroyed. The force of the enemy is, therefore, just about where it was, and we may be thankful that there is no sign of his being able to get back to the heights of the havoc he wrought last April. The average of the weekly sinkings for November was 16.25 of all sizes of ships, while for April it was 44.6. Since that date of gloom, however, there has been a steady decline month by month in the averages, and we see no reason to fear that there will be any resumption of wholesale destruction. Nevertheless, these figures week by week continue to warn us to be careful, to be just and moderate in our food requirements, and honest and fair in our dealings therewith, and not to give way to over-confidence. Last week Italy lost one steamer of over and one under 1,500 tons. One steamer was torpedoed, but beached.

American Business Notes.

It may interest students of political tendencies in this country to see what the Executive Council of the American Federation of Labour drew up to present to the annual convention on November 12. It will be seen that there is no wild theorising embraced in the six points set forth by the Council; most of their stipulations, indeed, might be subscribed to by anybody. Our Protectionists, now so busy trying to perpetuate an economic relationship between peoples which this war must render impossible if it is to end in a real peace, might do worse than try to think out for themselves the signification of stipulation No. 3: "No political or economic restrictions meant to benefit some nations and to cripple or embarrass others."

1. The combination of the free peoples of the world in a common covenant for genuine and practical co-operation to secure justice and therefore peace in relations between nations. 2. Governments derive their just power from the consent of the governed. 3. No political or economic restrictions meant to benefit some nations and to cripple or embarrass others. 4. No indemnities or reprisals based upon vindictive purposes or deliberate desire to injure, but to right manifest wrongs. 5. Recognition of the rights of small nations and of the principle, "No people must be forced under sovereignty under which it does not wish to live." 6. No territorial changes or adjustment of power except in furtherance of the welfare of the peoples affected and in furtherance of world peace.

In addition to these basic principles, which are based upon declarations of our President of these United States, there should be incorporated in the treaty that shall constitute the guide of nations in the new period and conditions into which we enter at the close of the war the following declarations, fundamental to the best interests of all nations and of vital importance to wage-earners. 1. No article or commodity shall be shipped or delivered in international commerce in the production of which children under the age of 16 have been employed or permitted to work. 2. It shall be declared that the basic workday in industry and commerce shall not exceed eight hours. 3. Involuntary servitude shall not exist except as a punishment for crime whereof the party shall have been duly convicted. 4. Establishment of trial by jury.

There is not much call for special notice in the monthly return of the stock of money in the country issued by the United States Executive giving the figures on November 1 last. Compared with the same date in 1916, there is a comparatively slight increase in the gold. Of actual gold coin and bullion the expansion has

been \$371,493,000, bringing the aggregate up to \$1,021,616,000, but this has been nearly compensated for by a decrease of £341,492,000 in the gold certificates in circulation, which have declined within the twelve months from \$1,562,373,000, to \$1,220,881,000. Thus there is only about \$30,000,000, or £6,000,000, additional of gold in the country, compared with twelve months back. This must mean that the entrance of the United States into the war is changing the current of her receipts and payments, and we shall expect to see, as the war goes on, the stock of gold in the United States diminishing instead of increasing. The payments in Europe will be heavy, although little may be bought there, because the necessity of giving effective and large financial support to Allies becoming exhausted in the conflict will involve enormous disbursements on the part of the United States Treasury. The return before us further emphasises the expansion of the Federal Reserve notes. The total in circulation on the 1st ult. was \$865,746,000, an increase of \$629,494,000 on the total of November 1, 1916, and it is doubtful how far this gigantic expansion is wholesome or a reflection of the country's actual currency necessities. That the demands for currency are expanding is beyond question, and is indirectly proved to demonstration by the small decline which has been effected in the circulation of National Bank notes, notwithstanding the enormous competitive increase in Federal Reserve bank-notes. At November 1 last, National Bank notes in circulation amounted to \$701,605,000, which was only \$6,258,000 smaller than the figure of twelve months before. The estimated population of the United States is 104,719,000, so that the circulation of \$4,924,928,000 is equivalent to \$47.03 per head.

Is there anybody here interested now in the Seaboard Air Line? There were a good many caught in its net in the years before the war, and probably the holders who then held its bonds have been obliged to continue to hold them. It is, nevertheless, doing not so badly; at any rate, its belated accounts for the calendar year 1916 show an increase of \$3,544,000 in its gross receipts, making them \$26,184,000. At the same time, working expenses rose \$2,137,000 to \$17,531,000, so that the nett revenue was only \$1,506,000 up at \$8,652,000. Taxes rose \$104,000, but other miscellaneous receipts brought up the final clear revenue to \$7,889,000, or \$1,460,000 more than in 1915, and the adjustment bonds received their dividend with \$1,390,000 over. A year before the surplus was only \$247,000.

Answers to Correspondents.

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T. G. W. (Lisburn).—Your letter only came last Saturday. Hold for the present. The company is doing so well that its shares might go higher. The market thinks so.

Denes.—As the capital is entirely represented by goodwill we do not think they are.

M. C. R.—They are quite good, but stand high, as the income tax is paid by the company. You might wait and sell after the next dividend is paid, as the price usually recovers a little. There is not much room for a rise in them, as they are redeemable by drawings.

A. B. E.—All are quite good, but (1) and (2) are rather low to sell; (2) might be sold if you can get about the last price recorded. There would be practically no loss of income making the exchange.

Ignoramus.—(1) We think not. (2) Stand at a considerable premium, but company has prospects. If they drop back to about 6s. a few might be picked up.

W. P. W.—We cannot recommend the sale of either, as we think the present state of chaos cannot continue very long.

L. I. J.—We are not very impressed by the security. No doubt the company is doing better, but much money is wanted to clear the financial position.

R. C. D.—Apply for the new, repayable 1927. It carries the right of conversion into the old if you desire to exchange.

M. P. L.—Sell (1) and (4). You can dispose of your deposited stock quite easily. Keep (2) and (3) unless they go higher to about 60 and 80 respectively, as these would be fairly full prices these days. All are sound securities, but (1) and (4) are abnormally high owing to special conditions.

Letters to the Editor.

AN AGRICULTURIST'S PROTEST.

SIR,—I do not suppose you will print my protest, but why are some Radical newspapers so conservative that they cannot adapt themselves to new conditions, as normal as they are. Not content with attacking by insidious methods the men who alone can now feed the nation—viz., the farmers—a justly reputed journal like the *Daily Chronicle* attacks a sensible transitional method of attracting the surplus earnings of the workers into the War Loan. Nothing in this world is fixed, not even in war time, but we want to get on with the job, not merely to find fixed principles to be applicable for the next million years. In our evolution from the slime to the hind legs on which we stand, many processes are difficult to justify except as transitional. And Premium Bonds fit the case for the moment, at all events. Why are we Radicals so dull on such matters? Is it really lack of intelligence or merely prejudice? Certainly lack of knowledge is behind either. Had they submitted that lengthy complaint from Surrey yesterday to anyone who knows why park land is not being universally ploughed up, they could have found out in many cases our sports—like hunting, shooting, football, golf, &c.—originated where land was cheap because unoccupied, and untilled because unsuitable, and parkland is often old "forest" (waste land not treeland) on poor gravels or hopeless clay. It would probably not return 25 per cent. of any outlay in tillage, to say nothing of the wastefulness of applying good and scarce manure to such land.

Yours, &c.,

W. COBBETT BARKER

(Kent War Agricultural Committee).

Bryant House, Rochester,

December 13.

Insurance News.

A highly successful year's trading is reported by the South British Insurance Co., the nett premium income for the 12 months to August 31 showing an increase of £54,071 to £612,870, while the income from interest and rents was £4,572 higher at £48,083. After making full provision for losses outstanding, the surplus was £125,032—an increase of £10,297. The allocation to reserve is raised from £40,000 to £50,000, and investment fluctuation fund is credited with £20,000; a year ago £21,208 was written off investments. A final dividend of 2s. 6d. per share raises the total distribution for the year to 4s. 9d., as compared with 4s. 6d. for the previous year, and the balance carried forward is increased by £2,279 to £53,908. With the object of reducing the uncalled liability of the shares, the directors have decided to call up £1 a share, and to meet this call a payment is to be made out of reserves in the shape of a bonus dividend of £1 a share, payable on December 31. This operation will leave the paid-up capital at £500,000.

There should be plenty of business awaiting a new marine insurance company, and one has just been registered with the title of the British and South African Insurance Co. The company, which is a private concern, with a capital of £100,000 in £1 shares, will carry on the business of marine insurance in all its branches. The first directors are Messrs. J. A. Ewing, G. E. R. Adair, H. N. Knights, and R. Sewell.

The total estimated fire losses in the United Kingdom during the past month, so far as the principal losses were concerned, were comparatively light, the total of £280,000 being £122,000 less than in October, and £70,000 less than in the corresponding month last year. Outbreaks of fire in Lancashire cotton, bleach, and other warehouses contributed a full share to the losses of the month.

That fine old Scottish institution, the Scottish Widows, has an excellent War Bond scheme now before the public. The subscriber provides only £5 towards the purchase of each £100 bond, the balance of £95 being advanced by the society, which then applies for bonds for the full amount; the bonds are the

property of the subscriber, and are held as security for the loan, a life policy being taken out for the amount of the bonds, and also deposited as further security for the advance. The interest on the bonds provides the interest on the loan, subscribers having nothing to pay directly for the benefit of the advance. When the bonds mature at the end of 10 years, the society will hand over the life policy, and the balance of the £105 then payable in respect of each £100 bond, less whatever portion of the loan may be outstanding. In the case of the loan being repaid before the bonds mature, the policy and the bonds will then be surrendered. Should the policy money become payable during the currency of the loan, the nett amount, after deducting the sum owing to the society, will, together with the bonds, become the property of the policy-holders' representatives.

The terms are announced of a provisional agreement which has been entered into by the boards of the Union Marine Insurance Co. and the Northern Maritime Insurance Co. The former company agrees to purchase the shares of the Northern Maritime at the rate of £17 10s., payable in 5 per cent. War Loan, for each share. The business of the Northern Maritime will continue to be worked under its old name and constitution. A final dividend of 9s. a share, tax free, on the Northern Maritime shares will be paid for the year 1917, and shareholders of that company will also receive interest on the War Loan transferred to them from December 1 last; it is proposed that the amalgamation should take effect on January 1. The Union Marine is one of the largest of the marine offices, having been established in 1863; its business was acquired by the Phoenix Assurance Co. in 1911, and is maintained as a separate concern. For 1916 the premium income was £1,391,054. The fusion now announced thus strengthens the marine business of the Phoenix.

South African Revenue.—The following are the imports, exports, and revenue collections of the Union of South Africa for the month of August, 1917, in the following order:—(1) Gross revenue duty, (2) value of imports, (3) value of exports:—Cape-town, £100,405; £810,676; £413,184. Port Elizabeth, £76,714; £628,814; £356,700. East London, £29,676; £221,443; £346,038. Durban, £115,855; £1,451,002; £814,597. Johannesburg, £56,445; £12,755; nil. Lourenco Marques, £12,867; £260,115; nil. Other ports and stations, £8,812; £20,700; £22,500; £10,850. General Post Office, £16,125; nil; nil. Totals, £416,899; £3,405,595; £1,964,778.

DON'T CASH YOUR VICTORY LOAN DIVIDEND.

£2 10s. Dividend will double your holding of War Stock and produce £100 new money for the War.

Write for particulars to Prudential Assurance Co., Ltd, 142, Holborn Bars, E.C.1, or to any of its Agents.

AUSTRALIAN MUTUAL PROVIDENT

Estd. SOCIETY. 1849.

The Largest Mutual Life Office in the Empire.

Funds, £37,000,000.

Annual Income £4,700,000.

MODERATE PREMIUMS.

LIBERAL CONDITIONS.

WORLD-WIDE POLICIES.

Every Year a Bonus Year. Whole-life Policies, 20 years in force, show average increase of the sum assured by Bonus exceeding 50 per cent.

ENDOWMENT ASSURANCE RESULTS ALSO UNSURPASSED.

37, Threadneedle St., London, E.C. 2.

A NEW DEPARTURE IN LIFE ASSURANCE.

Policies can now be effected under the ordinary Whole Life and Endowment Assurance tables, at the Society's very LOW NON-PROFIT RATES, and can be TRANSFERRED to the BONUS TABLES at any subsequent time.

Apply to—

**CLERICAL, MEDICAL and GENERAL
LIFE ASSURANCE SOCIETY,
15, St. James's Square, S.W. 1, London.**

NOTE—The Society grants Assurances to under-average lives on equitable terms, and ANNUITIES to IMPAIRED LIVES at ENHANCED RATES

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

ASSETS exceed £11,000,000.

FIRE (INCLUDING LOSS OF PROFITS), LIFE, ACCIDENT, ILLNESS, ANNUITIES, PENSIONS, LEASEHOLD, BURGLARY, CLASS BREAKAGE, TRANSIT OF SECURITIES, FIDELITY, PROPERTY OWNERS' LIABILITIES, HORSE DRIVING ACCIDENTS, MOTOR CAR RISKS, THIRD PARTY, EMPLOYERS' LIABILITY AND MARINE INSURANCES EFFECTED ON THE MOST FAVOURABLE TERMS.

Edinburgh: 35, St. Andrew Square.

London: 5, Walbrook, E.C. 4, and 4, St. James' St., S.W. 1.

PHENIX ASSURANCE COMPANY LIMITED.

ESTABLISHED 1782.

Head Office: PHENIX HOUSE, KING WILLIAM STREET, LONDON, E.C. 4.

Total Assets Exceed £17,000,000.

Claims Paid Exceed £98,000,000.

Chairman—Rt. Hon. LORD GEORGE HAMILTON, P.C., G.C.S.I.

FIRE. LIFE. ACCIDENT. MARINE.
Loss of Profits following Fire, Workmen's Compensation, Fidelity Guarantee, Burglary, Trustee and Executor, &c.

Prospectuses and Proposal Forms may be obtained on application to any of the Branch Offices or Agencies, or to the Head Offices.
General Manager SIR GERALD H. RYAN.

ROYAL EXCHANGE ASSURANCE.

Incorporated A.D. 1720.

Governor: Vivian Hugh Smith, Esq.

FIRE. LIFE. SEA. ACCIDENTS. MOTOR-CAR. PLATE GLASS. BURGLARY. ANNUITIES. FIDELITY GUARANTEES. EMPLOYERS' LIABILITY. LIVE STOCK. THIRD PARTY. LIFT, BOILER AND MACHINERY. TRUSTEE AND EXECUTOR BUSINESS.

Apply to } Head Office—ROYAL EXCHANGE, LONDON, E.C. 3.
The Secretary.

The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

There has been a slight hardening in the condition of the Money market this week; but, all told, it does not amount to very much. Short loans have been in rather more request, and the rate has advanced from what had become the regular level of 3½-4 per cent. to a working basis which is usually nearer 4½ per cent., although sometimes business towards the end of the day could be arranged at 3¾ per cent. Short loans were in considerable supply as the end of the year approaches, and December Treasuries were melted at 4¾ per cent., while January-February maturities were quoted 4½-½. These slight movements really do not mean very much, but, as always happens, credit is not quite so mobile, for the January dividends are distributed. It is all to a very large extent wind-blown credit, but that is inevitable under existing conditions.

The Bank return displayed quite a different set of conditions to that which prevailed last week. One way or the other, the Government has raked in nearly £4,000,000 more, and Government securities at the same time have been reduced by £8,000,000. Conse-

quently other deposits or market balances show a reduction of £12,500,000, and the other movements are almost too insignificant to be worth mentioning. The note circulation has increased £206,000, while gold coin and bullion are £23,000 lower, with the result that the reserve has dropped £230,000, and now stands at £32,027,000. However, the ratio, owing to the reduction in liabilities, is almost 1 per cent. higher at 19.6 per cent. The figures are of little significance in present circumstances.

Some lively movements have again occurred in the foreign exchange market. There has been a further improvement in the value of roubles, which is attributed mainly to Scandinavian buying in anticipation of peace, and £10 will purchase only 350 roubles now, as compared with 380 last week. The Scandinavian exchanges, however, have relapsed afresh. The franc has improved further in value to 27f. 20½c., but the Italian exchange has risen 75c. to 39.85lr. Montreal is a point in our favour at \$4.77½. The South American exchanges have moved sharply against this country, Rio being 3-32d. higher at 13¾d., Chile 7-32d. higher at 14¾d., and Buenos Aires 1d. higher at 54d. Madrid has moved in favour of this country to the extent of rising 22½c. to 19.80 pesetas to the pound. The rise in the Bank of Sweden's rate of discount to 7 per cent. is not expected to have much influence on the exchange owing to the heavy loss which would be sustained on making remittances from here amounting to about 20 per cent.

The agreement made between the Nicaraguan Government and the Council of Foreign Bondholders shows that the coupons due July 1 last and January 1, 1918, will be paid as to 25 per cent. in cash, and the balance in 6 per cent. funding certificates. Thirty per cent. of the next two coupons, July 1, 1918, and January 1, 1919, and 35 per cent. of the July 1, 1919, and January 1, 1920, coupons, will be paid in cash, and the remainder in certificates. Coupons falling due on July 1, 1920, and subsequently will be paid all in cash. The scheme provides that the Nicaraguan Collector General of Customs must remit monthly the proportionate amount required to meet the half-yearly payments. Twenty-five per cent. of the Republic's surplus revenues are to be applied first in redeeming the certificates and then in paying off sinking fund arrears. The redemption of the certificates will also rank as a first lien on the proceeds of any "new money" loan that may be arranged. An important feature of the scheme is that American control of Nicaraguan finance is provided for, as explained last week, and in view of this, the agreement seems an eminently satisfactory one from the point of view of holders of the Sterling Loan of 1909.

Messrs. J. Henry Schroeder and Co. announce to holders of the 5 per cent. two-year Treasury notes of the State of San Paulo (due January 1) that the funds accumulated in London are sufficient to pay a further 25 per cent. of the original amount, and the State has agreed to the renewal of the remaining 45 per cent. at the price of £95 per £100. The renewed notes will bear interest, as before, at 5 per cent. This is all to the good, but a wealthy province like San Paulo ought not to have to resort to devices of that kind in these times, when it is so essential that money owed should be paid at once by every solvent debtor.

SILVER.

The silver market has been in a rather inert condition, and the price has remained at 42¾d. all the week. No fresh news has leaked out with regard to the projected purchases by the British and American Governments, and in the absence of details dealers are not inclined to take very decided views about the outlook. The Shanghai exchange at 4s. 3d. marks a high record for recent years, and is practically at the point at which silver could be shipped with profit from San Francisco, but such transactions require a licence from the U.S. Government. According to Messrs. Samuel Montagu and Co., stocks in Bombay still consist of 3,700 bars, and in Shanghai on the 8th inst. there were

23,300,000 ozs. in sycee and 13,500,000 dollars, as compared with 23,500,000 ozs. and 13,300,000 dollars on the 8th inst.

Applications for the Rs. 40,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,22,55,000. Of these Rs. 18,000 were allotted in bills, Rs. 36,85,000 in deferred transfers, and Rs. 2,97,000 in immediate transfers. Tenders for bills and deferred transfers at rs. 4 20-32d. and for immediate transfers at rs. 5d. received about 17 per cent. Since April last Rs. 36,60,00,000 have been sold, realising £22,046,430. Next week 40 lakhs will again be offered.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, December 12, 1917.

ISSUE DEPARTMENT.

Notes Issued	£	Government Debt..	£
74,539,430		11,015,100	
		Other Securities ..	7,434,900
		Gold Coin and Bullion ..	56,089,430
		Silver Bullion ..	—
£74,539,430		£74,539,430	

BANKING DEPARTMENT.

Proprietors' Capital	£	Government Securities ..	£
14,553,000		57,895,870	
Res ..	3,345,952	Other Securities ..	91,535,350
Public Deposits(Including		Notes ..	30,604,900
Exchequer, Savings		Gold and Silver Coin ..	1,422,391
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	40,416,153		
Other Deposits ..	123,152,831		
Seven Day and other Bills	10,584		
£181,458,520		£181,458,520	

Dated December 13, 1917.

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year, Dec. 13.	Dec. 5, 1917.	Dec. 12, 1917.	Increase.	Decrease.
£	£	£	£	£
3,231,561	3,308,871	3,335,952	17,081	—
57,511,681	30,458,001	40,416,153	3,958,152	—
106,526,295	135,038,569	123,152,831	—	12,485,738
20,355	10,276	10,584	308	—
42,187,599	Gov. Securities.	57,895,870	8,017,000	—
104,059,713	Other do.	91,535,359	263,613	—
35,598,584	Total Reserve ..	32,256,875	229,584	—
			12,485,738	12,485,738
			Increase	Decrease.
£	£	£	£	£
37,957,340	Note Circulation	43,728,080	43,934,530	206,150
55,105,924	Coin and Bullion	57,534,955	57,511,821	23,134
217 p.c.	Proportion ..	187 p.c.	9 p.c.	—
6 "	Bank Rate ..	5 "	5 "	—

PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended Dec. 8.)

REVENUE.	EXPENDITURE.
£	£
Customs ..	1,853,000
Excise ..	3,650,000
Estate, &c., Duties ..	579,000
Stamps ..	315,000
Land Tax and House Duty	—
Property and Income Tax	542,000
Excess Profits Tax ..	4,673,000
Land Values ..	—
Post Office ..	650,000
Crown Lands ..	—
Sundry Loans ..	—
Miscellaneous ..	2,730,000
Bullion advances repaid ..	60,000
For Treasury Bills for Supply	17,745,000
5% Exchequer Bonds, 1922 ..	—
6% Exchequer Bonds 1920 ..	—
Nation War Bonds ..	16,552,000
War Expenditure Certificates	—
War Savings Certificates ..	1,000,000
4% War Loan, 1929-1942 ..	—
5% War Loan, 1929-1947 ..	—
Other Debts created under	—
War Loan Act, 1915, and	—
Finance Act, 1916 ..	19,523,609
Telegraph Money Act, 1913	—
Under Post Office Rly. Act,	—
1913 ..	—
Under Military Works Act,	—
1897-1903 ..	—
Under Public Buildings ..	—
Under Housing Act ..	—
Repayment of Advance for	—
Interest on Exchequer	—
Bonds ..	—
China Indemnity ..	—
Canal Loan repayment ..	1,300,000
Suez Canal Drawn Shares ..	—
Ways and Means Advances	23,000,000
Decrease in Exchequer	—
balances ..	—
£170,894,609	£170,898,609

* Excluding sales through banks which have not yet been brought to account.

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,445,116,000	333,590,000	—
June	1,486,612,000	1,147,630,000	338,982,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August	1,624,368,000	1,364,784,000	259,584,000	—
September	1,348,317,000	1,136,590,000	211,727,000	—
October	1,877,534,000	1,619,967,000	257,567,000	—
November	1,470,867,000	1,180,701,000	290,166,000	—
December 5	414,498,000	363,003,000	51,495,000	—
" 12	384,992,000	319,639,000	65,353,000	—
Total ..	18,397,236,000	14,661,430,000	3,734,806,000	—

CURRENCY NOTES.

Return of Currency Notes for the week ended December 12, 1917.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes ..	4,868,676	3,416,024	142,705,411
10s. notes ..	1,625,125	1,358,198	35,28,895
Note certificates ..	90,000	13,000	21,700,000
Previous total ..	767,400,758	569,946,030	—
	773,974,559	574,559,252	199,414,306

Ratio of gold held against notes, this week, 16.03 p.c.; last week 16.12 p.c.

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Nov. 9, 1917.	Nov. 3, 1917.	Nov. 10, 1916.
	£	£	£
Gold coin and certificates ..	101,480,500	100,262,200	53,179,400
Gold Settlement Fund ..	77,144,800	75,702,800	20,914,200
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks	189,125,400	186,465,000	81,093,600
Gold with Federal Res. Agent	125,250,800	120,486,600	45,267,000
Gold Redemption Fund ..	2,209,200	2,234,400	273,000
Total gold reserves ..	314,675,400	309,215,000	127,635,000
Legal tender notes, silver, &c.	10,441,600	10,148,800	1,462,400
Total reserves ..	325,117,000	319,363,800	129,097,400
Bills discounted—Members' ..	102,030,800	100,793,000	3,876,000
Bills bought in open market	36,700,200	37,202,400	18,182,600
Total bills on hand ..	138,231,000	137,995,400	22,058,600
U.S. Gov. long-term sec. ..	10,743,600	10,770,200	7,770,600
U.S. Gov. short term sec. ..	8,473,400	9,042,200	2,269,400
Municipal warrants ..	254,600	253,400	4,138,800
Loans on gold coin and bullion	—	—	—
Total earning assets ..	157,707,600	158,061,200	37,237,400
Due from other Fed. Res. banks ..	1,545,000	2,876,600	7,013,000
Uncollected items ..	54,359,200	63,580,200	—
Total deducts, fm gross dep.	55,904,200	66,456,800	7,013,000
5% Red. Fund ag Fed. Res. bknts	107,400	107,400	90,000
All other resources ..	597,800	317,600	496,600
Total resources ..	539,434,000	544,300,800	172,934,400
Capital paid in ..	13,009,000	12,858,200	11,142,000
Government deposits ..	71,839,600	35,182,400	4,667,800
Due to members—Res. account	281,396,400	274,491,600	—
Due to non-mbrs—clearing ac.	6,773,200	4,862,000	—
Members' bank deposits—nett	—	—	111,292,400
Collection items ..	37,404,400	38,362,200	—
Total gross deposits ..	337,413,600	352,811,200	115,960,200
F.R. notes in actual circulat'n	186,502,400	176,200,200	45,522,400
F.R. bk nts in circn—nett liab.	1,600,000	1,600,000	206,000
All other liab. in for Gov. crds	849,000	837,200	103,000
Total liabilities ..	539,134,000	544,395,800	172,934,400
Gold res. ag nett deposit liab	67.1%	65.1%	74.4%
Gold & lawful money reserve	—	—	—
against nett deposit liabilities	70.8%	68.6%	75.8%
Gold res ag F.R. nts in act circ	67.5%	69.7%	102.2%

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Dec. 8, 1917.	Dec. 1, 1917.	Nov. 24, 1917.	Dec. 9, 1916.
	£	£	£	£
Loans ..	973,672,000	927,302,000	938,318,000	666,296,000
Reserve held in own Vaults ..	4,020,000	4,022,000	4,206,000	80,674,000
Reserve held in Fed. Res. Bk.	113,614,000	110,520,000	103,932,000	31,676,000
Cash in own Vaults ..	22,006,000	22,134,000	22,660,000	—
Reserve held in Other Depos.	1,808,000	1,870,000	2,018,000	10,754,000
Net Demand Deposits ..	707,910,000	693,040,000	684,844,000	659,684,000
Net Time Deposits ..	39,276,000	42,082,000	42,536,000	34,068,000
Circulation ..	6,668,000	6,638,000	6,618,000	5,914,000
Excess Lawful Reserve ..	24,966,000	23,762,000	18,632,000	15,982,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.)

	Dec. 8, 1917.	Dec. 1, 1917.	Nov. 24, 1917.	Dec. 9, 1916.
	£	£	£	£
Loans ..	191,540,000	184,646,000	135,528,000	153,782,000
Specie ..	4,690,000	4,674,000	6,606,000	12,513,000
Deposits ..	162,744,000	166,402,000	165,588,000	162,172,000
Legal Tenders ..	14,898,000	14,856,000	12,156,000	2,161,000

BANK OF FRANCE (25 francs to the £).

	Dec. 6, 1917.	Nov. 29, 1917.	Nov. 22, 1917.	Dec. 7, 1916.
	£	£	£	£
Gold in hand ..	131,967,480	131,851,440	131,773,920	202,190,926
Silver in hand ..	9,850,200	9,876,400	9,940,180	12,440,360
Bills discounted ..	32,082,960	33,017,200	28,753,720	22,319,320
Advances ..	46,313,600	45,138,240	45,214,000	53,493,500
Note circulation ..	916,471,280	907,635,360	896,578,200	651,920,280
Public deposits ..	1,710,680	1,130,440	2,105,040	2,734,840
Private deposits ..	111,850,280	111,154,240	112,013,040	78,110,500
Foreign Bills ..	106,080	163,840	195,800	247,480

Proportion between bullion and circulation 24.36 per cent., against 24.59 per cent. last week. Advances to the State £512,000,000, increase £10,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £20,402,920, decrease £23,040, and at the branches £25,443,080, decrease £28,160.

BANK OF ITALY (25 lire to the £).

	Oct. 31, 1917	Oct. 20, 1917	Oct. 10, 1917	Oct. 31, 1916
	£	£	£	£
Total cash	43,643,440	41,951,200	38,592,720	45,904,760
Inland Bills	26,585,360	26,557,160	26,337,760	20,072,960
Foreign Bills	883,640	883,240	832,760	834,080
Advances	18,818,080	13,200,680	13,079,720	8,128,720
Government securities ..	8,788,080	8,781,480	8,786,440	8,800,680
Circulation	215,567,840	207,745,600	205,759,600	147,662,080
Deposits at notice	29,510,600	28,531,760	27,827,080	15,142,560
Current accounts	13,976,080	14,672,840	13,644,880	15,398,280

BANK OF SWEDEN.

	Nov. 3, 1917.	Oct. 27, 1917.	Oct. 20, 1917.	Nov. 4, 1916.
	£	£	£	£
Gold	12,216,000	11,922,000	11,921,000	9,585,000
Balance abroad and Foreign Bills ..	6,946,000	7,646,000	7,797,000	8,528,000
Swedish and Foreign Govt. Securities ..	5,942,000	5,918,000	5,084,000	3,799,000
Discounts and Loans ..	8,553,000	8,265,000	8,464,000	4,932,000
Notes in circulation ..	29,278,000	27,652,000	27,586,000	21,026,000
Deposits at notice ..	5,151,000	6,677,000	6,109,000	5,176,000

NETHERLANDS BANK (12 Florins to the £).

	Dec. 8, 1917	Dec. 1, 1917	Nov. 24, 1917	Dec. 9, 1916
	£	£	£	£
Gold and Silver ..	58,862,000	58,908,833	58,271,666	49,428,416
Bills and Advances ..	14,718,666	15,098,000	14,880,333	11,951,925
Note circulation ..	72,554,083	73,089,916	71,373,083	61,936,000
Deposits	4,236,916	4,193,000	5,008,666	2,892,500

BANK OF SPAIN (25 pesetas to the £).

	Dec. 1, 1917	Nov. 24, 1917	Nov. 17, 1917	Dec. 1, 1916
	£	£	£	£
Gold	78,555,595	78,460,987	78,385,734	48,336,391
Silver	28,248,587	28,833,084	28,693,382	29,810,655
Foreign Bills	3,612,597	3,588,422	3,584,851	3,887,237
Discounts and Short Bills ..	29,116,525	29,078,571	29,000,808	25,977,682
Treasury Account, &c. ..	25,099,188	25,085,406	25,266,755	30,192,712
Notes in Circulation ..	109,663,878	109,659,129	110,185,018	92,994,859
Current Accounts, Deposits ..	37,668,680	37,402,397	37,930,687	28,019,507
Dividends, Interests, &c. ..	6,132,497	1,569,686	1,592,942	1,559,359
Government Securities ..	3,613,291	2,716,021	2,676,961	4,842,944

SWISS NATIONAL BANK (25 francs to the £).

	Nov. 30, 1917.	Nov. 23, 1917.	Nov. 15, 1917.	Nov. 30, 1916.
	£	£	£	£
Gold and silver ..	16,176,224	16,188,932	16,144,955	14,531,708
Bills	9,278,536	9,267,452	10,442,833	7,034,792
Note circulation ..	25,103,608	23,962,372	24,310,079	19,167,040
Current and deposit accounts ..	3,490,432	4,076,568	5,111,853	4,531,476

BANK OF NORWAY.

	Nov. 30, 1917.	Nov. 22, 1917.	Oct. 31, 1917.	Nov. 30, 1916.
	£	£	£	£
Gold	6,322,000	6,388,000	6,489,000	5,065,000
Balance abroad and Foreign Bills ..	4,388,000	4,379,000	4,328,000	5,288,000
Gov't Securities ..	707,000	707,000	707,000	767,000
Discounts & Loans ..	20,235,000	19,483,000	19,199,000	7,356,000
Notes in Circulation ..	17,043,000	16,758,000	16,975,000	13,210,000
Deposits at notice ..	11,093,000	10,761,000	10,241,000	3,606,000

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Dec. 11, 1917.		Dec. 13, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	10.85	10.95	10.80	10.90
	Three months' bills ..	11.00	11.10	10.95	11.05
Paris	Cable transfers ..	27.18	27.23	27.19	27.24
	Three months' bills ..	27.58	27.63	27.60	27.65
Switzerland ..	Cable transfers ..	20.50	20.60	20.45	20.55
	Three months' bills ..	20.85	20.95	20.80	20.90
Petrograd ..	Cable transfers ..	348	353	348	353
Genoa, &c. ..	Cable transfers ..	39.70	39.90	39.15	39.55
Spain	Cable transfers ..	19.63	19.73	19.90	20.07
	Three months' bills ..	564	573	57	58
Lisbon and Oporto ..	Cable transfers ..	294	293	291	304
Copenhagen ..	Cable transfers ..	14.50	14.60	14.27	14.37
Christiania ..	Cable transfers ..	14.15	14.25	14.00	14.10
Stockholm ..	Cable transfers ..	13.33	13.43	13.18	13.28

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22½	27.23	27.23
Amsterdam, cheques ..	Florins to £1 ..	12.107	10.82½	10.87½
Italy, sight ..	Lire to £1 ..	25.22½	39.80	39.42½
Madrid, sight ..	Pesetas to £1 ..	25.22½	19.72½	19.85½
Lisbon, sight ..	Pence to milreis ..	53½d.	30½d.	30d.
Switzerland, sight ..	Francs to £1 ..	25.22½	20.70	20.42½
Christiania, sight ..	Kroner to £1 ..	18.159	14.49	13.79
Stockholm, sight ..	Kroner to £1 ..	18.159	13.61	12.93
Copenhagen, sight ..	Kroner to £1 ..	18.159	14.85	14.10
Petrograd, sight ..	Roubles to £10 ..	94.57	357½	350
Alexandria, sight ..	Piastres to £1 ..	97½	97½	97½
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Hong Kong, T.T. ..	Sterling to dollar ..	—	2/11	2/11½
Shanghai, T.T. ..	Sterling to tael ..	—	4/12	4/3
Singapore, T.T. ..	Sterling to dollar ..	—	2/4½	2/4½
Yokohama, T.T. ..	Sterling to yen ..	24.58d.	2/12	2/11
New York, cable ..	Dollars to £1 ..	4.86½	4.70½	4.70½
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	52d.	54½d.
Valparaiso, 90 days ..	Pence to peso ..	—	14½d.	14½d.
Montevideo, T.T. ..	Pence to dollar ..	51d.	61½d.	63d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13½d.	13½d.

OPEN MARKET DISCOUNT.

	Last week.	This week
	Per cent.	Per cent.
Thirty and sixty day remitted ..	4½-4½	4½-4½
Three months ..	4½-4½	4½-4½
Four months ..	4½-4½	4½-4½
Six months ..	4½-4½	4½-4½
Three months fine inland bills ..	5½-5½	5½-5½
Four months ..	5½-5½	5½-5½
Six months ..	5½-5½	5½-5½

BANK AND DEPOSIT RATES.

	Last week.	This week
	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
short loan rates ..	—	—
Bankers' rate on deposits ..	4	4
Bill brokers' deposit rate (call) ..	4	4
7 and 14 days' notice ..	4½	4½
Current rates for 7 day loans ..	4½	4½
for call loans ..	3½-4	4-4½

The Week's Stock Markets.

Feebleness is about the only word that describes the condition of the Stock markets this week, and dealings also have been on an even smaller scale than we regard as usual in these times. When it is remembered that we are getting very near the holiday season, and that there has been nothing very definite to stimulate enthusiasm, the lassitude need not surprise us. Even the occupation of Jerusalem by the Allied troops did not stir the advocates of Zionism to support War Loans, but perhaps they had already given most of their spare cash to the Tank banks and the balance to the firms who give away prizes with—we were going to say pounds of tea, but that would be wrong. People wait and fight and gamble for ounces of that precious commodity nowadays. Anyhow, in almost every direction there has been a feeling of dull, helpless inertia, and prices have generally sagged. The weakness has been most pronounced in Russian securities, but Home and Foreign Rails, Shipping securities, Iron and Steel shares, Oils and Rubbers, have all felt the depressing influence. It looks as though the Rubber market had exhausted its public for the time being, and as many recent buyers purchased with the object of snatching profits instead of holding as investments, this creates an element of weakness which was scarcely expected when speculative business is supposed to be more or less barred.

It has been another extremely dull week on the Stock Exchange, partly no doubt owing to the approach of the holiday season and the end of the year, when buyers are nearly always hard to find and sellers hope to get better terms after money becomes easy at the beginning of the year. Gilt-edged securities have been most uniformly dull. Consols, the War Loans, Irish Land and Indian issues have all given way fractionally. Colonial stocks were scarcely mentioned all through the week, and no movements occurred in any of the stocks that are usually most in the forefront. In the Foreign section, Russians had unenviable prominence by pronounced weakness, which knocked points at a time off most of the securities dealt in on our market, and with one disturbing element following another, complete demoralisation is only what might be anticipated, although we have confidence that in the long run the foreign creditors of the country will receive just dues. Japanese were firm, although the occupation of Vladivostok created a little temporary uneasiness. Spanish Fours lost ground, and most of the others were heavy.

Home Railways have been persistently weak, and have shed small fractions day by day. In most cases the losses were trifling, but the cumulative effect is considerable. Underground issues were particularly dull, and lost about a point all round. Americans have been very flat, with Southern, Eries, Mexican Nationals shedding big fractions almost every day. International Mercantile Marine also lost several points. Canadian Pacifics have scarcely been mentioned, but Grand Trunks have been conspicuously weak, and Mexicans naturally were not helped by the report. Argentines have sagged persistently, and although traffics were on the whole more favourable they did not help the market to any appreciable extent. United of Havana and San Paulo also gave way.

Banks have not received very much attention, and movements have been irregular. Union of London and Smiths, National Discount and Union Discount have improved, while London County and Westminster, National Provincial, and Parr's gave way slightly. Among Breweries, Guinness, Watney Combes, and Benskins have lost ground, but Allsopps showed considerable strength. Very few of the other prominent shares were mentioned. Egyptian securities have been irregular, but, on the whole, the tendency has been upwards. Iron and Steel shares have mostly given way, with Otis prominently weak. Cargo Fleets, Kynochs, and Guest Keens have lost substantial fractions, but Workington Iron have improved on the amalgamation scheme which is projected. Among Land shares Hudson's Bays have improved a fraction, while Pekins and Nigers are both lower. Nitrate shares were rather weak, and among

	Last Week	This Week		Last Week	This Week
Consols.....	55 1/2	54 1/2	N.S.W. 4 1/2% 5 yr. bds.....	97	97
War Loan 3 1/2%.....	85	85	" 4 1/2% 1922-7.....	89	89
" 4 1/2%.....	90 1/2	90 1/2	" 5% 1921-3.....	95	95
" 5% 1929-47.....	93 1/2	93 1/2	" 5 1/2% 1920-2.....	98 1/2	98 1/2
" 4% 1919-42.....	100 1/2	100 1/2	New Zealand 4% 1929.....	85	85
India 3%.....	54 1/2	54 1/2	Queensland 4%.....	80 1/2	80 1/2
" 3 1/2%.....	64 1/2	64 1/2	" 4 1/2% 1920-5.....	92	92
Australian 5 1/2% 1920-22.....	99 1/2	99 1/2	Union of S. Africa 4 1/2%.....	91 1/2	91 1/2
Canada 4% 1940-60.....	81 1/2	81 1/2	1920-5.....	91 1/2	91 1/2
" 4 1/2% 1920-5.....	92 1/2	92 1/2	Victoria 4 1/2% 1920-5.....	92	92
N.S.W. 4% 1933.....	81 1/2	81 1/2	Westn. Aus. 4%.....	79 1/2	79 1/2
Argentine 4% 1900.....	65	65	French War Loan, 5%.....	77 1/2	77 1/2
Belgian 3%.....	60	60	Japan 4 1/2% (rst), 1905.....	97 1/2	98
Brazil, 1913.....	69	69	" 5% 1907.....	90 1/2	90 1/2
" 5% 1914.....	80	79 1/2	Mexican 5% 1899.....	61 1/2	60
Chinese 1896.....	92	92	Russia 4%.....	45 1/2	41 1/2
" 1912.....	82 1/2	83	" 4 1/2% 1909.....	48 1/2	45 1/2
Egypt Unified 4%.....	84	84	" 5% 1906.....	54 1/2	51 1/2
Caledonian defd.....	8 1/2	8 1/2	London and N.-W.....	89 1/2	89 1/2
Gt. Central prd.....	13 1/2	13 1/2	London and S.-W. dfd.....	23 1/2	23 1/2
" dfd.....	6 1/2	6 1/2	Do red. pf. 1914.....	92 1/2	92 1/2
Gt. Eastern.....	35 1/2	35 1/2	Metropolitan.....	22 1/2	21 1/2
Gt. Northern dfd.....	36 1/2	36 1/2	Do. 5% pf.....	77	77
Gt. Western.....	84	83 1/2	Met. District.....	15 1/2	15 1/2
Lancs. and Yorks.....	65	64	Midland dfd.....	56	55 1/2
London Brighton dfd.....	58 1/2	58	Nth. British dfd.....	13 1/2	13 1/2
London Chatham ord.....	8 1/2	8 1/2	Nth.-Eastern.....	98 1/2	93 1/2
			Sth.-Eastern dfd.....	29	28 1/2
Canadian Pacific.....	160	159	Chesapeake.....	52	50
E. Indian Guar. 4 1/2% debts.....	84	84	Erie.....	23	21 1/2
Grand Trunk ord.....	8 1/2	8 1/2	Southern.....	27 1/2	24 1/2
Do. 1st pf.....	50 1/2	47			
Do. 3rd pf.....	19	18 1/2			
Antofagasta dfd.....	131	131	Cent. Argentine ord.....	60 1/2	59 1/2
Brazil Common.....	5	5	Leopoldina.....	37	37 1/2
B. A. & Pacific.....	39 1/2	39	Mexican ord.....	17 1/2	16 1/2
B. A. Gt. Southern.....	73 1/2	72 1/2	San Paulo (Brazilian).....	184	184
B. A. Western.....	71 1/2	70 1/2	United of Havana.....	78 1/2	73 1/2
Anglo-South American.....	7 1/2	7 1/2	London & S.W.....	13 1/2	13 1/2
Bank of Australasia.....	114	114	London City & Midland.....	7 1/2	7 1/2
Bank of N.S. Wales.....	35 1/2	35 1/2	London County & West.....	15	14 1/2
Barclay & Co. "A".....	7 1/2	7 1/2	London Joint Stock.....	23 1/2	23 1/2
Do. "B".....	11 1/2	11 1/2	Nat. Prov. of Eng. (£10 pd).....	27 1/2	27
Capital & Counties.....	22 1/2	22 1/2	Do. (£12 pd).....	31 1/2	31 1/2
Chartered of India.....	68	68	Parr's.....	29 1/2	29
Hongkong & Shanghai.....	84	84	Standard of S.A.....	10 1/2	10 1/2
Lloyds.....	25	25	Union Discount.....	10 1/2	10 1/2
London & Provincial.....	17 1/2	17 1/2	Union & Smiths.....	23 1/2	23 1/2
London & Brazilian.....	23 1/2	23 1/2			
Armstrong, Whitworth.....	41 1/2	41 1/2	Kynochs.....	38 1/2	35 1/2
Birmingham Small Arms.....	52 1/2	51 1/2	Mond Nickel ord.....	3 1/2	3 1/2
Cammell-Laird.....	24 1/2	24 1/2	South Durham Steel.....	38 1/2	38 1/2
Cargo Fleet.....	24 1/2	24 1/2	Thornycroft.....	39 1/2	38 1/2
Dorman, Long.....	45 1/2	45 1/2	Vickers.....	42 1/2	42 1/2
Associated Cement.....	34 1/2	34 1/2	Fine Cotton Spinners.....	33 1/2	32 1/2
Borax dfd.....	38 1/2	38 1/2	Forestal Land.....	48 1/2	48 1/2
Bovril.....	20 1/2	20 1/2	Furness, Withy.....	56 1/2	55 1/2
Brazil Traction.....	45 1/2	46	Harrods Stores.....	2 1/2	2 1/2
British Amer. Tobacco pf.....	18 1/2	18 1/2	Hudson's Bay.....	7 1/2	7 1/2
British Aluminium.....	33 1/2	33 1/2	Imperial Tobacco 'C' pf.....	38 1/2	33 1/2
British Oil & Cake.....	32 1/2	31 1/2	Lever Bros. "C" pf.....	20 1/2	20 1/2
Brunner, Mond.....	4 1/2	4 1/2	Lyons, J.....	31 1/2	31 1/2
Caster-Kellner.....	3 1/2	3 1/2	Marconi.....	3 1/2	3 1/2
Coats.....	6 1/2	6 1/2	Maypole Dairy dfd.....	19 1/2	19 1/2
Courtaulds.....	6 1/2	6 1/2	National Steam Car.....	20 1/2	20 1/2
Cunard.....	4	4 1/2	Pears, A. & F.....	14 1/2	14 1/2
Dennis Bros.....	38 1/2	35 1/2	P. & O. dfd.....	33 1/2	32 1/2
Eastern Telegraph.....	149 1/2	151 1/2	Royal Mail.....	12 1/2	12 1/2
Eastmans.....	10 1/2	10 1/2	Underground Inc. Bds.....	8 1/2	8 1/2
English Sewing Cotton.....	55 1/2	55 1/2			
Anglo-Egyptian "B".....	25 1/2	25 1/2	North Caucasian.....	3 1/2	3 1/2
Baku (10s).....	2 1/2	1 1/2	Romanian Cons.....	10 1/2	9 1/2
Burmah.....	7 1/2	7 1/2	Royal Dutch (100 gulden).....	51	51
Lobitos.....	2 1/2	2 1/2	Shell.....	58 1/2	58 1/2
Malak Pipeline.....	3 1/2	3 1/2	Spies (10/-).....	8 1/2	8 1/2
Mexican Eagle pf.....	65 1/2	65 1/2	Ural Caspian.....	1 1/2	1 1/2
Alagar 2/-.....	3 1/2	3 1/2	Perak 2/-.....	7 1/2	7 1/2
Anglo-Java Rub. 2/-.....	7 1/2	6 1/2	Port Dickson 2/-.....	4 1/2	4 1/2
Anglo-Malay 2/-.....	14 1/2	13 1/2	Rub. Estates Johore 2/-.....	45 1/2	45 1/2
Ayer Kuning 2/-.....	5 1/2	5 1/2	Rub. Estates Krian 2/-.....	4 1/2	4 1/2
Batang Malaka 2/-.....	5 1/2	5 1/2	Rubber Trust 2/-.....	30 1/2	28 1/2
Bekoh 2/-.....	4 1/2	4 1/2	Sampang (Java) 2/-.....	2 1/2	2 1/2
Brit. N. Borneo Trust 2/-.....	17 1/2	17 1/2	Saputangkande 2/-.....	24 1/2	24 1/2
Bukit Ceh 2/-.....	5 1/2	5 1/2	Semarang 2/-.....	29 1/2	28 1/2
Bukit Kajang 2/-.....	8 1/2	7 1/2	Selangor.....	36 1/2	35 1/2
Bukit Mertajam 2/-.....	4 1/2	4 1/2	Sengat 2/-.....	3 1/2	3 1/2
Bukit Sembawang 2/-.....	3 1/2	3 1/2	Seremban 2/-.....	44 1/2	44 1/2
Carey United 2/-.....	50 1/2	47 1/2	Silfong 2/-.....	41 1/2	41 1/2
Ceylon Para 2/-.....	10 1/2	10 1/2	Sialang 2/-.....	72 1/2	70 1/2
Chersonese.....	3 1/2	3 1/2	Singapore Para 2/-.....	4 1/2	4 1/2
Cheviot 2/-.....	6 1/2	6 1/2	Singapore United 2/-.....	3 1/2	3 1/2
Dalkeith 2/-.....	3 1/2	3 1/2	Southern Ajoe 2/-.....	2 1/2	2 1/2
Eastern Invest. Trust 2/-.....	27 1/2	27 1/2	Stagbrook 2/-.....	33 1/2	33 1/2
Grand Central 2/-.....	28 1/2	27 1/2	Straits Beriam 2/-.....	7 1/2	6 1/2
Gula Kalumpung 2/-.....	33 1/2	33 1/2	Sumatra Para 2/-.....	10 1/2	9 1/2
Highlands 2/-.....	60 1/2	60 1/2	Sungei Bahrui 2/-.....	42 1/2	40 1/2
Java Investment 2/-.....	30 1/2	28 1/2	Sungei Kapar 2/-.....	11 1/2	11 1/2
Java Para 2/-.....	34 1/2	32 1/2	Sungei Kruit 2/-.....	56 1/2	56 1/2
Johore Rubber Lands 2/-.....	35 1/2	34 1/2	Taipang 2/-.....	4 1/2	4 1/2
Kamuning 2/-.....	4 1/2	4 1/2	Tali Ayer 2/-.....	4 1/2	37 1/2
Kinta Kellas 2/-.....	4 1/2	4 1/2	Tandjong 2/-.....	4 1/2	4 1/2
Kuala Kubu 2/-.....	3 1/2	3 1/2	Tandjong Malim 2/-.....	34 1/2	34 1/2
Labu 2/-.....	10 1/2	9 1/2	Tebrau 2/-.....	74 1/2	65 1/2
Langen Java 2/-.....	47 1/2	46 1/2	Telagorejo 2/-.....	48 1/2	46 1/2
Linggi 2/-.....	28 1/2	27 1/2	Tempeh 2/-.....	2 1/2	2 1/2
London Asiatic 2/-.....	9 1/2	8 1/2	United Serdang 2/-.....	11 1/2	10 1/2
Malacca 2/-.....	5 1/2	5 1/2	United Sumatra 2/-.....	9 1/2	8 1/2
Malayalam 2/-.....	40 1/2	39 1/2	Val d'Or 2/-.....	4 1/2	4 1/2
Merliman 2/-.....	5 1/2	5 1/2	Vallambrosa 2/-.....	23 1/2	23 1/2
Padang Jawa 2/-.....	3 1/2	3 1/2	Val Halim 1/8 pd.....	2 1/2	2 1/2
Pataing 2/-.....	43 1/2	42 1/2			
Abbottakoon (10/-).....	4 1/2	4 1/2	Gt. Boulder 2/-.....	13 1/2	13 1/2
Bechnanland Exp.....	7 1/2	7 1/2	Kyushon.....	1 1/2	1 1/2
Brakpan.....	5 1/2	5 1/2	Mashonaland Agency.....	7 1/2	7 1/2
Broken Hill Prop. (8/-).....	53 1/2	52 1/2	Meyer & Charlton.....	5 1/2	5 1/2
Cam & Motor.....	10 1/2	10 1/2	Modder "B".....	8 1/2	8 1/2
Central Mining (12/-).....	6 1/2	6 1/2	Do. Deep.....	7 1/2	7 1/2
Chartered.....	14 1/2	14 1/2	Mysore.....	3 1/2	3 1/2
City Deep.....	3 1/2	3 1/2	Rand Mines (5/-).....	3 1/2	3 1/2
Cons. Gold Fields.....	1 1/2	1 1/2	Rio Tinto (5/-).....	6 1/2	6 1/2
Cons. Langlaagte.....	2 1/2	2 1/2	Russo-Asiatic.....	3 1/2	3 1/2
Crown Mines (10/-).....	2 1/2	2 1/2	Spring Mines.....	3 1/2	3 1/2
De Beers Ltd. (12 10s).....	13 1/2	12 1/2	Tanganyika.....	3 1/2	3 1/2
East Rand.....	5 1/2	5 1/2	Tandlyk.....	1 1/2	1 1/2
Geduld.....	1 1/2	1 1/2	Van Ryn Deep.....	5 1/2	5 1/2
Gov. Areas Mod.....	3 1/2	3 1/2			

Textiles, Coats gave way at first, but afterwards recovered on the acceptance by the board of the suggestion that when conditions are ripe a part of the huge reserves will be capitalised. Shipping shares were all rather flat, and Marconis also gave way. Miscellaneous Industrials did not receive much attention, but, like most other sections, the tone was dull. Associated Cement, Brunner Mond, and Dunlop Rubber lost considerable fractions, while Gramophones and Liptons rather improved their position.

Oil shares have been persistently weak under the lead of Burmahs, which have lost rather heavily on persistent profit-taking. Eagles, "Shells," Trinidad Leaseholds, Roumanian Consolidated, and Venezuelan Concessions also gave way. Rubber shares have been rather under a cloud owing to the absence of fresh buying and the persistent fall in the price of the commodity. The selling pressure has been a little more noticeable than previously, and although the undertone of the market is not seriously affected, the absence of fresh support naturally creates a little anxiety among dealers who are carrying more shares than they really want to hold.

LONDON PRODUCE MARKETS.

There was no new interesting feature to record with regard to most commodities, and general trade proceeded quietly.

SUGAR.—Quotations were kept at previous level.

COFFEE commanded steady support, and recent rates were maintained without difficulty. In auction bold East India sold, gns. to

CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING DECEMBER 14, 1917.

—	Last Week.	This Week.	—	Last Week.	This Week.
Sugar —per cwt., duty 14/-, 98 % polarisation			Wool —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian ..	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino ..	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'sabr'd ..	nom.	nom.
Lyle's granulated ..	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granu- lated, first marks			Greasy Crossbred ..	nom.	nom.
f.o.b., spot ..	nom.	nom.	New Zealand ..	nom.	nom.
German Cubef.o.b.	nom.	nom.	(soured) Merino ..	nom.	nom.
French Cube ..	nom.	nom.	Greasy Crossbred ..	nom.	nom.
Crystallised, West ..	2 6 9	2 6 9	Cape snow white ..	nom.	nom.
India ..	2 6 9	2 6 9	Indiarubber p. lb.		
Beet, 88% f.o.b.	nom.	nom.	Plantation, Spot ..	0 2 4	0 2 4
			Crepe ..		
Tea —per lb., duty	s. d. s. d.	s. d. s. d.	Coal —per ton		
1/- lb.			Durham, best ..	nom.	nom.
Broken ..	11-1 6	10-1 6	Seconds ..	nom.	nom.
Orange ..	10-2 5 1/2	10-2 4 1/2	East Hartlepool ..	nom.	nom.
Broken ..	13-2 7 1/2	13-2 7 1/2	Seconds ..	nom.	nom.
Pekoe Souchong ..	11-1 6	10-1 6	Steamers, best ..	32 6	32 6
Ceylon Pekoe ..	11 1/2 1 6	10-1 6	Seconds ..	29 6	29 6
Broken ..	11-2 6 1/2	10-1 6	Lead —per ton.	£ s. d.	£ s. d.
Orange ..	10-1 6	10-1 6	English Pig ..	nom.	nom.
Broken ..	13-2 7 1/2	13-2 6	Foreign solt ..	£30 1/2-£29 1/2	£30 1/2-£29 1/2
Pekoe Souchong ..	11-1 6	10-1 6	Quicksilver —per		
			bottle first hand ..	nom.	nom.
Cocoa —per cwt., duty 6d. per lb.	s. s.	s. s.	Tin —per ton		
Trinidad—per cwt.	90 0-97 0	90 0-97 0	English Ingots ..	£294-295	£302-304
Grenada ..	85 0-96 0	85 0-96 0	Do. bars ..	£295-296	£303-305
West Africa ..	68 0-77 0	68 0-77 0	Standard cash ..	£293 10/-	£299 10/-
Ceylon Plantation ..	75 0-92 0	75 0-92 0	Fin Plates, per box ..	nom.	nom.
Guayaquil Arabia ..	103/-107 1/2	103/-107 1/2	Copper —per ton.		
Coffee —per cwt., duty 42/- per cwt.			English, Tough ..	nom.	nom.
East India ..	96 0-115 6	97 0-115 6	per ton ..	nom.	nom.
Jamaica ..	77 0-120 0	77 0-120 0	Best Selected ..	£119-£123	£119-£123
Costa Rica ..	96 0-115 0	97 0-115 0	Sheets ..	£147	£147
			Standard ..	£110-110 1/2	£110-110 1/2
Provisions — Butter, per cwt.			Jute —per ton.		
Australian finest ..	220/-223/-	252/-	Native firsts for	nom.	nom.
Argentine ..	220/-223/-	252/-	shipment ..	nom.	nom.
Irish Creameries ..	224/-229/-	252/-	Oil —		
Dutch ditto ..	229/-	252/-	Linseed, per ton ..	£58-£63	£58-£63
Russian finest ..	nom.	nom.	Rape, refined ..	£71	£71
Paris baskets ..	256/8	252/-	" crude ..	£66	£66
Danish finest ..	229/-	nom.	Cott'n Seed, crude ..	£60	£60
Brittany rolls ..			Ditto, refined ..	£67-£95	£67-£95
doz. lb. ..	27/-28/-	27/-28/-	Petroleum Oil, per		
			8 lbs. ..	1/7 1/2	1/7 1/2
Bacon —per cwt.			Water White ..	1/8 1/2	1/8 1/2
Irish ..	172/-	172/-	Oil Seeds, Linseed		
Continental ..	172/-	172/-	Calcutta—per ton		
Canadian ..	172/-	172/-	Rape ..	50 0 0	29 15
American ..	172/-180/-	172/-180	Spot ..	30 0 0	£29-10 1/2 30
Hams —per cwt.			Iron —per ton		
Irish ..	203/-	203/-	Cleveland Cash ..	nom.	nom.
Canadian ..	162/-165/-	162/-165/-	Tobacco —duty,		
American ..	125/-165/-	125/-165/-	unmanufactured		
Cheese —per cwt.			7/4 to 8/0 per lb.		
Dutch ..	nom.	nom.	Maryland & Ohio ..	nom.	nom.
Canadian ..	nom.	nom.	per lb. bond ..	nom.	nom.
English Cheddar ..	142/-	142/-	Virginialeat ..	0 8-2 1	0 8-2 1
Wilt's loaf ..	nom.	nom.	Kentucky leaf ..	0 7-0 11	0 7-0 11
New Zealand ..	nom.	nom.	Latakia ..	2 0-5 0	2 0-5 0
Rice —per cwt.	s. d.	s. d.	Havana ..	1 6-6 6	1 6-6 6
Japan ..	nom.	nom.	Manilla ..	nom.	nom.
Rangoon 2 stars ..	26 3	26 3	Cigars, duty 10/6		
Eggs —per 120.			per lb. ..	2/ upds.	2/ upds.
English ..	41 0-44 0	41 0-44 0	Timber —Wood.		
Irish ..	31 0-36 0	34 0-38 0	Pitch Pine ..	300/-400	300/-400
Danish ..	34 0-37 0	37 0-38 0	Indian Teak ..	380/-700	380/-700
Spelter —			Turpentine —		
G.O.B. as to position			American Spot ..	119/-	127-5
	£54-£50	£54-£50	Copra —per ton		
Flour —per sack.			Malabar ..	46 0 0	46 0 0
Country Straight			Ceylon ..	46 0 0	46 0 0
Runs ex Mill ..	44/3	44/3	F.M.S. Singapore	46 0 0	45 10 0
			F.M. Straits ..	45 15 0	45 10 0

98s. 6d.; Costa Rica, 106s. to 111s.; Santos, quay terms, 71s. to 73s. 6d.; and middling greenish Colombian, 96s. For future delivery a steady, but quiet, state of affairs prevailed.

Cocoa.—Market rather quiet, but sellers required full rates. In auction, only a small proportion of the 7,718 bags offered found buyers, the general assortment being by no means attractive.

TEA.—During the week 48,284 packages Indian and 13,412 packages Ceylon were submitted to public sale. Mostly steady prices were obtained under active biddings.

SPICE.—General demand was quiet, but prices ruled steady. Of pepper, fair black Singapore, on spot, sold, 1s. 2½d.; Muntok, 1s. 8½d. Cloves dull. Zanzibar, spot, sold, 1s. 9d. Tapioca quiet, steady. Fair flake, spot, 7d.; Penang seed pearl, 6s.; medium, 6s.

Rice in good request. Beans and peas unaltered.

HEMP.—East India firmly held, with a moderate trade. Itarsi quoted £83; Sewnee, £80; and No. 1 Chinese, £150.

SHELLAC.—Market depressed in forward positions, spot sales being retail in extent. T.N., March, 340s. to 330s. and 320s., closing 330s.; May, 325s.

RUBBER dull, and rates easier on the week. For good, clean, light brown kinds, however, comparatively good prices are obtainable. Plantation, spot, crepe, sold, 2s. 4d. to 2s. 2½d., 2s. 2½d.; January-June, 2s. 4½d. to 2s. 3d., 2s. 3½d. Ribbed smoked sheet, spot, done, 2s. 3½d. to 2s. 2½d., 2s. 2½d. Find hard Para, spot, 2s. 7½d.; spot, fine, 2s. 2d.; ball, 1s. 6d.

COPRA market firm, quiet, with few offers to sell. Sales include sun-dried Singapore at £46, to arrive.

CORN (Mark Lane).—Nothing occurred to alter market conditions this week, steadiness being the all-round characteristic, and business again mainly confined to breadstuffs. Wheat: Of imported wheat, Nos. 1, 2, and 3 Manitoba sold to a fair extent at 79s. 9d., 78s. 3d., and 76s. 6d. respectively; Australian at 81s. 6d., and Plate, 80s. Flour: Country straight runs, 44s. 3d. per sack, ex mill. Barley: English, 62s. 9d. per qr. Oats: American white clipped No. 2, 61s. 6d. landed; English, 45s. 3d. Maize remains stationary.

COTTON (from our Manchester correspondent).—The turnover in the market during the past week has been of smaller dimensions than for some time back. Spinners and manufacturers have not been at all concerned at the change of attitude on the part of buyers, and late rates have been very firmly held, the tendency of prices if anything being in an upward direction. The official estimate of the American crop published by the United States Government, although bullish, has been treated with indifference by Lancashire traders. There is less probability, however, of lower values in the near future. The wages agreement has been ratified by both employers and operatives, and this matter is now settled for six months. The Control Board has reduced the levies by 50 per cent. upon employers who work more than 60 per cent. of their machinery. Only a small turnover has transpired in piece goods for all outlets. Standard makes for India and China have attracted very little attention, and fancies and specialities have been purchased sparingly. Most buyers for the minor outlets have looked on. Less activity has prevailed in home trade circles. It has been quite impossible for buyers to obtain concessions in price from manufacturers. A smaller turnover has transpired in home American yarns, but spinners remain in a strong position, and supplies upon the market are very limited. Only odd lots have been put through in shipping counts. Egyptian spinnings have not attracted quite so much attention, but full rates have had to be paid for anything wanted.

The Week in Mines.

It has been a slack week in the Mining markets, but prices have been fairly well maintained. Dealers in the South African market have been specially interested in advices from Johannesburg that the Union Government is discussing what steps should be taken to prevent the Rand's low-grade mines—which represent a quarter of the whole—from closing down as the result of increased working costs. It is suggested that the Government will grant a rebate of taxation, but it is doubtful whether this relief would be sufficient to enable the mines to continue working at a profit. Tin shares have been exceptionally firm on the rise in the price of the metal to over £300 a ton.

SOUTH AND WEST AFRICANS.

Prices in the South African market show a general decline. Both Brakpan and City and Suburbans at 5½ and 1 5-32 respectively are 5-32 down, while New Modders have fallen ¼ to 2½, Modder B's ⅙ to 8½. Consolidated Selections 1s. to 2½s. 6d., Rand Selections ¼ to 4½, Central Minings ¼ to 6½, City Deeps 3-32 to 3½, and Gold Trusts 1s. to 21s. 6d. East Rands were unaffected by the increased profit recorded for last month, due to the new policy of restricting development. Rose Deeps have risen 3-32 to 1½ in anticipation of an increased dividend, but Van Ryns fell ⅙ to 1 15-32 on the reduction of 5 per cent. in the half-yearly distribution. Mr. Wallers, at the quarterly meeting of the Transvaal Chamber, described as more than a possibility that certain of the low-grade mines would have to close down, and Mr. Christopherson urged that mines with a large ore reserve should stop development for a year. Among Rhodesian shares, Giants have spurted 1s. 9d. to 8s. 3d., but Tanganyikas have eased to 3 17-32, and Lomby Reefs to 29s. 9d. Diamond shares have been dull, with De Beers deferreds at 12½, and Premier deferreds at 7½, both ⅙ lower. Of the West Africans, Ashanti Goldfields rose 6d. to 22s. on the report.

COPPER AND MISCELLANEOUS.

Copper shares show little variation, but Hampden (Cannary), after falling 1s. 3d. to 27s. 6d., recovered to 27s. 11d. on the official statement regarding an early resumption of dividends. Tin shares have been the most active department in the Mining markets in consequence of the rise in the metal, and most shares show an advance. Rayfields have risen 6d. to 13s. 3d. on an official announcement that the financial position having been greatly improved, dividend payments, suspended since 1913, will probably be resumed next month. An arrangement has been made with the Dua (Nigeria) Tin Fields for the sale to them of the Mertens property, acquired in July jointly by the Niger Co. and the Rayfield. The purchase consideration will be partly in cash and partly in shares. Angles at 14 3/8d. and Roppas at 18s. are both lower, but East Pools have risen 1s. 3d. to 15s. 3d., and Malaysians ½ to 2½ on the increased dividend for the year.

Broken Hill shares have been firm, and both Proprietary at 53s. and South Silvers at 68s. have met with support. Silver shares have weakened, except Santa Gertrudis, which was firmer at 13s. 6d. Russian shares have declined slightly. Kyshtims have fallen ½ to 1½, and Russo-Asiatics ½ to 3½. Indian shares show a general, but slight, decline.

MINING NEWS.

TRANSVAAL GOLD PRODUCTION.—The production of gold in November amounted to £3,070,426, a decrease of £255,827 on the same month of last year. The following table shows the monthly production since January, 1912:—

Month.	1912.	1913.	1914.	1915.	1916.	1917.
January ..	£ 3,130,830	3,353,116	2,708,470	3,037,058	3,444,948	3,324,428
February ..	2,989,832	3,118,325	2,660,186	2,872,406	3,201,673	3,063,976
March	3,528,688	3,358,050	2,917,346	3,202,514	3,384,121	3,343,765
April	3,133,383	3,334,358	2,904,924	3,160,751	3,205,643	3,155,121
May	3,311,794	3,373,998	3,059,340	3,243,347	3,393,377	3,310,628
June	3,202,517	3,173,382	3,049,558	3,208,224	3,235,767	3,227,161
July	3,255,198	2,783,917	3,111,598	3,272,258	3,232,891	3,216,674
August	3,248,395	3,092,734	3,024,377	3,307,975	3,318,116	3,271,070
September ..	3,176,846	2,999,686	2,982,630	3,299,423	3,277,408	3,138,557
October ..	3,265,150	3,051,701	3,116,754	3,388,122	3,369,642	3,192,459
November ..	3,216,955	2,660,788	3,040,677	3,317,534	3,326,253	3,070,426
December ..	3,297,962	2,857,938	2,952,755	3,317,949	3,289,705	—
Total ..	38,757,560	37,358,040	35,588,075	38,627,461	39,484,914	35,255,282

For the eleven months to date the total shows a decrease of £939,947.

NATIVE LABOUR RETURNS.—A fresh set-back in the labour supply is shown in the return. The total shows a decrease of 1,456 boys, the gold mines losing 1,248:—

Month.	Natives on Gold mines.	Natives on Coal mines.	Natives on Diamond Mines.	Total natives.
November, 1916 ..	196,132	11,118	5,928	213,178
December	191,547	11,487	5,194	208,228
January, 1917 ..	188,624	11,611	5,591	205,826
February	191,95	11,498	6,268	209,711
March	190,028	11,494	6,620	208,142
April	185,975	11,435	6,314	203,724
May	180,168	11,432	5,805	197,405
June	175,727	11,758	5,360	192,845
July	171,053	11,281	5,223	187,557
August	170,817	11,401	5,028	187,246
September	171,434	11,601	4,791	187,826
October	171,331	11,841	4,620	187,792
November	161,083	11,633	4,620	187,336

NARAGUTA (NIGERIA) TIN.—The output in the year ended March 31 decreased by 60 tons to 520 tons of concentrates, but this falling off was more than compensated for by the rise in the price of the metal. Thus after allowing £3,835 for income-tax, and £2,187 for depreciation, the profit was £14,724, as against £14,326. By encroaching upon the carry forward, which is reduced from £18,130 to £6,064, the dividend is raised by 5 per cent. to 15 per cent., tax free.

KALCIBILL.—In the year ended July 31 103,210 tons were treated, as against 101,815 tons. The average yield was 34s. 10d. per ton, but costs rose from 20s. 10d. to 24s. 11d. per ton. The profits were further reduced from £45,947 to £41,224, and the dividend is reduced from 7s. 6d. to 7s. per share for the year, by a final payment of 2s., against 2s. 6d.

LITHAARD'S VRIEL.—During the year ended June 30 this mine crushed 261,529 tons, which yielded an average of 21s. 7d. per ton, a decrease of 5d. per ton. Costs rose 1s. to 20s. per ton, so that the rate of profit fell from 3s. to 1s. 6d. per ton. Thus the net profit declined from £37,341 to £24,825. No dividend is paid, against 5 per cent. for 1913-16, but £10,633 is allowed for depreciation, and the carry forward is increased from £123,706 to £126,157. Reserves of ore are estimated at 702,580 tons fully developed, averaging 5.4 dwts., as against 820,138 tons, averaging 5.6 dwts.

MEDIEBURG STEAM COAL.—During the year ended June 30 the output of coal was further increased by 12,331 tons to 309,255 tons. After deducting depreciation, the profits were £22,306, as against £17,333. A sum of £2,000, against £2,500, is

placed to investment reserve, and the dividend is raised from $\frac{7}{8}$ to 10 per cent. Costs of production were again considerably increased.

PICO'S PEAK DEVELOPMENT.—Operations in the year ended March 31 resulted in a loss of £6,204, as compared with a loss of £12,685, which reduces the balance brought in to £794. Production of gold declined from £26,371 to £20,173. The ore reserves having been depleted, and the value of the ore having decreased, it was decided to suspend milling operations temporarily pending the opening up of fresh reserves of payable ore.

TRANSVAAL AND RHODESIAN ESTATES.—In the year ended December 31, 1916, the net profit earned was £27,157, as against £4,300. This profit, together with the balance brought in, makes £54,580, which is transferred to a reserve for adjustment of assets. It is proposed to reduce the issued capital from £715,008 to £429,005 by writing down the shares from 5s. to 3s. each, in order to make good depreciation.

ARNISTON COAL.—After meeting all charges, including excess profits duty, and setting aside £10,000, against £8,000, for depreciation, and £10,000 as additional provision for income-tax, the accounts for the year ended September 30 show an available balance of £30,445, inclusive of £25,608 brought in. A final dividend of 24s. per share, tax free, makes the total dividend 40s. per share for the year, the same as for 1915-16, and £22,645 is carried forward. Since February 28 last the company, in common with all other colliery concerns, has been under Government control.

FRONTINO AND BOLIVIA.—The accounts for the year ended June 30 show that after providing for depreciation, debenture interest, and the interim dividend of 5 per cent. on the ordinary shares, there is a profit balance of £11,796, as against £13,176. A final dividend of 5 per cent. is proposed, making a total of 10 per cent. for the year, the same as for 1915-16, but the carry forward is reduced from £6,176 to £4,796. Production amounted to £91,323, against £96,360. Reserves of ore have been increased from 26,104 tons to £64,336 tons, assaying 18.1 dwts. per ton.

JANTAR NIGERIA TIN.—The accounts for the year ended September 30 show a net profit, after providing for depreciation, of £15,730, as against £10,262, and £7,900 in 1914-15. This further increase in profit enables the dividend to be raised from $12\frac{1}{2}$ to 25 per cent., less tax, and the carry forward to be increased from £2,881 to £3,611. The "all in" cost rose from £78 16s. 3d. to £84 5s. per ton of concentrate, but this was more than offset by the average price realised being £150 8s. 6d. per ton, as against £118 1s. per ton. The output was 256 tons, as compared with 261 tons.

ST. JOHN DEL. REV.—During the half-year ended August 31 the bullion realised was £242,620, as against £231,332, the yield per ton rising from 49s. 0d. to 51s. 5 $\frac{1}{2}$ d. per ton, a record. Working costs increased slightly. The profit was £81,938, as against £72,199; the dividend is again 9d. per share, less tax; £20,000 is again placed to capital works account, and £25,844, against £19,811, is carried forward, subject to excess profits duty.

HAMPDEN CLONCURRY.—During the half-year ended August 31 54,898 tons were treated, producing 3,357 tons of copper, 1,264 ozs. gold, and 22,412 ozs. silver. These figures compare with 56,119 tons, yielding 3,674 tons copper, 1,277 ozs. gold, and 28,003 ozs. silver. As a result of the reduced production the working profit declined from £165,223 to £116,363, and the balance carried forward is £96,838. The surplus of liquid assets over liabilities totals £188,284, against £158,270. No provision has been made for war-time profits tax. Owing to strikes and the difficulty of securing shipping space upwards of 2,800 tons of blister copper have been accumulated, for which no payment has been received. The financing of so large a quantity of blister has prevented the payment of dividends, but it is hoped to resume these distributions at an early date. Reserves of ore at August 31 amounted to 275,200 tons, containing 19,130 tons of copper, as compared with 299,000 tons, containing 22,100 tons of copper.

TOLIMA.—The net profit for the year ended June 30 amounted to £4,652. Deducting the debit balance brought in and the cost of exploration work, a net balance of £235 remains to be carried forward. Production amounted to 234,739 ozs. of silver.

IRTVSH CORPORATION.—The report for the year ended January 13 last states that advances made to the Ridder and Kirgiz mining companies, together with charges, amounted to £428,325, making the total amount now £813,069. London expenditure since the inception of the corporation down to January 13 amounts to £72,791. Against this has been placed the amount of the charges made on advances to the two subsidiaries, namely, £32,986, and the balance, £39,085, together with preliminary expenses and discount on debentures, has been written off against share premiums. The right conferred on debenture holders to exchange into shares at £2 10s. per share expires on December 15. War conditions have hindered the operations of the mines, but considerable progress has been made.

KOFFYVONTEN MINES.—After providing £8,766 for machinery maintenance, £1,420 for taxes, and £14,681 for depreciation, the accounts for the year ended June 30 show a profit of £63,251, from which is deducted the debit of £1,480 brought in, leaving a credit balance of £63,762 to be carried forward. The company is controlled by the De Beers company.

CHILLAGOE RAILWAY AND MINES.—A meeting will be held on January 3, to consider an agreement for the sale to the Queensland Government of the railway and property charged as

security for the debentures for £1,000 in cash, and the issue to the trustees of £475,000 of $\frac{4}{5}$ per cent. Queensland Government bonds, running for seven years from January 1, 1917. The agreement will release the company and its property from all claims of the debenture-holders in respect of both interest and principal.

Tea, Oil and Rubber.

At one time standard crêpe fell to 2s. 2 $\frac{1}{2}$ d., but it recovered a little, and closed at 2s. 3d. Last week 570 tons were landed and 500 tons delivered, so stocks are again a little higher at 12,170 tons, as compared with 9,720 tons a year ago. These figures do not give the bulls much opportunity for displaying their talents, and, having rounded up nearly all the public who are likely to invest in rubber shares for some time to come, they begin to bellow in a very subdued key. Not so long ago they could not discern a cloud on the horizon, and anyone who ventured to suggest that the outlook was somewhat uncertain was written down a traitor under the influence of some "hidden hand." Now they have discovered that there has been an almost continuous rise for nearly three years, and that the present movement is a "healthy reaction," having just discovered that the tallest tree—even a rubber one—never quite reaches heaven. Also they clamour for more effective control of the output, whereas recently they wanted to convince everybody that there must be a rubber famine next year—or the year after at farthest. It is all rather amusing to those who merely watch the market as interested spectators. Let us revert for a moment to this question of "régulation" of output. Every estate manager knows that the trees are all the better for a little resting occasionally, and that it is rather harmful to begin tapping too early, although a certain amount of rubber may be obtained. Consequently young estates, which were just entering the producing stage when the war broke out, are not likely to force the pace merely for the pleasure of handing over 80 per cent. of their profits to the Exchequer, while, at the same time, damaging their future prospects. And the older companies may also be expected to rest their trees a bit if they are at all likely to greatly exceed the pre-war datum line. That may not sound particularly patriotic, but it is sound business, and what further "régulation" of output can be hoped for we cannot imagine. However, the bulls appear to have taken alarm, and are suggesting all sorts of wildly impracticable schemes to bolster up an essentially artificial position, and that they will fail admits of no doubt.

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We understand that the case of the young producers with regard to excess profits duty is again being presented by the Rubber Growers' Association to the Board of Referees, and it is certainly possible to present very strong arguments on their behalf. Take the Tebrau Rubber Estates as an illustration. For the year 1914-15 the company had to pay £1,150 income-tax; for 1915-16 income-tax came to £5,140, and excess duty to £34,510, the bulk of which had to be debited to reserve. This excess duty works out at 27½ per cent. on the paid-up capital of £125,000, at £9 5s. 3d. per acre on 3,727 planted acres, at £12 19s. 9d. on 2,668 acres in bearing, and at 9d. per lb. on 921,500 lbs. of rubber marketed. We feel quite certain that it was never intended to put such a crushing impost on a young industry, but it is easier to condemn the lopsided burdensomeness of the tax than to suggest a remedy which will work fairly all round. However, we shall know presently what the Board of Referees have to say on the subject.

SUMATRA PARA RUBBER PLANTATIONS, LTD.—Year to June 30. Capital £125,000, in 2s. shares. Estate account, £171,410. Reserve, £80,000.

	1915.	1916.	1917.
Net profit	£32,850	£56,000	£57,850
Dividend	27½ p.c.	41½ p.c.	41½ p.c.
Carried forward	£6,990	£9,710	£14,800
Output	532,230	665,450	727,727
Average price	2s. 3.02d.	2s. 8.4d.	2s. 9.26d.
All-in cost	1s. 5.6d.	1s. 1.36d.	1s. 3.33d.
Planted area	3,617	3,617	3,617
Yield per acre	147	184	200

Carry forward is subject to excess duty. Only 2,418 acres are in bearing, on which basis the yield is the satisfactory one of 300 lbs. per acre, and for the current year the output is estimated at 840,000 lbs. About 450 acres are ready for planting, and there are 1,500 acres in reserve, so that the estate is still capable of considerable further development. With its substantial reserve the company is in a strong financial position.

KAMUNING (PERAK) RUBBER AND TIN CO., LTD.—Year to June 30. Capital £182,500, in 2s. shares. Estate account, £200,540. Reserve, £52,500.

	1915.	1916.	1917.
Nett profit	£37,600	£57,770	£73,600
Dividend	15 p.c.	20 p.c.	20 p.c.
Carried forward	£5,078	£6,350	£27,300
Output	668,277	733,776	921,575
Average price	2s. 2.76d.	2s. 7.76d.	2s. 7.90d.
All-in cost	1s. 1.93d.	1s. 1.49d.	1s. 1.24d.
Planted area	2,196	2,254	2,302
Yield per acre	304	325	400

On account of excess duty to June, 1916, £15,000 has been paid, and the carry forward is subject to duty for the past year. Output for the current year is estimated at 935,000 lbs., and 296 acres are in course of being planted. Tin is quite a subsidiary item, the profit from this source being only £935.

JONG-LANDOR RUBBER ESTATES, LTD.—Year to June 30. Issued capital, £77,000, in £1 shares. Estate account, £94,000. Reserve funds, £23,000.

	1915	1916.	1917.
Nett profit	£18,537	£35,140	£49,450
Dividend	17½ p.c.	25 p.c.	25 p.c.
Carried forward	£6,080	£22,070	£31,930
Output	375,140	551,730	665,030
Average price	2s. 3½d.	2s. 8½d.	2s. 8½d.
Planted area	1,680	1,700	1,800
Yield per acre	223	324	370

Carry forward is subject to excess duty, which last year amounted to £19,870. The company does not give details of costs, which seems a pity, as the company appears to be making satisfactory progress. A more precise statement with regard to the planted area would also be useful. For the current year the output is estimated at 680,000 lbs.

What Balance Sheets Tell.

RICHARD HILL AND CO. (1899), LTD.

This Middlesbrough firm of wire drawers has been doing remarkably well, but the company has a relatively low pre-war standard, with the result that almost the whole of the increased profit is swallowed up by the Government impost and expenses. For the financial year ended September 30 the company made a gross profit of £352,850, an increase of £84,280 on that of the previous year, but as expenses and excess profits duty absorbed £80,450 more, the amount available, £16,100, is only £3,840 to the good. This more than suffices, however, to raise the dividend from 8 to 10 per cent., and £7,615, or £2,210 more than a year ago, remains to go forward. Changes in the balance-sheet call for no particular comment. Stock-in-trade is valued at £56,330; liquid assets, apart from stock, total £81,720, and current liabilities aggregate £75,580. The reserve fund only amounts to £15,000, but there are no debentures.

ARGENTINE SOUTHERN LAND CO., LTD.

In common with several other Argentine land and pastoral enterprises, this company is able to report a substantial improvement for the financial year ended June last. Gross revenue is £21,420 larger at £83,750, and as expenses only increased by about £14,000, net profit comes out £7,450 better at £30,300. The dividend, 10 per cent., as before, absorbs £28,000, leaving a surplus in the year of £11,030. Of this, £10,000, against nil, is allocated to reserve, and the balance goes to increase the carry forward to £23,620. An analysis of the balance-sheet reveals a greatly improved position. Liquid assets are up £28,750 at £99,900, and as current liabilities only total £14,100 more at £50,540, the excess of liquid assets over current liabilities has increased from £14,660 to £43,390. A substantially improved position, particularly as both cattle and sheep stocks are considerably larger.

CASSEL CYANIDE CO., LTD.

This company has greatly benefited from the cessation of German competition in cyanide, and is earning profits considerably in excess of those made before the war. A good deal of this business will probably be retained after the war, but in any case the company is very well equipped, both technically and financially, to face the future. During the financial year ended September 30 last net profit rose £11,100 to £127,800. The dividend is not increased, 60 per cent. being paid, as before, but £5,260 more is devoted to writing down assets, and £6,780 more at £38,130 is carried forward; patent rights, buildings, machinery, stocks, &c., now stand in the balance-sheet at £120,840. Cash and sundry debtors are £68,170 up at £394,050, and as current liabilities only total £21,100 more at £238,640, the surplus of liquid assets over current liabilities is £47,100 to the good at £155,420. The reserve fund amounts to £61,875.

ARGENTINE TRANSANDINE RAILWAY CO., LTD.

Gross receipts to June 30 were £111,320, an increase of £37,780, or 51½ per cent., over the previous twelve months. In the year 1915-16 there was a similar gain, and we may fairly conclude that the company is making satisfactory progress, and that it is destined ultimately to become a very important factor in the development of trade between the east and west coasts of South America. These regions are really complementary to each other—what one lacks the other possesses—and there must be a great development of trade between the two when they are better organised and transport is still further improved. The Transandine line is worked by the Argentine Great Western, which pays a rental of 30½ per cent. of the gross receipts, with the result that the former this time gets £33,675, or £15,600 more than last year, and this leaves a credit balance of £3,980, after paying debenture interest, but there is still a debit to profit and loss of £6,840 to be wiped out. Patience; the company will find itself one of these days.

BOMBAY, BARODA AND CENTRAL RAILWAY CO.

Accounts are submitted for the half-year to September 30, but details of working are only available to March 31. For the six months ended at that date gross earnings were Rs. 3,94,95,000, an increase of Rs. 14,31,400, while the expenditure was Rs. 1,45,000 less at Rs. 1,60,28,000. Consequently the nett earnings were Rs. 15,76,200 higher at Rs. 2,34,67,000. In the result for the whole year the stockholders receive a total dividend of 5½ per cent. against 5 per cent. in 1915-16 and 4½ per cent. in 1914-15. The report goes in great detail into the working of the system, and one of these days we may have occasion to examine the results obtained, but for the present it suffices to say that the ratio of working expenses to receipts has been reduced from 42½ per cent. to 40.6 per cent., and we are doubtful whether such an abnormally low rate can be maintained for long if the line and rolling stock are being maintained at an efficient level. Meantime, holders get good fat dividends under the arrangement with the Secretary of State, and have nothing to worry about now or in the near future.

BENGAL NAGPUR RAILWAY CO., LTD.

In the year to March 31 the gross earnings were Rs. 5,12,28,000, an increase of Rs. 70,00,000, and the working expenses were Rs. 2,46,36,000, or 48.10 per cent., against Rs. 2,17,44,000, or 49.01 per cent. Net earnings increased by Rs. 39,72,000, or nearly 17½ per cent. Passenger traffic rose 3 per cent. in numbers and 7½ per cent. in receipts. Goods traffic showed an increase in the principal commodities carried, except tea, the chief gains being in grain, gunny bags, metals, railway plant, and oil seeds. More goods were offered than could be handled, and war traffic had to receive precedence. Working expenses were higher, largely owing to repairs of locomotives and wagons having been deferred in the previous year, while the larger amount of traffic handled naturally raised costs in various directions, and more had to be paid for the hire of engines and wagons to cope with the increased business. The company's share of nett earnings remitted to England amounted to £82,270, after deduction of income-tax, an increase of £24,000 over the previous year. Interest produced £3,000 more, but £14,000 less was brought forward, and the total available is £13,000 up at £279,310. In addition to the guaranteed interest of 3½ per cent., two interim dividends of 1s. each have been declared, and also a bonus of 2 per cent., against 1½ per cent. last year, making the total distribution 7 per cent., against 6½ per cent. There then remains about £194,000, or £6,400 more, to be carried forward. For 1914-15 only 5 per cent. in all was paid, so that there has been a very substantial improvement in the past two years.

COMPANY MEETINGS.

PENINSULAR AND ORIENTAL STEAM
NAVIGATION CO.THE GOVERNMENT AND THE SHIPPING INDUSTRY.
VIEWS OF LORD INCHCAPE.

The 70th ordinary general meeting of the proprietors of the Peninsular and Oriental Steam Navigation Co. was held on December 12 at the offices, Leadenhall Street, under the presidency of the Right Hon. Lord Inchcape, G.C.M.G., K.C.S.I., K.C.I.E., the chairman of the company.

The Secretary (Mr. Frederick John Abbott) having read the notice convening the meeting,

The Chairman said: Ladies and gentlemen,—In submitting our accounts and report for the past year, which I presume, as usual, you will take as read, as they have been in your hands for the past 10 days, I am afraid part of what I have to say will not be very comforting to the shareholders. In the first place, I must express our deep regret at the loss we have sustained in the death of our colleague, Sir William Adamson, who had been a member of the board of the P. and O. Co. for 24 years. Sir William's ripe experience and sound judgment had always been placed at the service of the company, while his unfailing courtesy and kindly disposition endeared him to all his colleagues. We have, I regret to say, also lost a young colleague, who joined us within the last three years, Mr. William Mackinnon. He had been serving in the Army since the outbreak of the war, and was killed in France six months ago while leading his company into action.

THE GOVERNMENT AND THE SHIPOWNERS.

When the war broke out the Government and the shipowners met together, and it was agreed that all ships required by the State for naval and military purposes should be chartered to Government at practically pre-war rates, and what is known as the Blue-book was framed accordingly. The vessels not required for Government service were left free to prosecute their ordinary work. This went on till the beginning of 1917. Tonnage was diminished by War Office and Admiralty requirements and by war losses, and freights rose in consequence—not by the action of the owners, but by the law of supply and demand. Then the Government went further, and suggested that they should also charter all the free steamers, and that the owners should work these ships on Government account, taking only the Blue-book rates of hire and handing over their surplus earnings to the Government, the idea being that tonnage would in this way be saved through not being employed promiscuously. The suggestion was adopted by the shipowners, and the arrangement has gone on now for the past eight or ten months. The fixing of rates of freight is no longer in the owners' hands—it is in the hands of the Ministry of Shipping, and the owners, at any rate, have the satisfaction of knowing that they are making nothing out of the war. Since the new arrangement was inaugurated the shipowners, working as they are for the Government instead of for themselves, have placed the organisations which they have built up all the world over at the disposal of the State. In agreeing as we did to place our ships and our organisations at the disposal of the Government, and to accept as our remuneration the pre-war standard of freights, notwithstanding the fact that the cost of running stores and provisions has increased enormously, we undertook to use all diligence in working for the State just in the same way as if we were working for ourselves, and this undertaking, I need scarcely say, we are loyally carrying out, and during the continuance of the war that undertaking will be fulfilled.

We make no complaint while the war is on—we are proud and willing to place our services and resources at the disposal of the country—but what we do want, and what we think we are entitled to get, is an assurance that when the war is over the shipowners of this country will be released from the position of civil servants which they now occupy, and that the incentive of individual enterprise and initiative will be theirs again. (Hear, hear.) Under the general liner requisition scheme steamers are now switched off to any service. All the lines are working as a national body, their steamers being sent here or there as the exigencies of the situation may require, and entirely irrespective of the trades in which they were previously engaged.

An agreement has been made that all differences and jealousies and personal interests shall be sunk, that we shall work as an undivided Hindu family during the war, loading each other's ships in turn, giving each other the benefit of our various organisations, and agreeing that none of us shall attempt to encroach on each other's preserves when the war is over by reason of information or connection acquired in the meantime. This arrangement, which is one of great magnitude, and which required a great deal of friendly and disinterested negotiation, and which is working perfectly smoothly, and will play no small part in the eventual conquest of our enemies, has been brought about by the genius and tact of the Shipping Controller, Sir Joseph Maclay. (Hear, hear.)

THE GOVERNMENT INSURANCE OF SHIPS AND CARGOES.

In this connection I might venture to say a word about the Government insurance scheme on ships and cargoes. A committee was appointed some years before the war broke out by the then President of the Board of Trade to consider and elaborate arrangements for the insurance of ships and cargoes against war risks in the event of war. That committee was presided over by Mr. Huth Jackson, and a scheme was prepared which was ready and was put into operation the moment war broke out. It has proved of incalculable advantage to the trade of the country, as both merchants and shipowners must realise to-day. I had the honour of serving on that committee, but I take no credit to myself for organising the scheme. The credit is entirely due to Mr. Huth Jackson (the chairman of the committee), Sir Hubert Llewellyn Smith, Sir Maurice Hankey, Sir Norman Hill (the eminent statistician), Sir Raymond Beck (the chairman of Lloyds), Mr. Lindley (the well-known average adjuster), and others. The scheme still holds the field. Without it the underwriting market would have dried up, and the trade of the country would have been brought to a standstill.

THE COMPANY'S NEW ACQUISITIONS.

At an extraordinary general meeting of the company held on June 27 last, it was decided to purchase the Union Steamship Co. of New Zealand, with its fine fleet of 74 steamers, with a tonnage of 237,860 tons. This transaction went through without a hitch, and the company is now proprietor of 99 per cent. of the shares of the Union Co. No doubt, the remaining 1 per cent. will come in before long. A few weeks ago we had the opportunity of acquiring the Hain Steamship Co., which came into the market owing to the death of Sir Edward Hain. The fleet consists of some 27 well-built cargo steamers, 23 of which are in commission and four under construction, the gross tonnage being 108,787 tons. The price paid for the shares of the company was a high one, but carried with it certain assets in addition to the ships, and while the shareholders in the Hain Steamship Co. have realised their shares at a very satisfactory price to themselves, we hope that we, too, may have no reason to be dissatisfied with the terms of the purchase. We have also acquired within the last few weeks a small company known as the Nourse Line, which owns six modern high-class steamers of good speed, with a gross tonnage of 23,496 tons. These vessels are well adapted for trade in the tropics, where they have hitherto been employed. Four of the ships are of an average age of nine years, and two are completely new vessels. The price paid for this company was a moderate one, looking at the present and prospective cost of steamers, and we believe this transaction will also prove a satisfactory one for the P. and O. shareholders. A considerable proportion of the steamers we have lost have been of the cargo type, and the acquisition of the Hain and Nourse steamers, with a tonnage of 132,283, will be of material assistance in filling the blanks.

THE ALLIANCE WITH THE NEW ZEALAND FEDERAL AND
UNION STEAMSHIP COMPANIES.

You will be glad to know that the New Zealand Federal and Union Steamship Cos., with which we are now allied, have been able to hold their own during the past 12 months, and to pay their ordinary dividend after providing for depreciation. The boards of the New Zealand and Union Cos., both in New Zealand and London, and the board of the Federal Co. in London are working in close alliance with the board of the P. and O. Co., and we are rendering each other mutual assistance in all directions for the general interest. If I may venture to say so from my observation of the working and administration of these companies, with which we have in no way interfered, there are no better managed shipping enterprises to be found anywhere. I trust and believe that their association with the P. and O. and British India Cos. will work out satisfactorily for the previous shareholders in these companies who threw in their lot with the P. and O. Union is strength, and our interests are identical. It is a satisfaction to feel that in these important fusions we are now closely allied with the rising and progressive Dominion of New Zealand. Our services, as you will see from the map, now encircle the globe, and when normal times return we hope to be able, without encroachment or attacking our neighbours, to provide efficient means of communication for world-wide trade and comfortable transport for passengers. I am sure you will join me in thanking the chairmen and directors of these companies, as well as their staffs, for their good work. (Hear, hear.)

PRESENT FLEET.

When the war broke out the P. and O. and British India Cos. had 212 steamers afloat and under construction, with a tonnage of 1,247,332 tons. With the companies we have acquired since the outbreak of the war and the ships we have built, our combined fleets now stand at 319 steamers afloat and under construction, with a tonnage of 1,720,179 tons, so that so far as the P. and O. Co. is concerned, we have the command of 107 steamers with a tonnage of 472,847 tons more than we had at the outbreak of the war. (Cheers.) As I ventured to say on a previous occasion, we have no intention of disposing of our ships and going out of business, provided we are permitted to carry it on. Despite the shocks, anxieties, and trials which we have daily to endure, if permitted to do so we are determined to prosecute our world-wide enterprise in the interests of the country, and, we hope, without detriment to the shareholders. (Hear, hear.)

GOVERNMENT APPROPRIATION OF NEW STEAMERS.

On October 22, 1915, we received intimation from the Admiralty that two British India steamers of 10,000 tons each, which had been contracted for at very moderate prices long before the outbreak of war, and were nearing completion, had been appropriated by the Government. We were told that Government had taken over our contracts with the builders, and that we had no further interest in either the contracts or the ships. We contracted as soon as possible for other two identical vessels to replace those which had been appropriated, the contract price being double that of the original cost. One of the steamers under the new contract was delivered 10 days ago, and has been paid for; the other we hope to get within the next 12 months. We have frequently applied to the Government for the difference in price between the old and the new contracts, and for the loss we have sustained through being deprived of the services of the two ships, but so far have failed to obtain any satisfaction.

I do not know what our Socialistic friends would say if a Government official walked into their houses or on to their small holdings, and cleared out their belongings on the same conditions. It is the sort of thing we might possibly have to endure if the Germans got over here, but scarcely what we would expect from a British Government. (Hear, hear.) I am sanguine enough to hope that we may yet obtain some equitable settlement for our two ships without having to resort to that expensive procedure, a Petition of Right, which, fortunately, still remains open to the subject in his dealings with the Crown, which will enable us to bring our case before the Judges of the land, who, when negotiations fail, are a final tribunal to whose verdict we bow.

THE SUBMARINE MENACE.

The value of the vessels we have lost has to a certain extent been recovered, but it would be impossible to replace them for their insured values, even if we were at liberty to build new ships, which we are not, the yards being occupied by what are known as standard ships for the Government. Owners are precluded from replenishing their fleets, which have been denuded by enemy action. After the war, however, the individual effort which has built up the merchant service of this country, if left undisturbed, will be equal to the occasion, and our mercantile marine will rapidly secure again the foremost place in the world.

There is no doubt that the Germans have it in their mind that the subjugation of Great Britain can be best achieved by the destruction of our mercantile marine. The menace, I admit, is a serious one, and it is much graver than it was a couple of years ago. We are confidently assured that the high-water mark of the submarine menace has been reached, and that the tide has turned. We can only hope that this is the case. We are told that the sinking of enemy submarines is now far in excess of what it was a year ago. We might have had fewer ships at the bottom to-day if, as was urged in some quarters, our efforts had been earlier directed more to the means of protecting our ships and destroying submarines than to building ships to take the place of those that were being sunk. (Hear, hear.) I will not quote the figures giving the tonnage of this country and of the world which has been destroyed, nor will I give the amount of replacement. But I am convinced that nothing that the enemy can do, despite the inconvenience to which the trade of the country may in the meantime be subjected, and despite the hardships which the population may have to go through, will effect the purpose which our enemies have in view. The frightfulness which Germany declared a year ago—the sinking at sight—has had no effect on the moral of our merchant sailors. (Hear, hear.) With a pluck and a bravery beyond all praise, they go to sea to-day just as they did before the war, and boys come forward for our merchant ships as cadets and apprentices in numbers far in excess of anything before experienced. The strain upon our captains, officers, engineers, and crews during the past 12 months has been very great, but it has been borne without a murmur. Steps have been taken as far as possible to relieve men by giving them a spell ashore, but even those who have undergone the shock of having their ships torpedoed, soon get tired of their rest, and apply to go afloat again. (Cheers.)

THE GOVERNMENT POST-WAR POLICY.

Attempts have been made to get some declaration of policy from the Government as to their attitude to shipping after the war. This is only natural, in view of the fact that Government has embarked in the building of merchant ships. We are frequently assured that there is no intention of nationalising shipping, but so far no official pronouncement has been made. The nearest approach to this is a remark recently made by the Chancellor of the Exchequer that the amount now being invested in standard ships will come back to the Treasury after the war when the ships are sold.

We constantly hear eulogies passed on the services which the mercantile marine has rendered to the country during this war. We see it reported that Germany and other countries are to help shipowners to rebuild their fleets, and at the same time we observe a disposition on the part of a certain section in this country, notwithstanding all that shipowners, by their enterprise and energy, have done for the nation, to wrest their business from them, and to work the shipping industry as a national affair. No wonder there is considerable unrest on the part of owners. No wonder fleets are being sold. The

wonder is that anyone can be found to have the courage to buy them! Possibly we have been foolish in laying out your surplus funds in adding to your fleet. Possibly it might have been wiser to distribute the amounts realised for the ships that have been lost, and to wind up the business. Against private competitors we can hold our own, but against a State-owned concern that is not possible, and if the organisations and the business which private individuals have built up by years of hard work are to be filched from them by the State, there is an end to all security of property. (Hear, hear.) I may be wrong, but I am sanguine enough to hope that no Government will be so ill-advised as to kill the shipowning industry of the British Empire, and to try to work it as a Government concern, and I go further than this, and I say if they attempt to interfere with it or to control it while they cannot control that of other countries, they will land it in ruin. (Hear, hear.) We seek for no Government assistance, we ask for no contribution from the taxpayer beyond a fair remuneration for services rendered in the carrying of mails but we want no Government interference with our business when the Defence of the Realm Act is no longer necessary. (Cheers.)

EFFECTS OF THE NATIONALISATION OF INDUSTRIES.

Suppose shipping were nationalised, naturally all the other industries of the country would follow. It would be against all recognised public policy to make a profit out of industries conducted by the State, the revenue from income-tax would disappear, we should be living on each other. I make bold to say that the Five per Cent. Loan, which now stands in the neighbourhood of 93, would be nearer 50, and repudiation would be on the horizon. If nationalisation is proceeded with, Government will have to buy up the P. and O. and its allied concerns, and we shall have to seek an outlet for our capital and activities in some other field. If and when that occurs, there will not be much room for private enterprise in this country, Government officials will have swallowed everything, and will be suffering from an attack of indigestion! (Laughter.)

At the risk of boring you I will venture to say a word on this subject which I am afraid you will regard both as superfluous and elementary. There is a curious idea in some quarters that wealth consists of money, while, as a matter of fact, money is merely a measure of value—a convenience for the settlement of differences in transactions, abolishing the old system of bartering one form of goods or property for another. The wealth of the country does not consist of money, so called: it is made up, among other things, of land and houses, factories, ships and railways, either at home or abroad, promises to pay by other nations, the produce of the soil, including that obtained from garden allotments, furniture, clothing, horses and harrows, the village pig, cocks and hens, and, above all, the brains, the skill, the capacity, the thrift, and the industry of the people. (Hear, hear.) I wonder how many of the ladies and gentlemen present here to-day, the supposed wealthy proprietors of the P. and O. Co., could produce £10,000 or even £5,000 this afternoon without realising some of their assets or borrowing from their bankers. I very much doubt whether any of the directors could—(laughter)—I am perfectly sure the chairman could not—(renewed laughter)—and if we all became sellers there would be no buyers, and if we all became borrowers there would be no lenders. As I saw it truly stated somewhere recently, our soldiers and our sailors cannot be fed and clothed on bits of factories or on slices of ships, and even an acre of land will not take the place of munitions. The Socialistic doctrines of which we hear so much will all go overboard when they come to be seriously considered or examined and our economic structure, which encourages enterprise, industry, and thrift, will be pronounced the best in the interests of the country. (Hear, hear.)

THE LABOUR QUESTION.

I am glad to say that the relations between ourselves and labour have continued to be perfectly friendly. Applications for increases in rates of wages at the docks have been received, but so far they have been disposed of without difficulty. The rise which has taken place in the price of the necessities of life has justified an increase in the rates of pay, and this has been fully recognised. If this country is to maintain its supremacy, capital and labour must work hand in hand. Neither can do without the other, both are interdependent. The labour leaders as well as the captains of industry must recognise this, and I trust that in the future both classes will work together not only for their mutual benefit, but for the benefit of the British race.

You will doubtless remember that some three years ago, just before the war broke out, we had ordered two new mail vessels. The construction of these was stopped by Government requirements, and they will not be delivered for another six months. In the meantime their character has been changed, as we were only allowed to proceed with their construction on condition that their passenger accommodation was left out in the meantime and that they were finished as cargo vessels. Other two refrigerated ships which we had contracted for have been placed on one side under Government orders to make way for standard ships, and a fifth vessel which we arranged for a year ago has not yet been begun.

I would take this opportunity of thanking the staffs and agents of the P. and O. and British India Companies ashore for their loyal and efficient co-operation during the year, and would reiterate what has been said in the report as to the splendid services which have been rendered by all our men afloat in very trying conditions. No words can express what

the country owes to our merchant seamen for their services to the nation during this war. (Hear, hear.)

ACCOUNTS AND DIVIDEND.

Turning to the accounts, they are submitted in the simple form which you were good enough to approve a year ago. The result of the year's operations justifies the directors in proposing to the shareholders the same distribution as in the two previous years. I am afraid the accounts for 1917-18 will not be as good as they were in the years which preceded the war, but in existing circumstances we must submit to sacrifices. If we succeed in the current year in covering expenses, in providing for depreciation and contingencies, and in again having a balance sufficient without encroaching on our reserves to give the shareholders the proposed modest dividend on the large amount of capital actually employed in the business, we shall be thankful.

Meantime, the cash resources of the P. and O. Company and its allies, which in ordinary course would have been put into new ships, have been lent to the Government to help to finance the war. These resources will be available to pay for new tonnage when we are permitted to build new ships. If it should be evident that such a time is never to come again, and that it is the intention to wipe out private enterprise and to turn the British Mercantile Marine into a State Department managed by officials tied up with red tape, then we shall distribute our resources among our shareholders, after making proper provision for our employees, make our bow, and let the curtain fall on what has hitherto been the supremacy of British mercantile shipping on the seven seas. (Hear, hear.)

I will now propose: "That the accounts and report be adopted," and will ask Mr. Rathbone to second the resolution, but before putting it to the stockholders I shall be glad to answer any questions which they may desire to put forward.

Mr. William Gair Rathbone: I have the pleasure of seconding the resolution.

The Chairman: I shall now be glad to answer any questions. No proprietor rising to address the meeting, he put the motion in the usual way, and declared it carried unanimously. Continuing, he proposed "That a dividend for the half-year ended September 30 last of $2\frac{1}{2}$ per cent. on the preferred stock, less income-tax, and a dividend of 6 per cent., with a bonus of 6 per cent., on the deferred stock, free of income-tax, as recommended in the report, be now declared, and that payment of the same be made on and after the 18th inst."

Mr. Herbert Brooks: I have very much pleasure in seconding the resolution.

The motion was carried unanimously.

The Chairman: I now beg to propose "That Henry Neville Gladstone, Esq., be re-elected a director of this company."

Sir Montagu Cornish Turner: I have much pleasure in seconding that.

The resolution was carried unanimously.

The Chairman: I have also to propose "That Sir Walter Roper Lawrence, Bart., G.C.I.E., be re-elected a director of this company."

Mr. Ernest Haliburton Cunard: I have much pleasure in seconding that resolution.

The motion was carried unanimously.

The Chairman: There is only one other point, ladies and gentlemen, I should like to mention. I hope that you will not regard it as a liberty on my part, but I would venture to suggest to you that the dividend which you will receive from the P. and O. Company on the 17th inst., so far as you can possibly spare it, should be invested in National War Bonds. It is extremely important that we should do everything we possibly can to come to the aid of the Chancellor of the Exchequer at the present time, and even the modest half-million we shall be giving away to you on the 17th will be a little help. I hope you will excuse my making that suggestion. That finishes the business.

A CORDIAL VOTE OF THANKS.

Mr. Thomas Dence: Mr. Chairman and brother proprietors, I have much pleasure in proposing "That the cordial thanks of the proprietors be given to the chairman, the directors, and the staff, both at home and on the sea, of the P. and O. and its allied companies." I think that, as one of the oldest proprietors, I am entitled to the privilege of making this proposition. I can conceive nothing more onerous than the position of the directors. They must take what steps they can whenever a voyage is made to prevent the boats from being torpedoed and to protect the safety of the crews and the passengers. Their responsibility must be very great, and it is not every one who is competent to undertake so heavy a burden. I think we are extremely fortunate in having directors who are able and willing and competent to undertake this office. I have much pleasure, therefore, in making this proposition. (Cheers.)

Mr. Arthur Pitt: I have the pleasure of seconding that.

The vote was unanimously accorded.

The Chairman: I am sure I am extremely obliged to you, and so are my colleagues, for the kind way you have spoken of us, and it will be a gratification to the whole of our men afloat to know that the shareholders are thinking of them at the present time, when they are undergoing greater dangers than they have ever undergone before. (Hear, hear.)

The proceedings then terminated.

CAPE COPPER.

The 30th ordinary general meeting of the Cape Copper Co., Ltd., was held on Wednesday at 9, Queen Street Place, E.C., Mr. T. Blair Reynolds (the chairman) presiding.

The Secretary (Mr. P. J. Franks) read the notice convening the meeting and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, said that the gross profit was £147,841, against £131,240. After providing for income-tax and depreciation and allowing for dividend paid and the amount brought forward, there remained a divisible profit of £108,800, out of which a dividend of 3s. per share, less tax, had been declared on the ordinary shares, making 4s. for the year—the same rate as for the previous year—and on the preference shares a dividend of 1s. 9.6d. had been declared. He explained a year ago the reason for the higher rate paid on the ordinary shares than on the preference shares. After the payment of the forthcoming dividend the preference shares would have received for last year slightly over the minimum of 6 per cent., and the average rate of dividend over the past four years would have been the same in both classes. Turning to the position at the mines, it was significant that their superintendent in Cape Colony was now unable to give any figure of tonnage for reserves in the O'okiep mine. Although there was still an indeterminate quantity of ore remaining, there was no doubt that after over 50 years of continuous output they must look forward to diminishing returns from this mine. In the NababEEP mine a good deal of the development during the year was in ore below the average, so that the reserves, based on a 5 per cent. assay, showed a reduction from 120,000 tons to 90,000 tons. At the Indian mines no development of importance had been undertaken, but the stoping operations which had taken place disclosed the fact that the copper-bearing lode was of greater width than was formerly assumed, and it was anticipated that the ore in the mine, though of lower average assay, had a considerably higher gross copper content than had been originally estimated. It was much to be regretted that the Rakha mines were still not revenue producing. The blast furnace plant was complete and had made a satisfactory trial run, but for some time past it had been evident that, having regard to the extremely high freights and the constantly increasing costs of smelting at Swansea, there would be a loss on sending home the products of the blast furnace containing 45 per cent. to 50 per cent. of copper. Further plant had to be ordered, and was now being manufactured, which would ensure the production of a material saleable in India. It was quite impossible to give any indication when the plant would be erected and running. In making the same distribution as last year, they were carrying forward a considerably greater amount, for they felt the absolute necessity of conserving their financial resources at this juncture. The prospects for the current year were not so promising as one might wish, as the output must show a further reduction. Smelting operations in the colony had already during this year been discontinued for two months owing to lack of coke, and although production was now resumed there was little probability of continuity in the future unless conditions should improve. But although circumstances were leading to a partial and temporary break in the continuity of the company's operations, they must bear in mind that the advantages he had just referred to as pertaining to the mines in India would have effect whenever production of copper might begin, either during the war or after. They must not forget that they had at the Rakha mines ore bodies of proved value with the promise of large extensions, and that the work done there went to show that these mines would prove worthy to take the place of those which had made this company successful in the past.

Mr. John E. Champney seconded the resolution, which was carried unanimously.

ASHANTI GOLDFIELDS.

The twentieth ordinary general meeting of the shareholders of the Ashanti Goldfields Corporation, Ltd., was held on the 13th at the Holborn Restaurant, High Holborn, W.C., the Earl of Bessborough, K.P. (chairman of the company), presiding.

The Secretary (Mr. Horace Morgan, A.C.I.S.) read the notice convening the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said: Our total income for the past year was £486,702, and the costs, charges, and allocations were £310,017, showing a nett profit of £176,685, or an increase of £3,404 over the profits of the previous year, which, under prevailing conditions, may be regarded as satisfactory. During the year we were able slightly to increase the dividends paid from 70 per cent. to 75 per cent., and every endeavour will be made to maintain this rate in future consistent with keeping our financial position on a sound basis. After adding to the year's profit the balance brought forward, and deducting the value of dividends paid, we wind up with a credit balance on profit and loss account of just over £100,000. The ore reserve position is again satisfactory, and more than satisfactory. This year's estimate shows an increase in tonnage exposed in Obuasi chute of 91,500 tons, with an increase in gross value of £447,000. The increase in profit value for Obuasi chute is taken at £60,100, and I think I should lay stress on the reasons for this figure being small in relation to the increase in gross value. Briefly, it is entirely a matter of the increased working cost which it is necessary to take into account in arriving at the profit value. The consulting engineer states that, on the basis of pre-war conditions, he could safely have estimated the profit value of the present

Obuasi reserves at £1,225,000, instead of, as he has done, at £1,119,500. The difference of £105,500 is a measure of the effect of existing conditions on the value of Obuasi chute ore as at present opened up. For the same reason the profit value of Ayeinm and Justice's ore has also been subjected to a writing down process. Shareholders may think the consulting engineer is taking too pessimistic a view in assuming that difficult conditions are going to continue throughout the life of our considerable existing ore reserves, but we are inclined to agree with him that we must face the realities of the position. We can do so with an easy mind, in that, after making drastic deductions, we still show a nett increase in profit value for the whole ore reserve of some £63,000. So far as the outlook at the mines is concerned, we feel we are justified in regarding the future with every confidence. On the basis of existing ore reserves, the programme of output laid down for the guidance of the local management should give us a slight increase in our monthly outputs as from now, and I may say that unless anything occurs beyond our control, we have reason to anticipate but little, if any, reduction in the profits that will be earned in the current year, which should, therefore, be in the neighbourhood of £170,000. The total cost figures "per ton" for the financial year 1916-17 show an increase of 9s. 7.9d. over the previous year. The increase mentioned is accounted for partly by the treatment of larger proportions of the more expensively worked Obuasi ore. But a large part, something over 4s. per ton of increased cost, is due to the rise in prices of and freight on stores of all classes consequent on prevailing conditions. Further, this 4s. of increased cost per ton by no means represents all that the war is costing us. But for the fact that we are now in a position, more or less, to maintain our ore reserve at a much less cost for development than in former years, the increase would be considerably more. Thus the consulting engineer has estimated that our profit for the financial year is actually some £30,000 short of what we should have attained had pre-war prices as to cost of stores and other requisites still obtained. From these remarks and from the report you will have gathered the very considerably increased cost of all material vital to the production of gold. I should like to remind you that there is at present no possibility of a gold mining company being able to recoup itself against these increased costs; the price of gold is a fixed one, and the company cannot, therefore, pass on to the purchaser any portion of the enhanced cost of production. The effect of this on a high-grade mine like ours is bad enough from the shareholders' point of view, but with regard to low-grade mines, it is likely to have a really serious effect from the national standpoint, as the result may be that some of them may have to close down entirely, or to eliminate from their reserves much ore which in normal times could be profitably treated; consequently the output of gold, if the present high cost of production continues, may suffer appreciably. In conclusion, let me say a few words as to how we regard the future. I have tried to place before you fully and frankly a statement of the main facts of the position, and this has necessarily included some reference to our difficulties. But whatever worries may await us in the conduct of the business in London and at the mines, we feel that we may look to the future with a large measure of quiet confidence.

Mr. Jeremiah Colman, J.P., seconded the motion, which was carried unanimously.

SPIES PETROLEUM.

The 18th ordinary general meeting of the Spies Petroleum Co., Ltd., was held on the 6th inst. at Winchester House, Old Broad Street, E.C., Mr. J. Annan Bryce, M.P. (chairman of the company), presiding.

The Secretary and London Manager (Mr. H. G. Trew, F.C.I.S.) read the notice convening the meeting and the report of the auditors.

The Chairman, in the course of his address, said: You will observe that for depreciation the same sum has been written off as last year—namely, £130,000. The directors have thought it prudent under present conditions in Russia to make this appropriation, which brings the total written off under this head since the foundation of the company to nearly one million sterling. There has thus been written off 55 per cent. of the total expenditure, notwithstanding the fact that a very large portion of the expenditure so depreciated has only been made during the last three years. The total amount written off is £170,000 more than the present book value. I now turn to the profit and loss account. As regards the Russian profit and loss account, the board has thought it desirable to revert to the old system of conversion at normal exchange, because under that system comparison with other years is simplified. As regards the items of the Russian account, it is difficult to make comparisons with last year in sterling because of the change in the system of conversion, and I will, therefore, compare the rouble figures of the last two years, from which you will realise the heavy increase in working charges mentioned in the directors' report. To take a few of the principal items:—Wages and materials were in 1915 680,000 roubles and in 1916 791,000 roubles. Grosny office expenses in 1915 were 150,000 roubles and in 1916 211,000 roubles. Expenditure on wells in 1915 was 185,000 roubles, and in 1916 487,000 roubles. This last item shows the very large increase of 300,000 roubles. The increase is due to two factors—first, the amount of deepening done was 5,962 ft., against 3,895 ft. in 1915, and, secondly, the cost was 81.72 roubles per foot, as against 47.58 roubles, or nearly double. Some of the items on the debit side of the Russian account are, however, considerably smaller, notably

oilfield expenses and royalties. The total of oilfield expenditure is smaller because, although the wages included in this item are higher, there was this year a much smaller amount of extraordinary expenditure. The royalties were considerably smaller owing to reduced output. On the credit side of the Russian account the main item is, of course, the sales of crude oil, which in 1916 realised only 3,000,000 roubles, as against 4,750,000 in 1915, owing to the smaller outturn, in spite of the average price being 5 copecks higher. As regards the London profit and loss account, the charges are about £19,000 less, of which about £13,000 is due to diminished income-tax. As indicated in the report, the conditions of working are extraordinarily difficult. In the orgy of a newly-acquired freedom there is no limit to the demands of uneducated labour intoxicated with the academic theories of political agitators. The increases in pay of from 120 to 400 per cent. have come on top of very large increases granted since the war began, as mentioned in the report, and though the last increases were granted only in August, pressure is already being put on the oilfield managers, accompanied by threats to their lives and acts of sabotage, to grant further increases. Under circumstances such as I have described, industry in Russia cannot continue, and one must hope that the country may soon emerge from its present disorders, disorders which are the inevitable result of the oppression, treachery and corruption of the pre-revolution Government. That a great country, possessing unlimited resources and inhabited by a people of fine character and aspirations, will eventually find itself no one can doubt.

Mr. G. Grinnell-Milne seconded the motion, which was carried unanimously.

MOUNT YAGAHONG EXPLORATION AND FINANCE CO.

The thirteenth ordinary general meeting of the Mount Yagahong Exploration and Finance Co., Ltd., was held on Wednesday, at the London Chamber of Commerce, Oxford Court, Cannon Street, London, E.C., Mr. Alan Cadell, C.S.I., J.P. (chairman of the company), presiding.

The Chairman, in moving the adoption of the report and accounts, said that they had this year divided the item "share and other interests at cost." The total was £112,507, of which £69,879 was invested in rubber and £38,234 was in Transvaal colliery undertakings, while the small sum of £4,394 represented shares in mines, &c. In their report last year the directors showed that those assets had so increased in value that they were considerably in excess of the cost price, and during the year under review they had still further appreciated. The profit and loss account showed that the company had a revenue from dividends, interest, &c., of £12,192, as compared with £10,338, and the directors proposed to distribute a balance dividend of 4 per cent., making 8 per cent. for the year. During the year the company had made greater progress than in any other previous year of its existence, and there was every reason to feel confident of its future.

Mr. Edward Bedford seconded the motion.

The Managing Director (Mr. A. T. Macer) then addressed the meeting. He said that the directors would accept the suggestion which had been made to pay the preference dividend half-yearly. The preference shares, standing in the company's books at £22,427, were covered practically ten times over. The improvement in their assets was such that they had gone half-way towards recouping themselves for the 8s. per share which they had had to write off their 10s. ordinary shares some years ago. Roughly, their liquid assets and the value of the uncapitalised assets represented a quarter of a million of money, as compared with an issued capital of £132,047. With reference to their new assets, he thought that in Mutamba and the Transvaal Oil Shale Co. they had two very healthy undertakings indeed. They anticipated that the latter company from July next would be earning £10,000 a year on a capital of £60,000, with debentures of £10,000. With regard to the Mutamba, they went into that undertaking because it was in great need of assistance; they had advanced certain moneys, which would be repaid with 7 per cent. interest, and in addition they were entitled to 25 per cent. of its profits in perpetuity. They were told that two years hence the crop of sugar would be 2,000 tons, and if that amount could be produced at the very full prices current to-day, that company should in two years return to this company the whole of their advances and interest, with a substantial sum representing their 25 per cent. of the nett profits and dividends for its shareholders as well. In Zondagsvlei they had acquired an entirely new asset, representing 4,000 acres of coal-bearing land on the main line of the railway from Witbank to Johannesburg, and 20 miles nearer to all the big markets than Middleburg. There was there the nucleus of another big colliery, which should be quite equal to Middleburg.

The report was adopted.

MIDDLEBURG STEAM COAL AND COKE CO.

The 12th ordinary general meeting of the members of the Middleburg Steam Coal and Coke Co., Ltd., was held on Wednesday at the London Chamber of Commerce, Oxford Court, Cannon Street, E.C., Mr. Alan Cadell, C.S.I. (chairman of the company), presiding.

The Chairman, in moving the adoption of the report and accounts, said that the coal sales for the year had been 309,555 tons, compared with 297,224 tons in the previous year, and the gross profit, less depreciation, was £22,306, compared with

£17,033. After paying debenture interest, income-tax, South African taxes, and administration costs, they had £17,161 left, which with the amount brought forward made £23,409. They had taken £5,000 for reserve; the preference dividend had absorbed £3,244, and the balance dividend for 1916, £3,745. They had paid 1s. per share interim dividend, and they proposed to pay a further 1s. per share, which would leave them with £1,430. With the ending of the campaign in German East Africa and the return of the railways to a more normal condition, they might look forward next year to at least as successful a year as the past had been.

The Managing Director (Mr. A. T. Macer), in seconding the motion, said that he would reply to some questions which had been raised by shareholders who were not present. The Transvaal Coal Owners' Association had been renewed for a further period of five years running from July next, and the new allocation of trade to this company was increased to 26,400 tons. That was very satisfactory, quite apart from any question of a rise in prices, and he hoped that the association would not raise prices very greatly, as its policy had always been to advertise the cheap coal of the Transvaal. Their balance-sheet now represented good assets from top to bottom. They had a half interest in the Zondagsvlei estate, which adjoined the Oogies colliery of the Transvaal Coal Trust. The acquisition of that property would not add to their balance-sheet liabilities, and they would at least double their coal reserve. So far no attempt had been made to deal with the by-products of coal in South Africa, though they would be of enormous value to the Ministry of Munitions in the production of high explosives. Possibly at the present there was from 1,500,000 to 2,000,000 tons of coal residues dumped on the surface and being wasted at Witbank, and that coal was richer in by-products than English coal. He suggested that the Government and Ministry of Munitions would do well to devote their attention to the resources of South Africa, not only with regard to coal, but also to other natural products, a number of which, so far as he knew, had never been seriously considered by the Government.

The motion was carried unanimously, and the final dividend of 5 per cent., less tax, as recommended, making a total of 10 per cent. for the year, was approved.

IRTYSH CORPORATION.

The ordinary general meeting of the Irtysh Corporation, Ltd., was held on Tuesday at Winchester House, Old Broad Street, E.C., Mr. Leslie Urquhart (chairman of the company) presiding.

The London Manager and Secretary (Mr. J. P. B. Webster) having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of moving the adoption of the report and accounts, said: You will note in the technical committee's report a paragraph headed, "Discovery of gold ore in Sokolni." It is a short paragraph, but of extreme importance; in fact, we here discovered in the Sokolni mine a belt of oxidised gold ore 200 ft. wide, and averaging nearly 30 dwts. gold. As a means of visualising the possibilities of this deposit a rough estimate of the ore above the present tunnel level, which, in the report is given as 140 ft. from the surface, represents about 200,000 tons for every 100 ft. of length. The flooding of the Ridder mine, of which you were duly advised, forced us, pending its unwatering, to expedite the development and extraction of ore from the Sokolni mine. The developments at Sokolni have been most satisfactory. Our work has proved very important new bodies of rich sulphide ore as high grade as the Ridder, and has increased our total ore reserves by at least another 360,000 tons of developed ore, not including any extension in depth, and has found for us the important new gold discovery, and has shown us that the probable value of the Sokolni mine is at least as great as the Ridder mine. The unwatering of the Ridder mine can be taken up at any time we may consider that labour and other conditions permit. While it would have been quite possible to have continued our drilling campaign to show up still larger reserves of ore, we considered it best, in view of the ample reserves in sight, that our geological department should concentrate its energies on a detailed geological survey of the mineralised belts on the concession. This work has immensely increased the mineral possibilities, as the map which has been sent you clearly shows. Based on the pre-war prices of metals, the total proven ore reserves on the Ridder Concession now show a profit value of £13,000,000, but no gold ore is included in this estimate from the new Sokolni gold find. I find it difficult to deal satisfactorily with this question on the basis of our proven reserves, as these serve as no measure or criterion of what we can confidently expect from our great mineralised concession. In a word, the question of quantities of ore need never trouble us, and the output can only be limited by our ability to handle and smelt it. The remarks I have just made about ore at the Ridder Concession apply in the same way to the Ekibastous coal basin, the reserves of coal there being practically unlimited. Since the date of the technical committee's report we have news that the lead smelter has been started, is working satisfactorily, and is producing a valuable output of lead, gold, silver and copper metals. In times like these your directors were very loath to appeal to the shareholders to further support the company, and we decided to make every effort to carry on in these difficult times and to bring the company to the profit-earning stage without asking the shareholders to take the burden on themselves, and I am glad to say we have succeeded in doing this. I informed you last year that a long credit of 1,800,000 roubles had

been opened to the Russian companies by an important Russian bank, and immediately on my arrival at Petrograd in the spring of this year favourable arrangements were entered into whereby the credit of 1,800,000 roubles was increased to 5,000,000 roubles, and we have obtained assurances from more than one Russian bank that this credit can be still further and very largely increased. The financial arrangements made in Russia provide, with a margin, for all requirements which can be reasonably foreseen at the present time, and make allowance for the present labour situation at Ridder and Ekibastous. It is probable that, with the lead smelter now in operation and the large additional revenue that this will now bring in, our financial position will be henceforward very sound, and will be covered by revenue. I now come to deal with the paragraph in our report which runs as follows:—"The urgent necessity for the adoption of prompt measures to uphold and safeguard British interests in Russian mining undertakings which British enterprise discovered and British capital has developed has been so forcibly impressed on your directors that they recently made arrangements which they believe will secure the object desired. The nature of these arrangements will be explained by the chairman at the ensuing meeting." For several months past this matter has caused us great anxiety. We became aware of attempts in more than one quarter to purchase blocks of shares in order to acquire control and apparently to substitute foreign for British influence as the determining factor in the policy and administration of our Russian enterprises, in which so large an amount of British capital has been invested. The problem before us was in what way we could secure that British interests alone should continue as the predominating factor in the working of our properties and the sale of their products, and the first point was to vest the Russian companies' shares in a British company in such a way that even if the majority of the shares of this corporation got into foreign hands yet the influence in controlling the business should remain British. We therefore arranged that the Russian shares should be vested in the Russo-Canadian Corporation, Ltd., a company which is operating in Russia. Thus you will see that, whilst this corporation still retains its full beneficial interests in the Russian companies, the control ownership of those companies will be vested in the Russo-Canadian Corporation. The control of the Russo-Canadian Corporation will be in British hands, and in British hands protected from any exercise of voting power by a foreign and hostile majority, were such a majority to come into existence through the acquisition by foreign interest of the majority of the shares of this corporation.

Mr. R. Gilman Brown seconded the motion, which was carried unanimously.

THE TANALYK CORPORATION.

The ordinary general meeting of the Tanalyk Corporation, Limited, was held, on Friday, at Winchester House, Old Broad Street, E.C., Mr. Leslie Urquhart (the chairman of the company) presiding.

The London Manager and Secretary (Mr. J. P. B. Webster) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that the accounts of the Russian company showed that in 1916 the trading profit amounted to Rs. 700,000, practically the same as for 1915. That was arrived at by including stocks of metals at cost prices. Were those stocks brought in at market or realised values, the profit would have greatly exceeded that forecasted by him at the last meeting. In the ordinary way such results would justify their paying an initial dividend, but shareholders would realise that the prohibition of remittances of money to this country and other reasons, prevented the board doing so. It was perhaps as well, in view of the political happenings and the satisfactory development of their property, that the cash resources of the Russian company should be held for the present, not only to meet any contingencies that might arise, but also that they might quickly reap the benefit of the developments at the mines when more normal times returned. Dealing with the mining position, the Chairman said that in the all-important matter of ore reserves, indeed, the position was very strong. Notwithstanding the difficulties caused by the war and the chaos in the country since the Revolution, the Russian company had not only been able to continue mining and smelting operations at the previous rate, but the ore reserves were now nearly 500,000 tons more than when he last had the pleasure of addressing them. Not only that, but they had tackled during the year the questions of fuel supply, on which depended the further increase of their metals production by beginning work on a light railway to the forest concession. The cost of that would easily be defrayed out of revenue. If, therefore, the Russian company was unable to pay the shareholders the profits earned in Russia, it was fortunately able to utilise these profits by increasing the value of the properties and in making ready for the day when war was over and stable Government re-established to reap full advantage of the longer life and greater earning capacity of the enterprise. That they had been able to carry on so well when Russia was in a state of chaotic flux was mainly due to their being far away from the centres of unrest and anarchy, and that they were in a district where food was abundant. The Tanalyk mining properties had been granted them on a long lease on a royalty basis by the Bashkir-Nussulman peasant communities of the Bourzien Estates, the leases being duly confirmed by the late Russian Government. The money daily

expended by the company had materially raised the prosperity of these communities, and they, moreover, were not tainted by the extreme Socialistic ideas that the simple, ignorant Russian proletariat, thanks to the teachings and promises of demagogues and traitors, had imbibed so readily, and the labour troubles with which the management had had to meet at Tanalyk had been mainly of an economic nature. The Basnkir refused to participate in any of the movements of the Russian workmen when the Soviet delegates arrived. In fact, the very thought of what might happen to their well-being should they be forced to shut down rendered their attitude very firm, and even aggressive. In the circumstances, he thought they need have no fear about the continued operation of their properties, nor need they be afraid of excuses or attempts at temporary expropriation, for they had partners and powerful neighbours, whose interest it was, just as much as it was their own, to see that the natural laws of the inviolability of the person and property were absolutely respected.

Mr. T. Blair Reynolds seconded the motion, which was carried unanimously.

RUSO-ASIATIC CORPORATION.

The ordinary general meeting of the Russo-Asiatic Corporation, Ltd., was held on Tuesday at Winchester House, Old Broad Street, E.C., Mr. C. J. Cater-Scott (chairman of the company) presiding.

The London Manager and Secretary (Mr. J. P. B. Webster) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: As the whole of our interests at the present time are in the Irtysh Corporation, it is unnecessary for me to address you at any length to-day, for I can add nothing to the exhaustive statement made at the Irtysh meeting by Mr. Leslie Urquhart. As for our accounts, they require no comment from me; the profit of £9,013 shown in the income and expenditure account was derived from the sale of shares which I reported to you at the last general meeting.

Mr. Leslie Urquhart (the managing director) seconded the motion, and it was carried unanimously.

The retiring directors (Mr. A. A. Davidoff and Mr. A. J. Pouteloff) were re-elected, and the auditors (Messrs. Deloitte, Plender, Griffiths and Co.) were reappointed, a vote of thanks to the chairman, directors and staff terminating the meeting.

THE KYSHTIM CORPORATION.

The annual general meeting of the Kyshtim Corporation, Ltd., was held on Friday at Winchester House, Old Broad Street, E.C., Mr. C. J. Cater-Scott, chairman of the company, presiding.

The London Manager and Secretary (Mr. J. P. B. Webster) having read the notice convening the meeting,

The Chairman explained that the completion of their accounts awaited those of the Kyshtim Mining Works, which had not yet been received, and were very much in arrears. Their report was dependent on the accounts, so that the chief resolution to be submitted at the annual meeting had to be postponed. He would accordingly confine himself to the other resolutions on the agenda, viz., for the re-election of the directors and auditors, and then to move the adjournment. He would, however, for the benefit of the shareholders, make some remarks on the general position of the mining works and of the corporation. As to the Kyshtim Mining Works, Mr. Gilman Brown had been able to prepare his report of the year's work, and that was in the hands of the shareholders. At the beginning of the week they received a cable from Russia stating that the profits of the Kyshtim works for 1914 amounted to over Rs. 6,000,000, leaving a balance at the disposal of the shareholders of about Rs. 2,500,000. These figures could not, however, be regarded as final. As to 1917, shareholders would ask, How had the Russian company fared during the period of industrial anarchy since March last? The outstanding feature was that no stoppage had taken place at Kyshtim. It was difficult to say what would be the effect of the abnormal conditions on the results for the current year. They would certainly have higher costs and reduced efficiency, but against that would be set the very material rise in the price of copper in Russia from about Rs. 30 a pood to a fixed price of Rs. 48 since June. As to the financial position, they might regard the future from that point of view without anxiety. Their Russian friends had weathered the storm, and there was nothing to prevent the resumption, with a return of settled conditions, of an adequate return from this pioneer of the Russian non-ferrous metal industry on the large amount of British capital invested therein. In conclusion, the chairman dealt in some detail with the scheme arranged by this and its allied companies for safeguarding British interests in Russian mining undertakings, particulars of which were made public at the recent meeting of the Irtysh Corporation.

In seconding the motion for the adjournment, Mr. Leslie Urquhart described the financial position of the Russian company as healthy and sound. During the war the Russian Government had made large advances to many persons and companies for the purpose of establishing new industries necessary for the production of materials for the war. The Kyshtim Mining Works, thanks to its strong position, had taken advantage of that to only a small extent, but had undertaken to establish certain works on certain terms. They had established accordingly dynamite or nitro-glycerine works, a sulphuric acid works, and a sulphate of copper works, all with

large output capacities, and all for some time past had earned good profits. They had also fulfilled large orders for aerial torpedoes and hand grenades. All these new enterprises would continue to be a source of large and increasing revenue after the war. As to the position in Russia, he would point out to those who might be anxious by reason of the "doped" news coming to hand from Petrograd, that that city was not Russia. Generally, he characterised the claims of the Bolshevik usurpers with regard to the ownership of properties as the ravings of crazy men. The Bolsheviks were already losing power.

The meeting was adjourned.

SENGAT RUBBER ESTATE.

The seventh annual general meeting of the shareholders of the Sengat Rubber Estate, Ltd., was held on Friday at the offices of Rubber Growers' Association, 38, Eastcheap, E.C., Mr. Eric Maxwell (the chairman of the company) presiding.

The Chairman said: Gentlemen.—We are again able to lay before you a report which, considering the troublous times through which we are passing, will, I think, be looked upon as satisfactory. The yield per acre, 371 lbs., is lower than last year's yield, but as 373 acres were brought, for the first time, into the tapping area, and were gently dealt with, it may be considered a very satisfactory result. The estimate for the current year is 515,000 lbs., but unfortunately the last mail brought us the news that a heavy storm had done considerable damage. We have no further particulars so far, but it is possible that on this account a reduction may have to be made in the estimate. The all-in cost is 12.80d., against 11.9rd. last year, the increase being accounted for by the rise in price of all packing and manufacturing material, freight, &c. Since the commencement of the year freight on rubber to the United Kingdom has risen from 145s. to 300s. per ton and insurance against war risks from two guineas to five guineas per £100. Owing to the scarcity of freight and possible financial difficulties occasioned thereby the directors decided to sell a part of the crop on forward contract delivery in Singapore, and has disposed of approximately one-third of the current crop at a price equivalent to about 2s. 6½d. in London. A clearing of 50 acres is to be undertaken this year if the manager is certain that the drainage is entirely satisfactory. The health of Europeans and natives has, on the whole, been good. We consider it will be a great advantage in this respect to have him resident on the estate. The visiting agent, Mr. H. R. Quartley, in his last report says "the estate is in first-class order, which reflects the greatest credit on the management." Turning to the accounts, you will see the profit for the year is £37,140 10s. 1d., equal to 21 per cent. on the capital of the company, but with the existing financial uncertainty and the large provision which has to be made for excess war profits the directors consider it necessary to carry forward a considerable sum, and therefore recommend a final dividend of 2d. per share, which with the interim dividend of 1½ per cent. per share previously paid makes a total distribution for the year of 14 7-12ths per cent., the same dividend which was declared last year. The amount we shall have to pay for excess war profits duty has not yet been determined. Meanwhile the Rubber Growers' Association are making an application for the re-opening of the case with a view to the statutory percentage being increased, which may to some extent bring us relief. Before closing my remarks I would wish to reiterate what I said last year, that troublous times will be with us until the war is over, and difficulties may become even greater; but I would like to record the satisfaction the directors feel with the way the agents and staff on the estate have carried out their duties during the year.

Mr. J. L. Loudoun Shand seconded the resolution, which was carried unanimously.

OILFIELDS PRODUCTION.

Anglo-Egyptian.—For the past week: Gemsah, 22 tons, against 608 tons previous week; Hurghada, 2,692 tons, against 2,958 tons previous week.

Bibi Eibat.—Week ended Nov. 4, 693 tons; week ended Nov. 11, 648 tons; week ended Nov. 18, 669 tons.

Black Sea Amalgamated.—Week ended Nov. 24, 327 tons and week ended Dec. 8, 351 tons.

Baku Russian Petroleum.—Week ended Nov. 24, 68,725 poods.

European.—Week ended Nov. 11, 69,100 poods, and week ended Dec. 2, 67,900 poods.

Lobitos.—For Nov., 6,665 tons.

Maikon Combine.—Week ended Nov. 24, 402 tons, and week ended Dec. 8, 408 tons.

Maikop Orient.—Plot 435a, Well 3:—Week ended Dec. 1, 13,900 poods.

Maikop Pipeline and Transport.—Received for pumping week ended Nov. 10, 2,773 tons, and week ended Dec. 8, 676 tons.

North Caucasian.—Week ended Nov. 13, 7,596 tons; Nov. 20, 7,697 tons; and Nov. 27, 17,401 tons.

Spies Petroleum.—Week ended Nov. 25, 3,363 tons; and week ended Dec. 2, 3,453 tons. Total production for the year from Jan. 14 to Dec. 2, 136,245 tons, against 124,894 tons for the corresponding period last year.

United British of Trinidad.—Production week ended Nov. 28, 607 tons.

General Oilfields.—Cable information just to hand from Mr. J. D. Henry, in Newfoundland, advises that:—Oil standing 30 ft., and gas pressure increasing in well 21 to-day. Drilling deeper.

DIVIDENDS ANNOUNCED.

Alabama Coal, Iron, Land, and Colonisation Co.—Bonus of 2s. per share, free of tax, payable on or about Jan. 7.

Anglo-Malay.—Second interim of 15 per cent., less tax, for year ending 31st inst., payable Jan. 23.

Anglo-French (Transvaal) Navigation Coal Estates.—Interim of 4.6 per cent. on 7 per cent. cum. pref. shares, balance of interest due on pref. shares to Dec. 31, 1917.

Anglo-Malay Rubber Co.—Second interim of 15 per cent. (actual) for year ending Dec. 31, payable on Jan. 23, against 20 per cent. a year ago.

African Association.—Interim of 6½ per cent. (actual), less tax, for half-year ended June 30, the same as a year ago.

British India Tea.—Interim of 3 per cent., or 3s. per share, less tax, on ordinary shares, payable 22nd inst.

British Steamship Investment Trust.—Interim of 15 per cent. and bonus of 10 per cent. on deferred stock, payable Jan. 1, less tax, the same as a year ago.

Cleveland Bridge and Engineering Co.—Final 7½ per cent., tax free, on ordinary shares, making 10 per cent., free of tax. The dividend for 1915-16 was 5 per cent.

Camp Bird.—The preference at rate of 7 per cent. per annum for the half-year ending Dec. 31 will be paid, free of income-tax, on Jan. 1.

Chinese Engineering and Mining Co.—Final of 7½ per cent., free of tax, payable on 18th inst., making 12½ per cent. for the year, against 10 per cent. for 1915-16.

Chenderiang Tin Dredging.—Interim of 5 per cent., free of tax, for year ending March 31, 1918.

Dekhari Tea Co.—Interim of 6 per cent., less tax, on account of season 1917, payable on 17th inst., the same as a year ago.

Eastern Extension, Australasia, and China Telegraph Co.—Third quarterly interim of 3s. per share, free of tax.

Eastern Telegraph Co.—Third quarterly interim of 1½ per cent. on the ordinary stock, free of tax.

Frederick Sage and Co.—6 per cent. on the ordinary shares for the year ended Sept. 30.

Godfrey Phillips.—Second interim of 5 per cent. on the ordinary shares.

Havana Cigar and Tobacco Factories.—Interim of 10 per cent. (free of tax) on ordinary shares, payable forthwith, against 15 per cent. a year ago.

Hudson's Bay Co.—Interim of 10 per cent., less tax, on ordinary shares, to be paid on Jan. 1, the same as a year ago.

Jhanzie Tea Association.—Interim of 4 per cent., or 4s. per share, less tax, payable 22nd inst.

Linggi Plantations.—Second interim of 33½ per cent., less tax, for year ending 31st inst.

London and Lancashire Life and General Assurance Association.—Dividend and bonus for half-year ending Dec. 31 at rate of 1s. 6d. per share, less tax, payable Jan. 1, equal to 15 per cent. on the paid-up capital, the same as last year.

Milom and Askam Hematite Iron Co.—Final 9 per cent., free of tax, making 15 per cent. for year, against 10 per cent. for 1915-16, payable Jan. 1.

Mexican Petroleum Co. of Delaware.—Quarterly of \$1.50 per share on common stock, payable Jan. 10.

Manchester North Borneo.—Interim of 4 per cent., less tax, payable to shareholders registered 10th inst.

Newcastle Breweries.—Final at rate of 15 per cent. (making 10 per cent. for year) on ordinary shares for half-year ended Oct. 31 last, and special bonus of 5 per cent. on ordinary shares for year, £26,000 for reserve and £31,468 carried forward.

National Trust Co. (Toronto).—Quarterly at the rate of 10 per cent. per annum, same as a year ago.

Sulphide Corporation.—Final of 15 per cent. on pref. shares and 15 per cent. on ordinary shares, making 25 per cent. on both classes of shares paid out of profit earned during year ended June 30 last, against 30 per cent. for preceding year.

Straits Rubber Co.—Interim of 12½ per cent. actual for the year to Dec. 31, payable, less tax, on Dec. 17.

Shamva Mines.—Interim of 1s. 3d. per share, less tax, for current quarter (making, with three already paid, 5s. 3d. for current financial year), payable on 31st inst. A year ago dividend was 1s. 6d. per share.

Sumatra Consolidated Rubber Estates.—Interim of 5 per cent., less tax, in respect of the current year, against 7½ per cent.

Tali Ayer Rubber Estates.—Interim of 5 per cent., less tax, for year ending April 30 next.

Trolak Plantations.—20 per cent., less tax, for year ended Sept. 30, the same as a year ago.

Tomboy Gold Mines Co.—1s. per share, free of tax, payable on 31st inst. A year ago was the same.

Van Ryn Gold Mines Estate.—Interim (No. 28) 12½ per cent. (2s. 6d. per share), less tax; a year ago 17½ per cent. was paid.

Western Telegraph Co.—First quarterly of 3s. per share, free of tax, for year ending June 30, 1918, being at the rate of 6 per cent. per annum, the same as a year ago.

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and December 8, 1917:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Dec. 8, 1917.	Total Receipts into the Exchequer from April 1, 1916, to Dec. 9, 1916.
Balances in Exchequer on April 1—	£	£	£
Bank of England	—	25,209,947	25,111,065
Bank of Ireland	—	1,225,912	463,941
		26,435,859	25,575,006
REVENUE.			
Customs	70,750,000	48,858,000	47,141,000
Excise	34,950,000	25,631,000	37,220,000
Estate, &c., Duties	29,000,000	21,144,000	20,560,000
Stamps	8,000,000	5,274,000	5,175,000
Land Tax	—	—	—
House Duty	2,600,000	350,000	340,000
Property and Income Tax and Super Tax	224,000,000	62,689,000	47,955,000
Excess Profits Duty (including Munitions Levy)	200,000,000	132,887,000	67,543,000
Land Value Duties	400,000	279,000	141,000
Post Office	33,700,000	21,950,000	21,550,000
Crown Lands	600,000	420,000	420,000
Receipts from Sundry Loans, &c.	7,500,000	1,416,269	4,822,119
Miscellaneous	27,100,000	44,246,023	11,503,208
Revenue	638,600,000	395,214,202	264,379,127
Total, including Balance		391,650,151	28,945,335
OTHER RECEIPTS.			
Repayment of Advances for Bullion		1,440,000	2,760,000
Repayment of Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		169,818	—
Under Telegraph (Money) Act, 1913		55,000	180,000
Under Post Office (London) Railway Act, 1913		68,000	160,000
Under Housing Act, 1914		229,000	45,200
For Treasury Bills (for supply)		1,836,074,000	1,560,554,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904		1,300,000	—
For 4½ per Cent. War Loan, 1915-1916		—	424
For 5 per Cent. Exchequer Bonds, 1919		—	34,222,000
For 5 per Cent. Exchequer Bonds, 1920		—	81,740,469
For 5 per Cent. Exchequer Bonds, 1921		—	62,464,000
For 5 per Cent. Exchequer Bonds, 1922		82,209,400	—
For 6 per Cent. Exchequer Bonds, 1920		—	133,734,000
For War Expenditure Certificates		29,150,100	—
For War Savings Certificates		27,100,000	38,450,000
For other Debt created under the War Loan Acts, 1914-1917		502,846,552	146,105,208
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947		166,913,580	—
For National War Bonds		*130,530,000	—
Cunard Loan: Repayment on account of Principal		130,000	130,000
Temporary Advances—			
Ways and Means (including Treasury Bills £345,000,000 in 1916-1917)		677,187,000	459,156,500
Total		3,817,902,501	2,744,285,834

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

* Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Dec. 8, 1917.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Dec. 9, 1916.
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	17,000,000	12,297,427	14,896,998
Interest, &c., on War Debt ..	194,500,000	131,436,244	95,176,199
Payments to Local Taxation Accounts, &c.	9,700,000	6,425,864	6,345,312
Other Consolidated Fund Services	1,695,000	1,116,892	1,304,452
Supply Services	2,068,826,000	1,712,507,044	1,287,123,191
Expenditure	2,291,721,000	1,836,783,424	1,404,846,152
OTHER ISSUES.			
For Advances for Bullion		1,720,000	2,803,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		169,818	91,370
Under Telegraph (Money) Act, 1913		55,000	210,000
Under Post Office (London) Railway Act, 1913		68,000	160,000
Under Public Buildings Expenses Act, 1903 ..		—	8,000
Under Housing Act, 1914		394,500	44,500
For Treasury Bills for Supply		1,240,576,000	1,015,717,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904		1,300,000	—
For War Loans and Exchequer Bonds, under Section 34 of Finance Act, 1917		3,877,407	172,450
For other Debt under the War Loan Acts, 1914 to 1917		20,945,947	—
For Depreciation Fund under the Finance Act, 1917		23,841,183	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908		10,000	69,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..		20,000	53,160
Old Sinking Funds, 1911-12 and 1913-14, issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914		949,000	250,000
Cunard Loan Repayments—			
Issued to reduce Debt under the Cunard Agreement (Money) Act, 1904		130,000	130,000
Temporary Advances repaid—			
Ways and Means (including Treasury Bills £307,551,000 in 1916-17)		641,558,000	391,447,500
		3,802,428,323	2,819,086,732

	1917. Dec. 8.	1916. Dec. 9.
Balances in Exchequer—	£	£
Bank of England	15,094,547	24,419,995
Bank of Ireland	379,631	779,107
Total	15,474,178	25,199,102
	3,817,902,501	2,844,285,834

MEMO.—Treasury Bills outstanding on Dec. 1, 1917, £1,059,525,000
* Includes £330,000, the proceeds of which were not carried to the Exchequer within the period of the account.

Eat less Bread

INDIAN RAILWAYS.

NAME.	Week ending	GROSS TRAFFIC FOR WEEK.		In. or dec. on last year.	W's.	GROSS TRAFFIC TO DATE.		In. or dec. on last year.
		Amount	Rs.			Amount	Rs.	
Assam Bengal ..	Oct. 20	1,27,617	—	10,399	†	3,51,133	—	46,015
Barsi ..	" 27	15,300	—	13,200	†	4,92,500	—	102,900
Bengal & N.-W. ..	" 20	3,17,270	—	54,607	†	8,16,730	—	89,021
Bengal Nagpur ..	" 27	9,81,000	—	92,000	†	3,04,87,358	—	3,79,280
Bombay, Baroda ..	Dec. 1	13,63,000	—	1,26,000	†	1,13,39,000	—	3,14,000
Burma ..	Oct. 13	6,59,223	—	38,573	†	10,731,537	—	1,37,708
Delhi Umballa ..	Dec. 1	95,900	—	20,726	†	8,73,306	—	1,75,646
East Indian ..	" 8	25,05,000	—	2,54,000	†	2,30,12,000	—	13,28,000
Gt. Indian Penin. ..	" 8	25,76,500	—	2,89,600	†	2,03,33,600	—	13,31,015
Lucknow-Bareilly ..	Oct. 20	46,091	—	7,626	†	1,20,171	—	20,083
Madras and S. ..	" 27	8,75,000	—	10,352	†	33,75,000	—	11,890
Mahratta ..	" 27	1,14,390	—	15,874	†	4,52,509	—	5,540
Nizam's Gd. (Broad) ..	Sept. 30	51,953	—	5,072	†	2,28,359	—	4,968
Robilkund and ..	" 27	44,340	—	965	†	1,20,867	—	7,996
Kumaon ..	" 27	6,21,454	—	74,818	†	23,83,664	—	1,26,158
South Indian ..	" 27	6,21,454	—	74,818	†	23,83,664	—	1,26,158

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	£	†	£	†	£	†	£	†
Bristol ..	Dec. 7	11,208	—	1,599	†	538,919	—	41,484	†
Dublin United ..	" 7	6,826	—	751	†	329,598	—	31,796	†
Hastings and Dist. ..	" 9	953	—	110	†	60,724	—	9,790	†
Isle of Thanet ..	Oct. 13	195	—	141	†	350	—	324	†
Lancashire United ..	Dec. 5	2,413	—	722	†	115,357	—	25,905	†
Provincial ..	Oct. 27	2,315	—	201	†	9,138	—	507	†
Yorks. (Wst. Rdng.) ..	Dec. 9	2,219	—	642	†	104,682	—	18,622	†

* From Oct. 1.

† From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	£	†	£	†	£	†	£	†
Alabama Power ..	Sept. 8	105,607	—	17,457	†	1,231,011	—	369,531	†
Anglo-Argentine ..	Dec. 9	54,898	—	1,943	†	2,517,822	—	40,436	†
Auckland Electric ..	Oct. 26	22,308	—	806	†	62,118	—	7,832	†
Brazilian Traction ..	" 26	M8,005,000	—	M744,000	†	M764,360	—	M602,300	†
Brisbane Elec. Inv. ..	" 26	33,580	—	820	†	328,420	—	2,000	†
British Columbia ..	" 26	10,156	—	5,038	†	291,155	—	27,648	†
B. A. Lacroze ..	Nov. 3	39,679	—	545	†	189,575	—	1,214	†
Burmah Electric ..	Oct. 1	Rs.28,955	—	Rs.813	†	55,123	—	Rs.3,907	†
Calcutta ..	Dec. 8	Rs.1,342	—	Rs.1,619	†	Rs.319,235	—	Rs.1,525	†
Carthage and ..	" 8	3,932	—	1,680	†	45,142	—	17,751	†
Herreras ..	Nov. 6	12,481	—	1,052	†	95,376	—	2,640	†
Cordoba Light ..	Oct. 29	15,032	—	760	†	328,678	—	40,791	†
P. & T. ..	Oct. 29	4,069	—	365	†	40,615	—	1,441	†
Hongkong ..	Sept. 26	13,700	—	522	†	142,418	—	1,355	†
La Plata ..	Nov. 30	Rs.33,914	—	Rs.4,250	†	Rs.765,562	—	Rs.70,392	†
Manila Electric ..	Aug. 8	65,497	—	4,667	†	547,492	—	70,625	†
Mexico ..	Nov. 3	215,256	—	108,669	†	3,193,106	—	197,227	†
Rangoon ..	Oct. 6	5,358	—	325	†	49,373	—	1,975	†
Singapore Electric ..	Oct. 6	13,420	—	209	†	517,374	—	13,174	†
Toronto ..	" 8	444,813	—	7,190	†	4,603,620	—	247,886	†
United of Monte V. ..	Nov. 3	31,006	—	2,656	†	31,060	—	2,856	†
Vera Cruz ..	Sept. 8	56,400	—	8	†	464,400	—	—	†
Winnipeg ..	Oct. 8	91,961	—	4,292	†	862,088	—	313,638	†

b 28 days. * From Jan. 1. † Net. a From July 1. c Two weeks.

FOREIGN RAILWAYS.

NAME.	Week ending	£	†	£	†	£	†	£	†
Alcoy and Gandia ..	Dec. 1	Ps. 11,503	—	Ps. 3,000	†	Ps.331,020	—	Ps.383,780	†
Antofagasta (Chili) ..	" 9	49,370	—	8,985	†	2,090,220	—	377,445	†
Arauco ..	Oct. 31	14,500	—	2,500	†	102,500	—	17,700	†
Argentine N.E. ..	Dec. 8	9,800	—	4,000	†	171,200	—	17,098	†
Bilbao R. and Canta ..	Oct. 8	3,911	—	1,426	†	35,861	—	10,916	†
Bolivar ..	Nov. 3	12,000	—	4,820	†	55,005	—	18,501	†
Brazil ..	Aug. 3	M4,432,000	—	M512,287	†	M3194,800	—	M37,9874	†
Brazil Gt. Southern ..	" 3	M13,310,000	—	M2,080	†	M325,937	—	M43,467	†
B. Ayres & Pacific ..	Dec. 8	104,000	—	17,000	†	1,511,000	—	428,000	†
Do. Central ..	Sept. 8	18,317	—	7,787	†	70,915	—	4,287	†
Do. Gt. South'n ..	Dec. 9	114,000	—	10,000	†	2,010,705	—	371,549	†
Do. Western ..	" 9	59,000	—	7,000	†	863,000	—	348,000	†
Central Argentine ..	" 8	117,000	—	17,000	†	1,868,700	—	706,000	†
C. Ur'g'ay of Mte V. ..	" 8	18,110	—	5,052	†	404,457	—	121,848	†
Do. East'n Ex. ..	" 8	5,773	—	302	†	105,259	—	9,120	†
Do. North'n Ex. ..	" 8	2,764	—	63	†	67,382	—	21,729	†
Do. West'n Ex. ..	" 8	2,232	—	85	†	45,324	—	2,451	†
Cordoba Central ..	" 8	34,500	—	9,700	†	654,063	—	53,125	†
Costa Rica ..	Oct. 27	3,018	—	4,574	†	51,697	—	35,799	†
Cuban Central ..	Dec. 8	12,588	—	3,800	†	274,135	—	62,609	†
Dorada Extension ..	Oct. 8	8,300	—	1,580	†	90,700	—	7,800	†
Egyptian Delta ..	Oct. 31	11,667	—	5,803	†	141,403	—	25,063	†
Entre Rios ..	Dec. 8	17,400	—	5,303	†	279,600	—	15,300	†
French Santa Fé ..	Aug. 8	132,000	—	29,099	†	900,336	—	173,439	†
Gt. South. of Spain ..	Dec. 1	Ps. 36,944	—	Ps.42,513	†	Ps.900,336	—	Ps.470,825	†
Gt. West. of Brazil ..	" 8	21,200	—	2,300	†	673,550	—	144,150	†
Inter. of C. Amer. ..	Oct. 17	8,115	—	1,493	†	146,563	—	20,888	†
La Guaira and Car. ..	Oct. 8	10,880	—	331	†	227,760	—	29,867	†
Leopoldina ..	Dec. 8	6,500	—	500	†	80,500	—	4,750	†
Midland Uruguay ..	Nov. 3	31,054	—	1,907	†	1,465,295	—	239,454	†
Mogiana ..	Nov. 3	15,745	—	1,407	†	67,448	—	7,537	†
N.W. of Uruguay ..	Nov. 3	M3,248,000	—	M526,674	†	M1459,000	—	M40,707	†
Nitrate ..	Nov. 3	30,500	—	2,554	†	116,674	—	8,696	†
Paraguay Central ..	Dec. 30	33,006	—	606	†	707,618	—	85,799	†
Paulista ..	Dec. 8	3,270	—	360	†	66,970	—	6,760	†
Peruvian Corp'n ..	July 3	M3,330,000	—	M638,609	†	M1508,000	—	M9,280	†
Salvador ..	Nov. 3	Ps.14,790	—	Ps.808,970	†	Ps.4,987,180	—	Ps.472,530	†
State of Bahia S.W. ..	Nov. 3	M3,750	—	M1,450	†	M345,500	—	M32,559	†
S. Paulo (Brazilian) ..	Nov. 3	M35,000	—	M45,000	†	M1,021,000	—	M66,000	†
Sorocabana ..	Dec. 9	42,887	—	10,737	†	1,494,308	—	94,184	†
Taitai ..	Oct. 8	31,335	—	8,940	†	92,108	—	13,448	†
United of Havana ..	Dec. 1	42,062	—	8,173	†	821,817	—	137,273	†
West'n of Havana ..	" 8	7,661	—	2,971	†	19,199	—	26,003	†
Zafra and Huelva ..	Oct. 8	11,796	—	207	†	113,282	—	3,870	†

* Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days

COLONIAL RAILWAYS.

NAME.	Week ending	£	†	£	†	£	†	£	†
Beira ..	Aug. 3	54,914	—	12,287	†	706,175	—	4,297	†
Canadian Northern ..	Dec. 7	916,000	—	81,900	†	19,499,600	—	435,600	†
Canadian Pacific ..	" 7	3,299,000	—	150,000	†	14,235,000	—	1,197,000	†
Gr. Trk. Main Line ..	" 7	192,684	—	4,184	†	10,001,058	—	891,414	†
Gr. Trk. Western ..	" 7	43,300	—	7,355	†	1,868,020	—	78,263	†
Detroit G. H. & M. ..	" 7	14,488	—	1,913	†	648,722	—	14,216	†
Gr. Trk. Pac. Prairie Sc. ..	" 7	33,503	—	812	†	674,999	—	169,400	†
Maabonaland ..	Aug. 3	54,914	—	12,287	†	706,175	—	4,297	†
Mid. of West'n Aus. ..	" 3	7,810	—	931	†	25,356	—	1,307	†
New Cape Central ..	Nov. 3	2,571	—	823	†	80,965	—	11,996	†
Rhodesia ..	Sept. 3	28,617	—	11,622	†	1,011,764	—	78,617	†

* Months. † July 1. † Jan. 1. From Oct. 1.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.				NETT EARNINGS TO DATE.			
	Month.	Amount.	In. or Dec. on last year	No. of Mths.	Amount.	In. or Dec. on last year		
		Dols.	Dols.		Dols.	Dols.		
Atchafalpa T. & S. F4 ..	Sep.	3,933,000	— 850,000	9	37,525,000	+ 4,302,000		
Atlantic Coast Line ..	"	757,000	+ 132,000	9	8,260,000	+ 337,000		
Baltimore & Ohio ..	"	3,441,000	— 197,000	9	24,037,000	— 639,000		
Canadian Northern ..	Oct.	591,100	— 630,200	10	2,515,100	— 1,707,200		
Canadian Pacific ..	"	5,055,000	— 1,383,000	10	37,377,000	+ 2,514,000		
Chesapeake & Ohio ..	"	1,161,000	— 218,000	9	10,329,000	— 1,172,000		
Chicago & N.W. ..	"	2,634,000	— 414,000	9	19,485,000	— 2,498,000		
Chicago Buri. & Q. ..	Aug.	3,439,000	— 674,000	8	24,442,000	+ 1,507,000		
Chicago G.W. ..	Oct.	108,000	— 172,000	9	4,273,000	— 746,000		
Chicago Mil. & S.P. ..	Sep.	1,599,000	— 1,525,000	9	17,298,000	— 4,550,000		
Chicago, Rock I. & P. ..	"	1,664,000	— 359,000	9	15,157,000	— 1,977,000		
Colorado & Southern ..	"	476,000	— 47,000	9	9,339,000	+ 719,000		
Cuba ..	"	75,896	— 106,919	4	581,810	— 123,689		
Delaware & Hud. ..	"	673,000	+ 2,000	9	5,002,000	— 893,000		
Denver & Rio Gran. ..	"	742,000	— 182,000	9	5,741,000	— 878,000		
Erne ..	"	832,000	— 725,000	9	8,094,000	— 5,877,000		
Gr. Tr. Main Line ..	Oct.	\$157,600	— 120,330	10	\$1,821,100	— 1,439,330		
Grand Trunk Westn. ..	"	612,785	— \$3,300	10	\$19,800	— \$3,350		
Detroit G. H. & Mil. ..	"	654,000	+ 250	10	\$67,700	— \$9,800		
Ch. Northern ..	Sep.	2,626,000	— 859,000	9	17,196,000	+ 2,282,000		
Illinois Central ..	Oct.	1,852,000	+ 137,000	10	16,073,000	+ 2,999,000		
Kansas City Southn. ..	"	331,000	— 77,000	9	3,403,000	+ 200,000		
Lehigh Valley ..	Sep.	851,000	— 231,000	9	7,875,000	— 1,560,000		
Louisville & Nashvi. ..	"	1,472,000	— 114,000	9	14,070,000	— 2,703,000		
Minn. S.P. (Soo) ..	"	911,000	— 316,000	9	7,051,000	— 2,703,000		
Miss. K. & Texas ..	"	76,000	+ 2,000	9	5,503,000	+ 2,344,000		
Missouri Pacific ..	"	1,630,000	— 2,000	9	15,523,000	+ 1,111,000		
New York Cent. & H. ..	"	4,955,000	— 1,221,000	9	36,447,000	— 1,157,000		
N. Y. N. Haven & H. ..	"	2,061,000	— 355,000	8	13,046,000	— 970,000		
New York Ont. & W. ..	Aug.	150,000	+ 69,000	10	2,019,000	— 45,000		
Norfolk & Western ..	Oct.	1,561,000	— 125,000	9	16,005,000	— 1,820,000		
Northern Pacific ..	Sep.	2,388,000	— 957,000	9	21,435,000	— 31,000		
Pennsylvania East and West Lines. ..	"	10,356,000	— 415,000	9	72,908,000	— 11,917,000		
St. Louis & San F. ..	Aug.	1,939,000	+ 404,000	2	3,500,000	+ 1,075,000		
Seaboard Air Line. ..	"	487,000	— 34,000	8	6,223,000	+ 1,750,000		
Southern ..	Sep.	2,280,000	+ 365,000	3	5,111,000	+ 8,294,000		
Southern Pacific ..	Oct.	7,077,000	+ 1,673,000	10	35,733,000	— 1,614,000		
Union Pacific ..	"	5,408,000	— 339,000	10	20,269,000	— 160,000		
Wabash ..	"	1,240,000	— 134,000	10				

The Investors' Review

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CONTENTS.

Passing Events:—National War Bond Sales — Revenue — Premium Bonds — Non-Ferrous Metal Industry Bill — Russian Armistice — Chaos in Russia — Food Queues — Samuel Allsopp and Sons — Worthington — Argentine North-Eastern Railway — Amalgamated Press — Slaters — Parent Tyre — Egyptian Salt and Soda — Champion Reef Gold — Sulphide Corporation (pp. 627-31).

Leading Articles:—Another Bank Absorption — Our Foreign Trade in November — Report on National Expenditure — Italian News — By-the-Way War Notes (pp. 631-6).

American Business Notes:—Railroad Freight Problem — Canada's Strong Majority for Conscription (pp. 636-7).

Insurance News:—Co-operative and Planet Societies' Amalgamation — Compensation for Damage by Aircraft — New York State Insurance Department's Report — Suggested Fusion between the London and British Law Fire Companies — Law Guarantee Trust (pp. 637).

Money and Credit Notes:—Loans in Demand — Bank Return — Scandinavian Exchange — Chartered Co. (British South Africa) Debenture Scheme — Russian Treasury Bills — South Indian Railway — Bank Amalgamation Rumours — Silver (pp. 638-40).

Tea, Oil, and Rubber:—Rubber Market — Rubber Imports (p. 642).

Mining News:—Sheba Gold — Forum River (Nigeria) Tin — Northern Nigeria (Bauchi) Tin — Minerals Separation — Malayan Tin Dredging — Sub-Nigel — Simmer and Jack Proprietary — Benue (Northern Nigeria) Tin — Witbank Colliery — Gold Mines Investment (pp. 642-3).

Company Meetings:—Minerals Separation — Tandjong Rubber — Pekin Syndicate — Dorman, Long, and Co. — Commercial Bank of Scotland — South American Stores — Ind, Coope and Co. — London and River Plate Bank — Edison Swan Electric — Pahang Consolidated — The Western Canada Investment Co. (pp. 646-51).

What Balance Sheets Tell:—Robert Younger — Madras and Southern Mahratta Railway Co. — Bovril Australian Estates (p. 651).

The Week's Stock Markets (pp. 650-1).

London Produce Markets (p. 641).

The Week in Mines (p. 642).

Answers to Correspondents (p. 643).

Dividends Announced (p. 643).

November Rubber Outputs (pp. 644-5).

Mining Returns for November (p. 645).

Public Income and Expenditure (p. 645).

Traffic Returns (p. 652).

CANADA.

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K. TATSUMI, Manager.

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The Editor cannot undertake to return rejected communications.

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The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of *Company Meetings*, and they cannot accept responsibility for statements made therein.

ANSWERS TO QUERIES.

One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

Telegrams advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

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Passing Events.

Quite a successful week was that ended December 15 in regard to the sale of National War Bonds. The official figures issued on Monday night stated that 25,392 bonds had been applied for at the Bank of England in the week just ended, Saturday 15, covering £17,800,177, and making the total sales up to date 173,901 bonds for £169,294,377. This is an encouraging and satisfactory result. The Post Office, too, has been doing better, but the figures of that department did not come down to a later date than December 8. In the week then ended, 102,600 National War Bonds were applied for, the amount they represented being £2,235,000. This brings up the total sales of these obligations through the Post Office to 190,800 bonds and £4,969,000. War Savings Certificates also looked up, and in the week ending December 8, 1,503,144 of them were sold, making the product of the total to date £133,131,682. Putting the various items together, it is possible to state that, in the week ended December 8, £26,439,186 was received through the vending of various borrowing instruments. The Bank of England collected £23,039,250 by its issue of National War Bonds, the Post Office £2,335,000, and the War Savings Certificates produced in actual money £1,654,936. Each of the figures are the highest for any given week since the present active campaign of borrowing began last October.

Turning now to the Treasury figures for the past week, there, also, encouragement is found, just enough encouragement to demonstrate how great the capacity of the country is to provide the expenses of the war if the temptation can be made sufficiently attractive and universal to draw in the surplus money from every source. Last week's actual revenue, for instance, was only £13,764,774 from taxation and State monopolies. It was a very good figure, a splendid figure in ordinary times, and well above the previous week's income, which was £11,727,000; but the week's expenditure amounted to £66,609,000, of which £63,445,000 was for supply. The smaller total is equal to fully £9,063,000 per diem, most of it on the Army, Navy, and auxiliary services. Add in the £2,871,302 paid as interest on war debt, and the £292,539 of miscellaneous

outgoings, and we get the total outlay just mentioned, which was equal to almost £9,516,000 a day. And it will continue high, not, perhaps, every week to the magnitude these figures show, but still appallingly high, so that the necessity to provide means by every expedient, available or as yet unavailable, becomes increasingly imperative. Last week, for example, the Government had to raise £57,854,000 on supply Treasury bills, only £47,481,000 of which was required to pay off bills falling due. "Other war debt" was availed of to the extent of £20,357,000, and £18,697,000 was paid in as proceeds of National War bond sales. In addition, £8,500,000 was temporarily borrowed from the Bank of England. The receipts from War Savings certificates were, we believe, the largest ever recorded in a single week, being £1,600,000, and altogether the Treasury netted £120,962,542 during the week, and all except £3,550,951 of it was spent within the week. This balance, however, enabled the Government to increase its Exchequer balances to £19,025,129, and all runs smoothly enough, thanks to our banks. Besides paying off £47,481,000 on due Treasury bills out of the new issue, the Government had to utilise £1,000,000 for depreciation fund purposes during the week—to sustain the market for war stock, in other words—a quite necessary and proper operation at a time like the present, when the dark days and bitter weather tend to increase the pessimistic fog which has been damping down the patriotic faith of so many amongst us. Of the past week's actual revenue £7,750,000 came from excess profits tax and munitions levy, the ordinary income-tax, plus super-tax, having yielded, in addition, £1,185,000, so that £8,935,000 of the £13,765,000 received came from these direct taxes, and more than half the total of the week came from excess profits duty and munitions levy alone. That is drawn from profits made out of the dispersal of Government credits in payment for goods supplied and services rendered, including waste of every description.

It is a sufficiently remarkable fact that Selfridge's should have been able to gather in well over £3,000,000 as a result of a fortnight's bustle advertising of the firm's own system of Premium Bonds. It was purely a lottery system, which the proper bonus bond is not, and the prizes offered were naturally comparatively few. Nevertheless, such was the attraction of

chances that the money rolled in faster than the great stores could have dealt with it if left to depend on its own resources. What are we to infer from this? Let us not draw too arbitrary an inference. We do not regard the Premium Bond as the one and only salvation of the Exchequer at the present time, and should not dream of using such results as these enterprising stores have given in the light of a club with which to pound the Treasury into the same net. It was due to the flare up caused by strenuous advertising, and was to some extent paralleled by the success of the Government itself in seizing upon what might be called open-air cinema style of advertisement of National War Bonds—of the "Tank bank" in other words; but, a stimulus of this particular kind does not last long. Soon every device or expedient loses its novelty, and something fresh has to be found to prevent the furore from dying down. That is the experience in other departments of advertisement-driven commerce, and in a few days or weeks we shall probably find the stream of money arising from the sales of the various new and ingenious existing forms of Government debt-multiplying once again on the dwindle. What is wanted, if it can be discovered, is some plan which when put into operation would automatically and continuously attract the loose cash now being scattered from the pockets of the people, without the necessity of spending a perceptible portion of the receipts in lavish advertisement. A series of bonus bonds modelled on the Continental, particularly on the French system, would alone, it seems to us, suffice for this purpose. Once more, we are not going to labour the point, but it is our impression, and has been all along, that the money needed could have been borrowed at sensibly cheaper rates had this method of coaxing the surplus earnings out of the pocket been adopted in good time. We see no reason to-day to doubt that a maximum cost of $4\frac{1}{2}$ per cent., including the sinking fund portion, out of which the prizes or bonuses would have to come, would have been sufficiently powerful to attract endless millions in an ever-flowing stream of money had the bonus scheme been drawn up on sensible lines and with a great spread of small prizes. It will, we fear, have to come to that, in spite of the opposition of the people who put prejudice before patriotism and before which the Government now stands quaking. After all, unselfish, enlightened patriotism is a rare plant of delicate culture, and we have to win out in this war or perish.

Another debate took place on the Non-Ferrous Metals Bill in the Commons on Tuesday, and it is possible to understand what is aimed at a little more clearly now than we did before, but we are no more satisfied with the measure now than we ever were. Assume that it is necessary—and we believe it to be so—to protect our manufacturers from the rapacities of a German-Jew owned and controlled monopoly, is the Government certain that the licensing of dealers provided for in their Bill will ensure such protection? Who is to guarantee the uprightness and loyalty of the licence-holder, and how are his transactions to be followed and controlled? Would it not have been better to put the regulation of the trades covered by this new Bill into the control of the people themselves interested in the elimination of the Teutonised Jew? It is not the object aimed at, in other words, which we regard as objectionable, but the methods devised with a view to attain that object. Bureaucracy is never a wise master in business, and the more we have of it the more certain are confusion and decay to steal over our trade affairs. As a section of the larger central body whose creation we advocate, and into whose hands the control of all intercourse between the Teutonic Empires and the rest of the world ought to be placed, this Non-Ferrous Metals control might have been excellent and effective because the controllers would be selected from the trades interested; but as a new branch of the upas tree of all-pervading bureaucracy, we do not believe that the measure is likely to be of much good one way or another. And it may prove capable of infinite mischief.

It is quite interesting to read the terms of the armistice which the Germans have managed to wheedle the Russian idealists and their betrayers into. We may regard it as a triumph of that subtle, plausible, deceitful German diplomacy which has hitherto failed to beguile the Allies one by one to their ruin. Because this armistice has been arranged to last for a month are we expected to regard Russia as finally and completely out of the war? We doubt that much, and are inclined to think that by the very completeness of their diplomatic victory, the Germans are, as usual, missing their aim and over-reaching themselves. Fraternisation, it may be noted, is to be carefully limited to certain hours of the day, and so many men of each side at a time. What is most carefully provided is the new German frontier, which runs from the Black Sea across the Carpathians, through Western Russia up to the points seized north of Riga. It, therefore, secures for the Hohenzollern, should the Russians finally acquiesce, an immense tract of West Russia, Russian Poland, and Courland, and doubtless the deluded German people will regard the line as the minimum limit for the eastern frontier of their all-pervading world empire that is to be. When that comes to be understood there should be an end of the extremists. There are also stipulations made with regard to the removal of troops which may hamper the Russians should they decide to resume fighting, and enrage them, but which can have no influence whatever on the striking power of the Germans, since their armies have been already shifted to the West, or to Italy, to be consumed there. It is, therefore, useless to brood over the document here in the dumps, but it will have to be filed for reference just to see what comes of it. Russia is not subdued, never forget. Her idealists have been betrayed because they have taken as associates German agents, and are at the best too simple, too unsophisticated, to comprehend Teutonic cunning; but that the Russians will sit down content under the German lash and the maximum of Prussian tyranny is not to be believed. We are sorry to lose our Eastern Ally at the present time, but more sorry for him than for ourselves. For nearly three years the Russians fought loyally and strenuously on our side, and had they not been betrayed by the corrupt German Court, and its equally corrupt bureaucracy, their fighting capacity, led as it was by some of the ablest generals revealed by the war, would have hastened the end, probably delivering Rumania from the grip of the Austrian by bringing Bulgaria back to reason, by helping us to liberate and expand Serbia, helping us also to end the dominance of the Turk, and to open the Straits to the traffic of all the world. Italy might have been saved from the cruel experience through which she is now passing, and assuredly the onslaughts upon the French, British, and Belgian lines in the West would have been less strenuous and prolonged than they have been or now seem likely to be. But let us not blame the Russian people; it is Tsardom and its blight which has brought a great country to its present pass. Our duty is only the more clear—to fight on with increasing strenuousness, never forgetting that the loss of Russia will soon be fully compensated for by the incoming of America, more resolute than ever to finish with the abomination of Prussian tyranny.

Internally, Russia is in a state of indescribable chaos. Civil war rages in various parts of the country, and some towns are in the hands of the anarchist extremists, others in the power of this or that separatist tribe or military faction. The Constituent Assembly has not yet been nearly all chosen, and the Soldiers' and Workmen's Committee seems to have resolved to prevent it from meeting. But meantime the knot of fanatics who hold Petrograd—and also Moscow with more uncertain grasp—are busy abolishing the old and attempting to create the new. Confiscation is popular and rife. The Holy Synod, by which the Church was placed in the power of the bureaucracy, has been abolished, officials of all

grades are daily turned out of their berths, ex-ministers and generals are put in gaol when caught, and the banks laid under contribution. For days it was reported that Lenin and Trotsky had decreed the repudiation of the foreign debt of the Empire—it was a likely enough thing for them to have done—but this has been modified to mean a refusal to recognise any non-German owner of Russian bonds as worthy of honest treatment—so far, at least, as debt raised since the war began is concerned. As yet no official information has been made public indicative of a determination of the Bolsheviks to discriminate against foreign holders of pre-war Russian Loans, or to repudiate liability for them. In the swirling rush of the revolution, however, there is no knowing what may happen. We can only watch and hold our tongues. No greater stupidity could be exhibited than that of sweet Mr. Ponsonby, who on Tuesday charged the outbreak of revolution to our Government. But Mr. Ponsonby is a modern "Aiken Drum," to whose dainty mind everything is "wrong, and all wrong, and altogether all wrong," which does not square with his preconceptions of what things should be.

Everyone will admit that Lord Rhondda as Food Controller has a most arduous and very thankless task. It would probably be impossible for any human being to do the work he has attempted to the moderate satisfaction of everybody, and his position is rendered all the more difficult by the apparently entire lack of co-ordination between his department and others concerned, such as shipping and agriculture. In an interview the other day he seemed to shift the scandal of the queues on to the local Food Committees, and said that the policy of the Food Ministry was one of decentralisation. We are glad to hear that, as we are persuaded that any system of rationing to be even moderately successful must be controlled locally in areas that are as far as possible self-contained, and not too unwieldy. But we do not think the Food Committees can fairly be blamed for the present muddle. Their powers are ill-defined, and they have had no real guidance as to how to set about their duties. Moreover, they have absolutely no control over supplies, and very little over their distribution. In these circumstances it is very difficult to see what they could have done to mitigate queues, in London at all events. But let us glance briefly at the history of these queues. Potatoes, if we recollect aright, came first, and the trouble was entirely due to the stupidity of the Board of Agriculture and Lord Rhondda's predecessor. It would never have happened but for inconceivable bungling. However, the disease proved infectious, and spread to sugar for no good reason that has ever been discovered, as the Sugar Commission has publicly stated that it always supplied at least 24,000 tons per week, or 10,000 tons more than was required to give $\frac{3}{4}$ lbs. to every man, woman, and child in the country. Distribution was the Food Ministry's business, and it is easy to see how bad it must have been, but the sugar queue was not abolished by the Food Controller or Food Committees, but by the independent organisations of individual traders. Then tea took up the running. Our Food Ministry saw the stocks in bond dwindling from 127 million lbs. at the end of October, 1916, to 33 millions (little over a month's consumption) at the end of October last, without, so far as can be judged, lifting a finger to replenish them until a real panic had been created by its lack of foresight. That the situation could have been remedied months ago, if anyone had given the matter the slightest thought, is proved by the measures that have been taken since to increase supplies. Unfortunately, the mischief has been done, and although there is now plenty of tea in the country or in sight the hoarding instinct has received an immense impetus which, we are afraid, will only be checked by the abomination of rationing. And in this case, at any rate, it is all so utterly unnecessary. Bacon, butter, and margarine are in undeniably short supply,

partly owing to purely artificial reasons, but they cannot be hoarded to any great extent, and anyhow we do not see what local Food Committees, with their present powers, can do to help matters. It is extremely doubtful, however, whether queues are encouraged, as is alleged, for advertising purposes. That may be so in some cases, but they are anathema to the majority of traders, and during the potato famine a great many shops refused to stock a limited supply because the inevitable queue interfered so much with their regular business. We must be prepared for very uncomfortable times for some months to come, and Lord Rhondda now says that compulsory rationing is "probable." It may be the only possible solution now, but it has failed lamentably in official-ridden Germany, and we have grave misgivings about how our untrained and inexperienced bureaucrats will manage it here.

After providing for income-tax and contingencies (which, of course, include excess duty), the trading profits of Samuel Allsopp and Sons, Ltd., for the twelve months to September 30 amounted to £192,000, an increase of £60,000 over last year, and of £100,000 over 1914-15, such is the wonderful benefit the Liquor Control Board has conferred on "the trade." With rents and interest the total revenue is £78,000 higher at £240,000, and of this increase £66,000 is retained as nett profit at £127,000, the allowance for depreciation, repairs, and maintenance being £12,000 higher. With £9,000 more brought in, the available balance is £150,880, which allows the payment of full year's interest on the $4\frac{1}{2}$ per cent. debenture stock, as against $2\frac{1}{2}$ per cent., and with the allowance for income-tax this requires £24,000 more. Then the redemption of certificates of rights is increased from £12,000 to £54,000, and the allocation to reserve is doubled at £20,000, while the carry forward is only a trifle less at £22,930. It is a fine record, even allowing for the fact that breweries generally have been prospering to an exceptional extent, and we are inclined to believe that a great deal of it is due to the more efficient management, with a tighter grip on the business inaugurated since the last reorganisation. The mishandling of such a splendid property in the past seems almost incredible when the vitality of the concern is so clearly demonstrated, but it would be worse than useless to hark back on the mistakes of ancient history. What is of more importance is the fact that the company is now steadily strengthening its position. We are glad to note that £150,000 has been transferred from contingencies' reserve to the reduction of goodwill, which now stands at £700,000, and we hope this policy will be continued until the figure is much further reduced. Creditors are £65,000 higher at £235,000, while debtors are down £67,000 at £188,000, and stocks are £103,000 lower at £92,400. On the other hand, £13,000 has been written off plant, &c., but cash, Treasury bills, and War Loans have increased £300,000, and interests in other properties are up £37,000. All this gives encouragement for hope in the future prosperity of the business.

Worthington and Co., Ltd., evidently did well in the year to September 30, but the report is not very communicative. Nett profits amounted to £177,830, an increase of £25,500 over the previous year, which in turn showed a substantial improvement over 1914-15 but debenture interest, preference dividends, and income-tax took £11,300 more, so that the balance is £14,200 up at £95,700. On the other hand, the undivided profits and special reserves brought from last year were £13,000 less at £317,300, and the unallocated balance is £1,300 up at £413,000. Property, plant, &c., has been written down £4,000 to £875,750, debtors have been reduced £126,000 to £108,660, and stocks are £70,000 lower at £238,000, but investments, cash, &c., have increased £117,000 to £1,445,000.

In the year to June 30 the Argentine North-Eastern Railway Co., Ltd., made substantial progress, gross receipts being £65,000 higher at £393,600, while working expenses advanced £53,000 to £247,300. The ratio of expenses to receipts, however, was 3.6 per cent. higher at 62.84 per cent. With miscellaneous receipts, the total revenue came to £190,500, or £54,000 more than last year, and, as no allowance on this occasion is made for renewals (which last year got £20,000), after paying fixed charges, there is a nett profit of £54,075, as against a debit balance of £20,000 a year ago. This allows the directors to redeem the balance of the "B" funding scrip, amounting to £24,800, and to redeem all lenders' funding scrip, amounting to £23,460, as well as the half-year's interest at the rate of 4 per cent. to lenders. In view of the fact that the whole of the funding scrip has now been redeemed, it will not be necessary to issue any part of the "B" debenture stock authorised under the scheme of arrangement entered into in July, 1915. Passenger traffic showed an increase of £6,000, and goods and live stock an increase of nearly £50,000, while parcels and miscellaneous items also did well. Maintenance of way cost £14,000 more, and rolling stock £17,000 more, while running expenses increased £7,000, largely due to the fact that wood is now burnt almost entirely on the locomotives. It is satisfactory to learn that the supply of this fuel appears to be assured for some years to come, and it has had the advantage of bringing a considerable amount of traffic to the line. Like other Argentine railways, the company's traffic was affected by the drought which prevailed during most of the year, but there was a heavy increase in cattle traffic during the last three months, and a great development of the timber and log business. Since the end of the financial year the traffics have shown a further increase, in spite of the fact that the line was closed for four weeks owing to the workmen's strike, and the future of the company under normal working conditions appears to be decidedly brighter.

That wonderful business in cheap literature owned by the Amalgamated Press, Ltd., continues to prosper in a manner that is really amazing under the difficult conditions which have prevailed during the year to October 31. It is true the nett profits have been reduced by £2,000, but as they still amount to £324,870, the setback is quite insignificant. The usual dividend of 40 per cent. is paid on the ordinary shares, and £25,000 is again placed to the reserve fund, raising it to £300,000. Sales and advertisements showed an increase of £72,000 at £1,296,000, the total revenue reaching the large sum of £1,359,600. On the other hand, the cost of paper, printing, editorial and other expenses advanced £98,000 to £941,700, and after again allowing £25,000 for depreciation of buildings and plant, £5,000 less at £50,000 is written off the item of goodwill, which is now reduced to £250,000. The balance-sheet has quite a healthy appearance, and the cash position is very strong, with the large sum of £460,000 in hand. During the year a further 272 employees of the company joined his Majesty's Forces, making a total of 1,154 at the end of the financial year, and a sum of nearly £47,000 has been paid out in the allowances to them and to members of their families. We are glad to recognise that the Amalgamated Press has "done its bit" generously in both directions.

Not very much progress has been made by the catering firm of Slaters, Limited, but it must be admitted that the reorganisation of the business had to be undertaken at a time when conditions were exceptionally awkward. The company's butchers have had difficulty in supplying meat, there has been a great scarcity of fish, and an acute shortage of labour, while wages and prices have all advanced. In the circumstances, it is satisfactory to find an increase of £5,000 in the trading profits at £20,560; but expenses advanced £4,500,

and, after setting aside £1,200 as a reserve for dilapidations (against nil last time), the nett loss for the year to September 30 is practically identical with that of the previous twelve months at £6,780. This raises the total debit balance to £51,950, and it cannot be said that the outlook is particularly cheerful. We believe, however, that the company has a valuable connection, and the new management must be given time to inaugurate the improvements, which, it is hoped, will restore some of the old-time prosperity of the business.

In the year to August 31 the revenue of the Parent Tyre Co., Ltd., amounted to £122,250, an increase of £11,200. Royalty received from the Dunlop Rubber Co. was £16,500 higher at £40,540, but dividends and transfer fees were £5,300 less. Administration expenses were reduced by £1,400, but income-tax absorbed £4,000 more, and the nett profit is £8,500 higher at £115,660. After paying the usual dividend of 8 per cent. on the ordinary shares, the deferred dividend is raised from 7 per cent. to 11 per cent., but the balance forward is reduced by £400 to just under £100. The balance-sheet shows that £300,000 had been received from Messrs. Henry Beecham and James White as deposit on account of the purchase of 712,468 shares in the Dunlop Rubber Co., while debtors have increased £310,000. The agreement for the sale of these shares was ratified on August 29, and out of the proceeds of £3,190,000 the directors have purchased 1,500,000 Dunlop Rubber 7 per cent. "C" preference shares, and have the option of taking up a further 1,500,000 when issued. The balance of the purchase money has been invested on terms which will give a return of at least 7 per cent., and for the current year the dividend of 23 per cent. on the deferred shares forecasted by the directors is more than secured. We cannot profess to understand the true inwardness of this transaction, but the shareholders of the Parent Co. appear to have made a very fair bargain.

Exceptional interest has been displayed recently in Egyptian securities, because there are many indications that the country is prospering beyond all expectation. It has been favoured with excellent crops at a time when other harvests were short, and the prices obtained for cotton and wheat have never previously been so high. At the same time an enormous amount of new money has been circulated, owing to the establishment of large bodies of troops, and if the tourist traffic is practically suspended, it is almost compensated for by the hithering and thithering of many birds of passage. The Egyptian Salt and Soda Co., Ltd., is not directly affected by most of these conditions, but it has benefited by high prices, and the gross profits to August 31 show an increase of £136,000 at £236,000. We give the figures throughout in pounds Egyptian. After setting aside £8,000 more for depreciation and £10,000 new for railway renewals, the balance is sufficient to double the ordinary dividend at 25 per cent., leaving £10,000 more at £71,470 to be carried forward. Moreover, there is a suspense account of £41,920, which it is proposed to wipe off. This arose over certain cotton speculations entered into without the knowledge of the board by the managing director, and which were held to be *ultra vires*, but the directors are of opinion that the services of M. Eug. Debourg have been so valuable, that as the transactions were admittedly entered into in good faith, they propose to vote him an amount as special remuneration equal to the sum lost, and doubtless the shareholders will agree. Changes in the balance-sheet are mostly unimportant, but stocks are up £64,000 at £151,000, and cash is £52,000 higher at £299,000. The position looks healthy, and the immediate prospects are excellent.

The report of the Champion Reef Gold Mining Co. for the year ended September 30 shows a further decrease in production and revenue. Tonnage treated decreased by 44,609 to 149,612, and the total production fell from £497,329 to £437,976. The nett

revenue was £55,979 less at £422,710, and the nett profit was £155,574 as compared with £172,400 last year, and £210,108 in the previous year. Depreciation absorbs £10,000 more at £28,000, the reserve gets £5,000, a decrease of £5,000, but the insurance and contingency fund again receives £1,000. The dividend is maintained at last year's reduced level of 40 per cent. (1s. per share), while the carry forward is raised from £3,257 to £5,938. As a result of the decreased tonnage handled a saving of £38,522 was effected in working costs, though the average cost per ton of ore treated was 4s. 3d. higher at 35s. 8½d. The yield was 1 dwt. 9 grs. per ton higher. Expenditure on capital account decreased by £14,190 to £29,286. Reserves of ore have decreased by 24,736 tons to 351,255 tons. Unless favourable developments occur shortly it will be necessary still further to reduce the output owing to the absence of profitable developments at some of the deeper levels. In future it is proposed to distribute dividends every six months instead of every four. The next dividend will therefore be distributed in July instead of in May.

The Sulphide Corporation suffered an important setback last year owing partly to interruption of work caused by strikes. After providing for taxation and writing £134,000 off capital expenditure, the nett profit was £286,315 as compared with £391,404 in the year ended June 30, 1916, which was a record. The relapse, however, only brings the profit back to the level reached in 1914-15. The dividend on both ordinary and preference shares is reduced from 30 per cent. to 25 per cent., by final payments of 15 per cent., and the balance carried forward is reduced from £37,404 to £23,815. Ore raised from the Central mine declined by 14,782 tons to 167,210 tons. Practically no development work was carried out during the year, and consequently the ore reserves have been reduced by the tonnage extracted, and now stand at 1,692,800 tons. Despite the strikes the production of lead concentrates was higher, while that of zinc concentrates was practically the same. Costs of production, however, were higher, and this partly explains the decline in profits. Shipments of zinc concentrates were restricted by shortage of freight, and only 36,200 tons were despatched out of 55,990 tons produced. Prices of lead and zinc were almost stationary, but silver was abnormally high. A satisfactory sale has been made to the Ministry of Munitions of pig lead produced up to October, 1918, and the output of silver to March 31 next has been sold to the Indian Government. The Central Zinc Works at Seaton Carew have been in continuous operation, and have produced 4,419 tons of spelter.

Another Bank Absorption.

THE NATIONAL PROVINCIAL AND UNION OF LONDON.

A banking event which outstrips in magnitude, and one might say in unexpectedness, is the acquisition of the Union of London and Smiths Bank by the National Provincial Bank of England. The National Provincial was for many years the largest joint-stock bank in the kingdom. It was founded in 1833 on Scotch lines; that is to say, its method of a head office and a multiplicity of branches was something new in England, for at the date mentioned England was filled from end to end with small local banks, the majority of them private banks, with only a primitive kind of interdependence. No English bank had a great network of branches all controlled from a head office either in the metropolis or in some important provincial city. Modern usages have long since followed the lead of the National Provincial, and have become more Scotch than Scotsmen themselves in the multiplication of their branches throughout the country, and for some years back the National Provincial has been overshadowed by younger competitors. The fusion with the Union of London and Smiths Bank, however, will again bring it up to all but the highest rank, for 't is stated that the

combined deposits of the unified bank will now amount to about £170,000,000, or within £10,000,000 of the London City and Midland figures, and a good £20,000,000 ahead of Lloyds. It will also possess a much larger number of branches than before because through its great stroke of buying up the old private firm of Smith, Payne, and Smiths, which was founded in 1758, and a number of that old bank's associated firms of private banks in the Eastern Counties, the Union of London has become a bank possessed of many metropolitan and not a few important provincial branches and dependencies.

In many respects the shareholders of the Union Bank will benefit by the purchase. Their shares are £100 shares, with £15 10s. paid up. That is to say, the ultimate per share liability on them is £84 10s., whereas the shares of the National Provincial to be given in exchange for these £100 shares with the weighty liability will be £60 shares, with £12 paid, on which the extreme liability is no more than £48. That will conduce to the greater popularity of the new united banks' capital in the market. Altogether the issued capital of the Union of London and Smiths is £22,934,100 nominal, and there is called up upon that £3,554,785 10s. For this paid up capital in £100 shares the owners will receive National Provincial £60 shares, £12 paid, in the proportion of 9 for every 10, so that the present paid-up capital of the Union Bank will be reduced to about £3,168,828. Nothing appears to be mentioned about the reserves. That of the Union of London and Smiths was £1,150,000 at the date of the last annual balance-sheet, for it had been pretty severely drawn upon in preceding years to meet the depreciation of investments. The National Provincial board has also dealt in past years with perspicacious thoroughness in writing off book losses from their investments, so that the reserve of that bank was down to £1,800,000 at the end of last year. But the two together will now amount to £2,950,000 alongside a paid-up capital of £6,169,000, or thereby. Measuring the price paid for the Union Bank's shares by market values, the 10 Union shares are worth £237 10s., and the nine National Provincial shares £283 10s., so that from the saleable point of view the Union of London and Smiths shareholders are getting a very handsome bonus. As the *Times* points out, the increase in market value per share will be about £4 12s., and the increase in dividend about 3s. 6d. on the basis of recent distributions.

We do not suppose that a single objection will be raised to this very adroitly and secretly arranged contract. For the day of the small bank standing on its own foundation and carrying on business within a narrow area has passed and gone for ever, and in its place we now have the great bank with its tentacles spread over the country, ramifying into all corners of its civilised life. Is it not to be expected that the big bank will more and more be able to conduct its business with advantage to its customers and benefit to the proprietors? As it happens, the great bank now formed, which is to be called the National Provincial and Union Bank, Ltd., complement each other in their various present options of business. The National Provincial, which had less than 200 branches in the beginning of last decade of the nineteenth century, has now 454 branches and sub-branches, and is very strong in the North-East of England, with powerful connections in the iron and coal regions of Yorkshire and Durham. But it has comparatively few branches in the metropolis. The Union of London and Smiths Bank, on the other hand, has 233 branches, of which a large number are in London. By the acquisition of Smith, Payne, and Smiths, Samuel Smith and Co., Nottingham, Smith, Ellison and Co., Lincoln, and the Smiths of Hull and Derby, and by the absorption of Prescott's Bank, as well as of the London and Yorkshire Bank, it has obtained a good hold in the manufacturing districts of the Midlands, as well as a solid connection in the West of England. Moreover, it has a foreign business, a branch of banking which the

National Provincial has never hitherto paid much attention to, so that the two concerns ought to fit into each other as if dovetailed. It is hinted by the *Times*—which seems to have been favoured exclusively with information regarding this "deal," none of it having leaked out on the Friday for any of the weekly financial papers—that the arrangements were carried out between Lord Inchcape, who has recently been chairman of the National Provincial shareholders' meetings, and Sir Felix Schuster, the Governor of the Union of London and Smiths Bank. Both able men, they have kept their own counsel, and worked to excellent purpose. As the two businesses are to be carried on as now—although from January 1 next the proprietary will be fused—there should be ample scope for the enterprise and ability of both these able men.

Under stress of war consequences, it is by no means improbable that bank amalgamations will go on. Some of the banks in the North should be ripe for fusion, and ready to strengthen their position by uniting with others to form still other "big banks." Is not the whole tendency of present-day commerce in the same direction? What is the secret of the success of our huge retail stores if not mainly that in buying and selling both they can economise and save? Before long we hope to see agriculture and market gardening even come within the sweep of the same current, to see combination and co-operation, with their incalculably increased efficiency and economy, take the place of a wasteful and unregulated individualism. In the future the scope of operations open to a great bank is bound to be immeasurably wider than it is now, and a combination of great banks could easily be formed powerful enough to take effective supervision over our trade relations with overseas countries, should it be found impossible to create control committees from among the industries and trades concerned themselves. But however that may be, the time has come to give the great banks a cordial welcome and loyal support.

Our Foreign Trade in November.

From certain points of view, the large increase in imports last month, shown in the accompanying table, may be regarded as satisfactory—an indication that, in spite of the havoc caused by the "unrestricted" submarine warfare, our foreign supplies are marvellously maintained. But there is another side to the picture, and that is the ever-widening gap between imports and exports, which must inevitably put a severe strain on our international financial arrangements, and may create dire confusion if unduly prolonged. Here are the figures for the past month and the year to date:—

	November, 1917.	Compared with 1916.	Compared with 1915.
Imports	109,789,023	+20,854,217	+ 38,166,750
Exports	43,382,335	+ 894,080	+ 7,743,170
Re-exports	3,749,480	- 3,387,300	- 4,563,220

ELEVEN MONTHS.

Imports	980,500,394	+106,715,998	+ 197,601,020
Exports	488,168,477	+ 21,636,037	+ 137,468,660
Re-exports	66,372,654	- 25,302,527	- 24,722,568
Excess of imports	425,959,263	+110,382,488	+ 84,854,928

No details are furnished about bullion movements, but in any case it is certain they would not materially affect the fact that in the past eleven months we have not paid for much more than half our imports by exports, leaving a much larger margin than is likely to be covered by the toll we take for interest, freights, insurance, and other services. Probably the actual position is not so dangerous as it looks on the surface, but there is certainly need for the strictest economy as regards all supplies brought from abroad. In this connection it is only right to point out that of the total increase in imports last month no less than £15,000,000 is accounted for by unenumerated manufactured articles, which, it is fair to assume, represent Government purchases not previously included in the returns, and doubtless mainly required by the armies in the field. Of food-stuffs we actually received £7,062,000 less, in spite of

the increase in prices. We do not nowadays get information as to quantities, but the value of grain and flour fell 7 per cent., meat 11½ per cent., other non-dutiable articles 34 per cent., dutiable foodstuffs 18 per cent., and tobacco 46 per cent., so it is fairly certain that the tonnage dropped much more heavily, and in spite of the necessity for restricting imports, these reductions give rise to some misgiving. On the other hand, imports of raw materials increased £9,680,000. Cotton takes the leading place with an advance of £5,015,000, or 37 per cent., but the quantity was actually 17½ per cent. less, which gives a fair idea of the increase in price. Oil seeds, nuts, &c., rose £2,517,000, or 33 per cent., and hides advanced 27 per cent. in quantity, but cost 55½ per cent. more. Jute fell from £825,000 to practically nil, but we received 140 per cent. more flax at an extra cost of 343 per cent., and 22½ per cent. more wool, which cost 42 per cent. more, while 27 per cent. less hemp was 28 per cent. higher in price. Wood fell 44½ per cent. in quantity and only 22 per cent. in value, but 156 per cent. more petroleum was obtained for 100 per cent. increase in the price. Iron and steel fell 2½ per cent. in quantity, but cost 34 per cent. more, and almost everywhere prices continue to mount in alarming fashion. Among manufactured articles, machinery shows an increase of £401,000, chemicals, &c., an increase of £1,020,000, and carriages, cars, cycles, &c., an increase of £1,186,000; but, as already stated, unenumerated articles have risen from £1,793,000 to £16,833,000. Altogether the increase in imports amounted to 23½ per cent., and the total is fully nine millions more than the previous height which was reached in August. Let us hope that some of the items at least are quite exceptional.

Exports make a comparatively poor show with an increase of just over 2 per cent., and with only a very few exceptions quantities are lower wherever they can be tested. Food and drink fell over a million, the principal declines being in cocoa preparations, biscuits and cakes, fish and miscellaneous provisions. Raw materials show very little variation; coal fell £271,000, while oil seeds, &c., rose £281,000, and there is a nett decline of £87,000 on balance. Among manufactured articles cotton goods show an increase of £3,436,000, yarn and twist fell 32 per cent. in quantity but advanced 23 per cent. in value, while an increase of 15½ per cent. in the output of piece goods fetched over 50 per cent. more. Iron and steel fell 30 per cent. in quantity, and as the value dropped 26 per cent. there was not much advance in the price. Machinery dropped 22 per cent., cutlery, &c., 44 per cent., and apparel 28 per cent. Woollen tissues were 29 per cent. less in quantity, but they fetched ½ per cent. more, while worsted declined 36½ per cent. in amount but only 27½ per cent. in value, and linen piece goods fell 14½ per cent., but sold for 15½ per cent. more. At nearly every point there are signs of diminishing output, but nothing else can be expected in the circumstances, and on the whole, perhaps, we ought to be thankful that matters are no worse. Our re-export trade must necessarily be very restricted under existing conditions, but the loss is beginning to look decidedly serious. Nothing need be said about the totals for the 11 months, as the figures for the whole year will be available next time, and it will be more convenient then to examine them in greater detail.

Continuing our recent practice, we give particulars of the stocks in bond of the principal articles of consumption at the end of the last two months and a year ago so far as available:—

	October 31, 1917.	November 30, 1917.	November 30, 1916.
Cocoa	1,062,000	982,000	884,000
Coffee	1,277,000	1,183,000	1,205,000
Sugar, unrefined ..	3,792,000	—	2,058,000*
" refined.....	1,014,000	—	423,000*
Tea	33,494,000	37,595,000	122,873,000
Tobacco	161,209,000	149,273,000	278,039,000
Spirits, home-made. gals.	127,316,000	125,572,000	139,558,000
" foreign.....	15,059,000	13,704,000	18,204,000
Wines.....	5,352,000	5,047,000	6,580,000

* Stocks at October 31, 1916.

What will probably strike the reader first of all is the

omission of the figures for sugar. These were given regularly up to the end of October; they are now deleted from the record. To us this ostrich-like policy is frankly incomprehensible, and if Parliament were not virtually dumb, except for a few querulous malignants, it would be bitterly resented. As we remarked a month ago, it was very right that stocks of sugar should be accumulated in preparation for the great experiment of the multitudinous and multiform sugar card, and we sincerely hope that the process has been continued with success. It is scarcely conceivable that stocks could have increased to such an extent as to justify a demand for larger rations, and in any case that could very easily have been resisted. On the other hand, if, for one reason or another, stocks have fallen, the fact could be used to emphasise the need for economy which we have set up a special department, at great cost, to preach. Merely to conceal such innocent information is calculated to create irritation and an uneasy bewilderment as to whither we are drifting. Cocoa and coffee stocks are substantially lower, but still much above the average, while the tea position has sensibly improved, although the margin of safety has not yet been reached. Tobacco reserves are being rapidly depleted, but with 18 months' consumption in hand there is no excuse for anxiety (or profiteering) unless the tea blunder is to be repeated. Home-made spirits in bond would last nine years on the basis of the nett deliveries for the past 12 months, but doubtless there are ulterior motives in so severely curtailing supplies and driving prices to a famine level. All the same, there may be a dangerous reaction one of these days if the policy is carried too far.

Report on National Expenditure.

We hope, but with no great expectation, that good will come of the inquiry being pursued by the House of Commons Select Committee on National Expenditure. It has a shrewd man, Mr. Herbert Samuel, at its head, and is obviously finding out a few things. The second report, just issued, has several recommendations, and contains some recitals of facts with criticisms that must be attended to. After all, as the Committee points out, the responsibility rests upon the Cabinet to see that something like order and economy attend the prosecution of this devouring war. That it is being conducted extravagantly we have insisted from the first—it was impossible to conduct it otherwise at the start—and it is to be feared that the extravagance increases rather than diminishes the longer the war lasts. There is no indication that the present Chancellor of the Exchequer has any effective authority whatever over the spendings of the departments. This Committee says that the Treasury should be "restored to its position." It is the office of the Chancellor of the Exchequer, and ought to be under his hand, ready to obey his behests. But that is an unattainable ideal. The Chancellor of the Exchequer in nine cases out of ten—except when a man of force and originality like the late Mr. Gladstone, or like Sir William Harcourt, comes upon the scene, and makes his will and character felt—is usually little or nothing more than the mouth-piece of the permanent officials of the Treasury. Still, it would be a very good thing for all the departments if the Treasury were really the controlling authority over every branch of expenditure. If it had power and capacity to check and overhaul beforehand all demands for money, to investigate every channel of waste, and to make itself obeyed when its orders were obnoxious to the official, who, knowing nothing whatever of what money means or costs, now flings away thousands or millions, as the case may be, without thought of the consequences.

The staff of the Treasury should be strengthened by the addition of men of ability and administrative experience from outside, this Committee recommends. Does it know how men from outside usually fare when they attempt to join or to help in the conduct of the Treasury business? If they did they would shape this recommendation of theirs in a different form. We think a

committee of the House of Commons, composed of men of ability and administrative experience, not bureaucrats, but merely M.P.'s, ought always to be appointed to give backbone to the Treasury, to jog it, and lift it out of its routine on occasion, to supply it with facts, and to forbid its extravagances. Unless the House of Commons can provide such supervising authoritative committee, always at work, always vigilantly attending to the economies of the nation, there will be little use in giving power to the Treasury to exercise "active financial supervision" over other departments. Such a supervision, the Committee recommends, should aim at ensuring the adoption of sound financial methods in every province of administration, at preventing undue profits being made by contractors, at forbidding competition between departments in purchasing supplies, and in obtaining labour. Changes and reforms like these are wanted badly, and many things could probably be improved if the Treasury had the knowledge and capacity, as it ought to have the power, to take systematic action. But the method followed of filling up the permanent staff of the Treasury is but little likely to secure minds intuitively capable of effectively superintending and of organising on economical lines the most gigantic business now in existence.

It is also suggested that the Treasury should have power to fill the staffs of the various departments, and that the Cabinet should take a greater hold of business interests so as to back up the Chancellor of the Exchequer. That is all very good, excellent academic wisdom, and we do not expect anything to come of it worth mentioning. Parliament itself is impotent, and without power to extract obedience in anything from its bureaucratic masters. As we are going on spending now the end of the war will find us just as near as may be to financial impotence, and if that proximity fails to produce such a clearing out of the ants' nests of the civil service as must thin its numbers down to bearable proportions, we are likely to come to grief altogether. The ineptitude of the amateurish official is such that overlapping goes on continually, bringing in all directions powerful reinforcements to labourer and profiteer. One department orders a thing, another caps that order or starts in opposition. Labour is often made artificially scarce, and then people are called up continually for whom no proper work can be found. To take a peep into the buzz of futile activity visible in so many directions around the administrative offices, so called, is to turn one into a pessimist ready to despair of the future of his country. This Committee to do any real good must itself be given larger powers, and be developed into a permanent Parliamentary body, with definite work—we had almost said with definite reward proportionate to the extent to which it reduces the waste. The waste in the Army and Navy is beyond conception appalling. Not only each department, but in many instances every individual almost, clothed in authority, however brief, seems able to spend at pleasure without fear of unpleasant consequences.

In the appendices to the report some very unpleasant statements are made illustrative of the way the business of providing our Army and Navy is gone about. Competition actually goes on between the Admiralty and the War Office, and is fertile of waste. The sub-committee on the Admiralty, for instance, tells of a bonus grant of 12½ per cent. which was conceded by the Admiralty to "skilled time workers" in munition factories to meet what was known as "the skilled man's grievance," and added about £1,640,000 to the expenditure on wages in the royal dockyards. And, although the report does not say so, this has had a perfectly devastating influence on the wages bills everywhere else. Not only in Government workshops, but everywhere else men and women either have got or are clamouring for bonuses, and the term "skilled workman" has become amazingly elastic. The actual competition between departments is itself a pernicious and always active source of waste. One case is cited

where a contractor was employed by the Admiralty for work on an air station in the rural district whose labourers were paid 9d. per hour and "tradesmen" 11d. Soon after the War Office, wanting to erect an aerodrome in the same locality, and finding that the Admiralty employed most of the available labour, offered 10d. and 1s. 0½d. This naturally led men to leave the Admiralty's employment and go to the War Office job, and those who did not do that demanded the same rates of pay as the War Office was giving—and got them. The Admiralty protested strongly to the War Office on September 6 last, and has never had an answer to its letter. The same kind of thing goes on elsewhere, for there is no master to restore order. In one case where the Admiralty pays for navvies and labourers 8d. an hour, plus 3s. per week war bonus, the War Office contractor comes along and advertises for similar labour at 10d. an hour, with a 3s. a week "good time" bonus and free hutting. Complaint is made by the department outbid, but apparently with no effect. Why should the Admiralty allow the War Office to interfere with its freedom? Why should the War Office pay any attention to the upstart War Office? Another instance may be mentioned where the War Office is carrying out work about five miles from an Admiralty station which draws labour from the same district. The Admiralty is paying 9d. an hour for mere labourers and 11½d. for mechanics, and the War Office 10d. and 1s. 2d. The usual migration naturally follows, with disastrous results, both to work done and costs. These are only samples of the illustrative information to be gleaned in this threepenny White Paper, and it emphasises the fact so often insisted on by us that our public services are carried on with no master, no centralised source of authority or control over them by whom they can be kept in order. Consequently much of the Civil Servant's time is occupied in covering his tracks and in studying how to befool and mislead or confuse his nominal master, so that when things go wrong, as they are continually doing, there may be an abundance of screenings between the culprits and their punishment. Is the war going to bring the remedy? It must, or we perish.

Italian News.

Italian State receipts for the first quarter of the fiscal year are showing the constant increase of the revenue. The excess over the past corresponding period is £8,360,000, and nearly £13,600,000 above the year before. The total has reached £32,800,000, surpassing the average estimate by about £800,000. Among the chief items, tobacco fills a prominent place. In 1913-14 it yielded £14,000,000, and in 1916-17 £24,000,000. During the past quarter it yielded £6,880,000, which means nearly £80,000 a day. From a very interesting account published by the Free-trade Deputy, E. Giretti, as to the assistance which the economic life of the nation has drawn and at present is drawing from the Allies, we extract the following data:—Out of the 18 million qts. of wheat we imported in 1916, 13 millions came from the United States, 2 from the British Dominions, and 3 from Argentina, all this thanks to the command of the sea maintained by England. In 1916 we imported coffee to the value of £2,920,000, sugar £5,120,000, meat £7,760,000, and fish £1,920,000. This as to food supplies. Now as to industries:—8 million tons of coal were imported in the same year, of which 7 from England and 1 from the United States. The cotton industry, from which 200,000 workmen draw their living, imports 2,500,000 qts. raw cotton almost exclusively from the United States, British India, and Egypt. The same can be said of jute, wool, leather, &c.; and as to leather, of the 284,830 qts. we need, we got from India alone 115,391 qts. It is still impossible to know exactly to what extent Italy depends on foreign tonnage, but a fair idea can be gathered when one thinks that during the last year of peace out of the 16.3 million tons im-

ported, but 4.3 came under Italian flag. Out of 2,324,840 tons cereals, only 754,700 were carried by Italian ships, the rest by British and Hellenic ships. Now that the whole of the Austro-German fleet is swept out of existence for any trading purpose, the necessity of the co-operation on the part of the Allies is more impellent than ever.

A committee has been appointed to propose and consider all provisions regarding after-war problems, and especially those more intimately concerned with the transition from the state of war to peace conditions. The committee will be composed of Senators, Deputies, and experts in the particular questions to be examined; the members will be appointed by royal decree, after designation by the President of the Cabinet.

The *Gazzetta Ufficiale* has published the financial situation of the National Insurance Institute for 1916. Premiums rose to nearly £1,600,000, or more than £40,000 above the preceding year. The same increase is shown in the revenue. The increase of the patrimonial fund was of nearly £800,000.

A meeting has been held by the technical delegates for cereal growing in Northern Italy. The accounts supplied as to the autumn sowings have been satisfactory, notwithstanding the augmented difficulties regarding agricultural labour, &c. The average for the Provinces of Turin, Bologna, Leghorn, and Lombardy is higher than last year.

The military situation, though still very serious, seems more hopeful. The fighting spirit of the troops is very high. Officers coming from the front say that soldiers are exasperated against the Germans, and can hardly be restrained in their impulse to throw themselves against the enemy. Generally it can be said that our people are undergoing this terrible time with much fortitude and calm. This is also proved by the recent account issued by our Savings Banks, which shows how the habits of work and limited expenditure have not been affected in the least by the last unsettling events; from October 24 (the beginning of the German offensive) up to November 30 deposits have increased, going up during this period from 2 milliards 350 millions to 2 milliards 586 millions, with an increase of 56 millions in little more than one month.—*From an Italian correspondent.*

By-the-Way War Notes.

The greatest danger to the Allies, and to the future peace of the world, at the present moment lies not in the fighting hordes of the barbarian now mustered to overwhelm us—or to try to—but in his swarms of spies, prevaricators and liars. We see what the unclean vermin has done in Russia, where the Berlin Government found an ignorant, dreamy, sentimental population easy to beguile. We might have seen also a similar triumph in Italy had the Italian nation been less patriotic and the Austrians less in a hurry to finish before starvation overtook them and swept the Habsburg empire and emperor into oblivion. In Italy, indeed, we have the most curious and authentic manifestation of the foul ingenuity and unscrupulous activity in lying that Germany has anywhere exhibited. When Austria, mustering all her remaining strength, took the plunge under Hohenzollern impulse and leadership, her unclean propagandists had already done their utmost to corrupt the Italian troops on the Isonzo, where the swarm of liars had been busy showering leaflets upon the Italian lines. These concoctions informed the troops, among other things, that poor Italy was already in the hands of the French and English, that the populations of Milan, Turin, San Remo and Florence had revolted against the impositions of these cruel interveners, and had in consequence been shot down in the streets by the thousand. Photographs were even made up to support this assertion, and naturally the Austro-German troops were by contrast presented to the people as their liberators. In the earlier stages, as preparation for the successful conquest of Italy, still more elaborate instruments were maladroitly fashioned to be-

guile the people. Imitation issues of the *Giornale d'Italia* and the *Corriere della Sera* were printed, perfectly imitative in form and quality of paper, and on the outside pages articles of the most patriotic kind were printed, articles in which no scruple was shown to abuse the Germans themselves; but within the papers were stuffed with lies of the most grotesque description, concocted and set forth in the best reporting style. Brief despatches told readers that revolutionary movements had taken place in Sicily, that there had been a riot in Livornia, and that civil war raged in Naples, that a general insurrection had broken out in Apulia, that blood flowed in torrents in Genoa and Tuscany, and that everywhere the British infantry, instruments of inexorable oppression, molested children and women, while the French cavalry charged the crowd and dispersed it, inflicting many wounds. These inventions were told in most sober language, just as dry matters of fact, and here and there, to make the deception more complete, blanks were left as if the Censor had struck out the more particularly damaging statements. Was ever ingenuity more bedlamite in its futile cunning?

But has not the same thing been going on here and in France for many months past, one may say since the Boche was beaten at the Battle of the Marne? Are not the attacks made by the German professional liars now more strenuous, more varied in form, more universal than ever? One has but to scan the newspapers to see how diligently the Wolff poison-distilling hutch in Berlin is working, working in double and triple shifts, it may be said, to try and beguile the Allies either into a Prussian fraudulent peace or to stir up jealousy and strife between them, so that their force may be weakened. And the supreme efforts of the trick diplomats are backed, now as ever, with attempts at our intimidation. Enormous masses of troops, we are informed, generally through Dutch and French papers, have been transferred from the Russian front to the West, unexampled accumulations have been made of guns of all calibres, and supplies of ammunition are piled up behind the front of a magnitude never before witnessed. The internal condition of Germany is represented as being far more comfortable than ours, and all this is rounded off by predictions of a coming offensive now being arranged for by Hindenburg, the bully, that will overwhelm us for good. Boasts of the territory Germany is going to annex once her invincible hosts have driven through our defences blossom forth like German measles, and we are assured our defeat will secure for ever Germany's possession of the Channel ports of Belgium and France. The success of the intrigues in Russia has caused the covetousness of the Prussian wolf to flare up once more in all its insatiable hideousness and unblushing insolence. But by the Berlin officials all is laid hold of for use in the attempt to intimidate us.

Along with this industry in the dissemination of statements calculated, in the German idea, to inspire us with fear, we get repeated intimations that William Hohenzollern is once again going to proclaim to the world his offer of peace before allowing the nations opposed to his will to feel the full weight of his vengeance. Doubtless it was as messengers of this Prussian peace that a flight of some score or more of "Gothas" stole over South-Eastern England on Tuesday evening. Some of them did manage to reach London to kill and maim a few innocent people there. Then the brutes slinked home—all except the two lost—to brag. By this time, one would have thought, the Germans might have understood that such conveyors of the olive branch would not further even their peace propaganda. Unhappily, the Germans, like other people much higher in civilisation, learn nothing by experience and profit nothing. They will go on aspiring, coveting, perpetrating crimes with the callousness of hungry wolves until they bring about their own punishment.

But there is no denying that many amongst us are intimidated or misled by the spacious fictions these liars of Berlin concoct and by their brazen impudence. Look at Wednesday's debate in the House of Com-

mons, where speakers who should have known better kept pestering the Government to state its terms, pitching into it because it is found to have suggested removals of territory from under the heel of the Prussian slave master, and speaking of the "German Empire" as if it were still an organisation worthy of respect. There are too many people among us, people, many of them, in positions of influence, like Dean Inge, whose ignorance and receptivity for lies is immeasurable; and if we are not vigilant we might perhaps get trapped and wake up one morning to find that our interests as an Empire, and as one of a league of nations banded together to put an end to these ever-recurring wars of conquest, had been betrayed. Then we and all the world would go bankrupt.

Happily it is impossible for us, let us again point out, to enter into negotiations with the Prussian monsters at the present stage with a view to peace, because they have made themselves impossible. They are neither honest nor human. No doubt the effort to beat down the strong military organisation of the German Empire is putting a severe strain upon all the Allies, but they are a long way yet from the exhaustion that might force them to make peace. And the United States has not yet done much fighting. But Germany and Austria-Hungary are both stripped of their wealth and face to face with famine. Nobody knows that better probably than Herr Havenstein, the president of the German Imperial Bank, and yet that able man—for he is a Prussianised Jew of capacious business ability—does not hesitate to obey his master and lie to ward off a little longer the inevitable retribution. The debts of Germany were proclaimed by this functionary to amount probably to less than half their actual amount, and the debts of the Allies, product of this war, were cunningly exaggerated.

That is, like all the rest, an effort made to sustain this imposture of empire, and all these various dis-

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plays of unprincipled cunning serve more and more to convince us that the Hohenzollern tyrant is near the end of his tether, that his bluster and intrigue, his threats and boastings, grow the more insistent and continuous because his hours are numbered. We have but to hold on, to fight on as we have ever fought, and the huge fabric of deception will one day founder and suddenly disappear.

No great battle has gone on against the French front and ours in the West since we last wrote, but the papers are kept busy describing the preparations being made for a battle. The Teuton is piling up the agony, and we need not be impatient. On the contrary, it is better to wait and watch, to allow the enemy to try one point on our line one day and another the next, or to search along various sections of it to try to find a weak spot while we wait our chance. The more he does that, the more he wastes his men and his substance—and we do not believe that either are in such abundance as he would have us believe—the better for our onslaught when our time comes. The enemy, in fact, is baffled and held upon all fronts except the Russian. He makes no appreciable headway against Italy, and is now enveloped in the bitter winter weather of the mountains there. But held up and baffled on land, he turns to activities on sea, and in the past week has succeeded in attacking and destroying a convoy of merchantmen bound for Norway soon after it left our shores. He has also made an attack on shipping near the mouth of the Tyne, and both incidents are disagreeable reminders that, although we have the mastery of the ocean, it is not a mastery which extends to all small waters. An inquiry is being held, and we shall say nothing about the loss of the merchantmen in the absence of the convoy, except just to note that a splendid fight was made by the two destroyers with the merchant ships against formidable odds of German cruisers. All we have wondered about is whether our Admiralty is still plodding along in the old routine, building Dreadnoughts instead of swift cruisers, unable to take into its purview the new tools and methods demanded by the changes in modern warfare at sea and by the unexampled development of the explosive. We hope it is not so, but have a good deal of fear that it may be, and that, therefore, our moderately sized ships of war, small cruisers, and powerful destroyers, capable of moving at great speed, are not in sufficient numbers to fulfil all the strenuous duties the protection of our merchant shipping throws upon the Navy.

Once more last week the return of ships sunk was disagreeably large, 14 vessels of 1,600 tons and over and three smaller vessels having been returned as sunk during the week ended December 15, but of the 14 one was sunk during the week ended October 21, so that actually only 13 large-sized ships were sent to the bottom last week; but that is just a baker's dozen too many, and we wish the Prime Minister had not bragged so prematurely about our mastery over the submarine. All we are able to do, it appears, is just to keep it in check. Eleven vessels, however, were returned as being unsuccessfully attacked last week, but only eight belonged actually to the week, one of the 11 having been attacked in the week ended December 1 and two in the succeeding week. Still, it is satisfactory that we should have been able to beat the enemy off in eight instances, and if a few of his boats went down in the struggle, so much the better. One fishing vessel was also sent to the bottom, so that the nett destruction of the past week was 17. The average, therefore, for December promises to be quite as large as for November, which was the lowest since the plague began. Only an average of 16.25 ships of all sizes were sent to the bottom during the four weeks of November, whereas the first week of December showed a total destruction of 21 and the second of 17. One large French merchant vessel was sunk during the week.

The Royal Mail Steam Packet and the Pacific Steam Navigation Co.'s reminder of the approaching Christmas season takes the form, on this occasion, of a red leather pocket case for Treasury notes. The Royal Mail Co. is also sending out to its clients a greeting card containing a picture of its new office in Buenos Aires, from a sketch by Mr. Fred Taylor, R.E.

American Business Notes.

So far as we have seen no decision has yet been given on the American Railroad freight problem. But in the meantime the Government of President Wilson has intervened to take control of the entire railway system of the Republic. At first it was proposed that the management should be centralised in the hands of the Government, but in the end the English plan, with guarantee of minimum dividends, was adopted. The actual working of the lines has been unified and consolidated, but the companies and their boards are left undisturbed. That postpones the question of State ownership to the peace to come, but it is improbable that the nation will ever again permit individual capitalists and groups of capitalists to play and plot against the public weal as they have done in the past. Whatever shape the ownership of the railways may ultimately assume, they will never again be free to compete, still less to impose their will on the community, as they have done in the past.

And it is by no means certain that the demand for liberty to augment their charges for work done will be acceded to save as an emergency expedient. None of the railroad reports and accounts which we have seen and examined appear to warrant their demand. They are not threatened with bankruptcy, as so many of their managers have alleged, but at the worst only with a diminution of dividends, and that is a grievance against which no railway can be guaranteed. An increasingly strong opposition, moreover, has been developed in the course of the hearing of their case among industrials and traders. At the concluding meeting to take evidence from the objectors' standpoint suggestive evidence was laid in rebuttal of the demands of the railway presidents and advocates. It was pointed out that the proposed further increase would impose hardship upon the south-western cattle interests and on shippers generally, and Mr. Benjamin C. Marsh, executive secretary, speaking of the high cost of living, contended that "even if the nett return of the railroads should fall for a few months below normal, it would not necessarily justify any increase in rates. In point of fact, the Bureau of Railway Economics reports that the operating revenues of railroads in the Eastern District were only 13.5 per cent. less for the first seven months of this year than for the same period last year; and 1916 was the banner year for railroads. Some of the Eastern railroads earned from 11 to 18 per cent. We have meatless days," he added, "and wheatless days, and it would not be inappropriate to have some dividendless days."

The one answer of the railroads is, "But wages are going up and up, and threaten to sweep away all our profits," to which one of the Commissioners, Mr. McCurdy, retorted, "Is it the intention of the railroads to make the sky their limit?" The truth is that the more the cost of living goes up the more wages must rise. As we pointed out long ago, the rise is all round automatic, everything moves in a vicious ascending circle, and the one true remedy for the railroad grievances lies in economy of working.

Meanwhile the Government is grasping the wages problem with vigour and resolution; strikes are prohibited, and at the same time every effort is made to concede the reasonable demands of the workmen. The railroads may be, and are, in some degree embarrassed, but so are others who have no opportunity of appealing to Government, and powerful monopolies cannot be allowed to protect themselves at the expense of the community. And, as Mr. H. G. Reynolds pointed out, the 5 per cent. advance in rates conceded early in the year has done the railroads no good, it had "so handicapped the natural ice business, for example, that it had practically ceased in some of the eastern cities, notably in Philadelphia."

We are glad to see that Canada has given a strong majority at the elections for conscription. Quebec alone has gone opposition, as was to be expected, but we must not on that account set down the French in Canada as unpatriotic, as hostile to the war, as

shirkers in the great conflict. They are dominated by confusing influences, and too often in dense ignorance of the real issues involved. But even if they stand out, the loyal help of Canada will remain sure. Well done, Canada!

Insurance News.

Early next month an amalgamation will be effected between the Co-operative Insurance Society and the Planet Friendly Assurance Society. The whole of the assets, liabilities, and staff of the last-named will be taken over by the Co-operative, if approved by the Planet policyholders, who are not likely to oppose a scheme under which their contracts would be guaranteed by an office of the standing of the Co-operative, which has been in existence since 1867.

In connection with the Government's new scheme of compensation for damage by aircraft, it is important to note that the benefit of free compensation up to £500 extends to persons the whole of whose property in the United Kingdom does not exceed £500 in value, and also to those whose property exceeds that figure, provided that in the latter case all value in excess of £500 is insured under the Government scheme. Where part only of the excess value is so insured, the free compensation is proportionately reduced. The scheme does not apply to persons the whole of whose property exceeds £500 in value, and who have not insured any part of it under the Government scheme. The address of the Air Raid Compensation Committee is 51, Palmerston House, E.C. 2.

According to the annual report of the New York State Insurance Department, the assets of 275 fire and marine companies authorised to transact business in the State showed, as at December 31, an increase of £16,920,000 at £173,523,000. Liabilities, excluding capital, were £95,490,000, an increase of £11,077,000, and the total income £104,953,000, an increase of £14,510,000. Of the income, £93,280,000 was derived from premiums, an increase of £13,640,000. Disbursements exceeded those of the previous year by £10,230,000 at £91,721,000, the claims showing an increase of £4,553,000, the amount of unpaid claims also showing a material increase over the amount outstanding at the end of 1915. Total insurances in force came to £14,229,000,000, or about £1,200,000,000 more, the nett gain in surplus from all sources being £3,173,000.

Rumours of a suggested fusion between the London Assurance and the British Law Fire Assurance Co. are again current, and the report appears to have some foundation, but no official confirmation is as yet forthcoming of the completion of the negotiations for amalgamation.

Sir William Peat, one of the liquidators of the Law Guarantee Trust, presiding at the meeting held for the purpose of giving an account of the winding up during the year, stated that the receipts from all sources came to £107,500, against payments of £59,141. The balance of cash amounts to £1,149,982, which is on deposit at various banks. The total call made upon the shareholders had been £1,000,000, of which £873,000 had been collected. At the beginning of the liquidation it was estimated that at the most £700,000 might be realised from these calls. Outstanding liabilities on mortgages guaranteed, &c., already admitted, now amount to £1,277,125.

NOTICE.

LONDON COUNTY AND WESTMINSTER BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Transfer Books of the London County and Westminster Bank, Limited, will be closed on the 1st January, 1918, for that day only, for the preparation of the Dividend payable 1st February, 1918.

Proprietors registered in the Books of the Company on the 31st instant will be entitled to the dividend on the number of shares then standing in their respective names.

A. A. KEMPE, Secretary.

41, Lothbury, E.C. 2.

20th December, 1917.

CONSOLIDATED LANGLAECTE MINES, LIMITED.

(Incorporated in the Transvaal.)

NOTICE IS HEREBY GIVEN that a DIVIDEND of 7½ per cent. (1s. 6d. per share) has been DECLARED for the half-year ending 31st December, 1917, payable to all shareholders registered at that date.

The Transfer Books will be Closed from 1st January to 10th January, 1918, both days inclusive.

The Dividend Warrants will be posted to shareholders as early in February as possible.

By Order, Johannesburg Consolidated Investment Company, Ltd., London Agents. T. HONEY, Secretary.

10 and 11, Austin Friars, London, E.C.2, 21st December, 1917.

GINSBERG GOLD MINING COMPANY, LIMITED.

(Incorporated in the Transvaal.)

NOTICE IS HEREBY GIVEN that a DIVIDEND of 5 per cent. (1s. per share) has been DECLARED for the half-year ending 31st December, 1917, payable to all shareholders registered at that date.

The Transfer Books will be Closed from the 1st January to the 10th January, 1918, both days inclusive.

The Dividend Warrants will be posted to shareholders as early in February as possible.

By Order, Johannesburg Consolidated Investment Company, Ltd., London Agents. T. HONEY, Secretary.

10 and 11, Austin Friars, London, E.C.2, 21st December, 1917.

GOVERNMENT GOLD MINING AREAS (MODDERFONTEIN) CONSOLIDATED, LIMITED.

(Incorporated in the Transvaal.)

NOTICE IS HEREBY GIVEN that a DIVIDEND of 12½ per cent. (2s. 6d. per share) has been DECLARED payable to all shareholders registered at the 31st December, 1917. The Transfer Books will be Closed from the 1st to the 10th January, 1918, both days inclusive.

The Dividend Warrants will be posted to shareholders as early in February as possible.

By Order, Johannesburg Consolidated Investment Company, Ltd., London Agents. T. HONEY, Secretary.

10 and 11, Austin Friars, London, E.C.2, 21st December, 1917.

NEW PRIMROSE GOLD MINING COMPANY, LIMITED.

(Incorporated in the Transvaal.)

NOTICE IS HEREBY GIVEN that a DIVIDEND of 5 per cent. (1s. per share) has been DECLARED for the year ending 31st December, 1917, payable to all shareholders registered at that date. The Transfer Books will be Closed from the 1st to the 10th January, 1918, both days inclusive.

The Dividend Warrants will be posted to shareholders as early in February as possible.

By Order, Johannesburg Consolidated Investment Company, Ltd., London Agents. T. HONEY, Secretary.

10 and 11, Austin Friars, London, E.C., 21st December, 1917.

NEW UNIFIED MAIN REEF GOLD MINING COMPANY, LIMITED.

(Incorporated in the Transvaal.)

NOTICE IS HEREBY GIVEN that DIVIDEND of 7½ per cent. (1s. 6d. per share) has been DECLARED for the half-year ending 31st December, 1917, payable to all shareholders registered at that date.

The Transfer Books will be Closed from the 1st to the 10th January, 1918, both days inclusive.

The Dividend Warrants will be posted to shareholders as early in February as possible.

By Order, Johannesburg Consolidated Investment Company, Ltd., London Agents. T. HONEY, Secretary.

10 and 11, Austin Friars, London, E.C.2, 21st December, 1917.

VAN RYN DEEP, LIMITED.

(Incorporated in the Transvaal.)

NOTICE IS HEREBY GIVEN that a DIVIDEND of 22½ per cent. (4s. 6d. per share) has been DECLARED for the half-year ending 31st December, 1917, payable to all shareholders registered at that date.

The Transfer Books will be Closed from the 1st January to the 10th January, 1918, both days inclusive.

The Dividend Warrants will be posted to shareholders as early in February as possible.

By Order, Johannesburg Consolidated Investment Company, Ltd., London Agents. T. HONEY, Secretary.

10 and 11, Austin Friars, London, E.C.2, 21st December, 1917.

WITWATERSRAND GOLD MINING COMPANY, LIMITED.

(Incorporated in the Transvaal.)

NOTICE IS HEREBY GIVEN that a DIVIDEND of 15 per cent. (3s. per share) has been DECLARED for the half-year ending 31st December, 1917, payable to all shareholders registered at that date.

The Transfer Books will be Closed from the 1st to the 10th January, 1918, both days inclusive.

The Dividend Warrants will be posted to shareholders as early in February as possible.

By Order, Johannesburg Consolidated Investment Company, Ltd., London Agents. T. HONEY, Secretary.

10 and 11, Austin Friars, London, E.C.2, 21st December, 1917.

NORWICH UNION MUTUAL LIFE OFFICE

Because of its
AGE — MAGNITUDE — RESERVE STRENGTH
— PROFIT YIELD — ALERTNESS, & ECONOMY

**The Outstanding
British
Life Office**

Write or Prospectus to the Secretary,

NORWICH UNION LIFE OFFICE, NORWICH,
or to any Branch Office of the Society.

The Investors' Review. Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on
Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Money has been in considerably greater demand this week, owing to the usual end of the year preparations, and the market on one or two occasions narrowly escaped having to go to the Bank. Rates were consequently firmer, and as much as 4½ per cent. was readily paid for day-to-day loans. Bills also seemed to be in better supply, and rates were well maintained; but towards the close the tendency became easier, and there was really very little change in the basic conditions. After the holiday rush, and when funds are released at the beginning of the year, no doubt the usual calm will again pervade the market.

In the Bank return, the principal movement is a reduction of £1,042,000 in the reserve, caused by an expansion of £1,100,000 in the note circulation, which was only offset to the extent of £60,000 by addition to the stock of coin and bullion. Government securities were reduced by £76,000, but other securities increased by no less than £3,579,000, with the result that other deposits show a gain of £5,975,000, while public deposits have run down £3,490,000. As a result of these changes, the reserve ratio has been reduced by almost 1 per cent. to 18½ per cent.

The feature in the foreign exchange market has been the strength of the Scandinavian exchanges, attributed to Scandinavian buying based on hopes of an early peace. Stockholm has risen 55 points to 13.95 kr., and Copenhagen at 15.07½ kr. shows a similar advance, while Christiania is about 20 points at 14.40 kr. The rouble has depreciated in value, the rate being 22½ points higher at 372½ roubles per £10. The lira has improved in value, Rome exchange being quoted at 39.55 lr. to the £1. A further rise of 3-32d. has occurred in the Brazilian milreis, which is now quoted at 13 27-32d.

Underwriting arrangements were made this week in connection with a scheme for extending the date of redemption of the Chartered's £1,250,000 5 per cent. debentures. These debentures are repayable at 105 per cent. not later than August 1, 1920. Holders are to be given the option, to be exercised down to March 1 next, of being paid off in cash at 105 or of renewing their debentures until 1935. Interest on the renewed debentures will be paid free of tax, instead of less tax, as at present, and this will mean that the gross yield will be raised from £5 per cent. to £6 1s. 4d. per cent. Most holders will no doubt elect to renew their debentures for the purpose of getting not only an extra £1 5s. per cent. in interest, but also immunity from any possible further rise in the income-tax. The first interest payment free of tax will be made on August 1 next.

Holders of the £10,000,000 of Russian Government Treasury bills which mature on February 21 next are anxiously asking what is going to happen to them on maturity. These bills, which were issued through the Bank of England, and renewed in January last at 6 discount, are widely held, and, in view of the chaotic con-

dition in which Russian affairs now stand, these bills are practically unsaleable, pending some official announcement as to what is likely to happen to them. In order to relieve the anxiety of holders, an official statement ought certainly to be issued explaining what action, if any, the Government proposes to take in the matter.

It is understood that the £500,000 of 5 per cent. debentures of the South Indian Railway which mature on January 3 will be paid off. This issue, which originally bore 3½ per cent. interest, was renewed on July 3, 1916, when it matured, for 18 months at ¾ discount, the interest being increased to 5 per cent. This is the first repayment, it is stated, to be made since the war broke out. The decision to renew or repay these Indian railway short-term debentures rests with the India Government, and the fact that repayment has been decided upon is perhaps due to the redundancy of sterling credits here.

Rumours, which appear to be well founded, of further bank amalgamations have been current this week in the Money Market, and an official announcement may be expected before long. It is understood that one of the Scotch banks is concerned in the negotiations.

SILVER.

After a quiet opening the price of the white metal has improved to 43½d., as against 42½d. a week ago. The firmer tendency is doubtless due to the improvement in the China exchange, which has hardened during the week, and is now well above London parity; but with the holidays in view, nothing much more is likely to happen this side of the New Year. According to Messrs. Samuel Montagu and Co., the stock in Shanghai on December 15 consisted of about 24,100,000 ozs. in sycee and \$13,400,000, as compared with 23,300,000 ozs. in sycee and \$13,500,000 in the previous week.

Applications for the Rs. 40,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,22,55,000. Of these Rs. 37,03,000 were allotted in deferred transfers, and Rs. 2,97,000 in immediate transfers. Tenders for bills and deferred transfers at 1s. 4 29-32d. and for immediate transfers at 1s. 5d. received about 17 per cent. Since April last Rs. 37,00,00,000 have been sold, realising £25,328,316. Next week 40 lakhs will again be offered.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the
Week ending on Wednesday, December 19, 1917.

ISSUE DEPARTMENT.

Notes Issued	£	Government Debt..	£
.. .. 74,744,935		.. .. 11,115,100	
		Other Securities ..	7,434,000
		Gold Coin and Bullion ..	56,294,935
		Silver Bullion	—
	£74,744,935		£74,744,935

BANKING DEPARTMENT.

	£	Government Securities ..	£
Proprietors' Capital ..	14,553,000	.. .. 57,820,020	
Reserve	3,301,218	Other Securities ..	95,113,836
Public Deposits (including		Notes	29,707,265
Exchequer, Savings		Gold and Silver Coin ..	1,277,561
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	36,926,245		
Other Deposits	129,127,809		
Seven Day and other Bills	10,410		
	£183,918,682		£183,918,682

Dated December 20, 1917

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. Dec. 20.		Dec. 12, 1917.	Dec. 19, 1917.	Increase.	Decrease
£	Liabilities.	£	£	£	£
3,277,154	Reserve	3,345,952	3,301,218	—	24,734
53,580,814	Pub. Deposits ..	40,416,153	36,926,245	—	3,489,908
109,007,155	Other do.	123,152,831	129,127,809	5,974,978	—
23,891	7 Day Bills ..	10,584	10,410	—	174
	Assets.			Decrease.	Increase.
42,187,508	Gov. Securities ..	57,895,870	57,820,020	75,850	—
104,680,907	Other do.	91,535,359	95,113,836	—	3,578,477
33,573,700	Total Reserve ..	32,027,241	30,934,926	1,042,465	—
				7,093,293	7,093,293
				Increase.	Decrease.
£	Note Circulation	£	£	£	£
39,224,101	.. ..	43,934,530	45,037,670	1,103,140	—
59,347,800	Coin and Bullion	57,517,821	57,572,496	60,675	—
20 6 p.c.	Proportion ..	19 6 p.c.	18 6 p.c.	—	1 p.c.
6 ..	Bank Rate ..	5 ..	5 ..	—	—

PUBLIC INCOME AND EXPENDITURE.
(For 7 days ended Dec. 15.)

REVENUE.	EXPENDITURE.
Customs	National Debt Service ..
Excise	Inter st. &c., on War Debt
Estate, &c., Duties ..	Development & Local Impvt
Stamps	Payments to Road Taxation
Land Tax and House Duty	Other Consolidated Fund
Property and Income Tax	Charges
Excess Profits Tax ..	Supply Services
Land Values	Bullion Advances
Post Office	For Advance for Interest
Crown Lands	on Exchequer Bonds under
Sundry Loans	Capital Expenditure
Miscellaneous	(Money) Act, 1904
Bullion advances repaid ..	For Treasury Bills
For Treasury Bills for Supply	War Loan and Exchequer
5% Exchequer Bonds, 1922 ..	Bonds
6% Exchequer Bonds, 1920 ..	Other Debt under War Loan
National War Bonds	Acts, 1914-16
War Expenditure Certificates	For Exchequer Bonds under
War Savings Certificates ..	Section 61 of Finance Act,
4% War Loan, 1929-1942 ..	1916, and Section 34, 1917
5% War Loan, 1929-1947 ..	Under Telegraph (Money)
Other Debts created under	Act, 1913
War Loan Act, 1915, and	Under Post Office (London)
Finance Act, 1916	Railway Act, 1913
Telegraph Money Act, 1913	Under Military Works Acts
Under Post Office Rly. Act,	Under Housing Act, 1914 ..
1913	Public Buildings Expendi-
Under Military Works Act,	ture Act, 1903
1897-1903	Old Sinking Fund, 1907-8 ..
Under Public Buildings ..	Sinking Fund, 1914
Under Housing Act	China Indemnity
Repayment of Advance for	Cunard Agreement Act
Interest on Exchequer	Depreciation Fund
Bonds	Suez Canal Drawn Shares ..
China Indemnity	Temporary Advances Repaid
Cunard Loan repayment ..	Increase in Exchequer
Suez Canal Drawn Shares ..	balances
Ways and Means Advances	
Decrease in Exchequer	
balances	
£120,962,542	£120,962,542

Excluding sales through banks which have not yet been brought to account.

LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
January	1,865,125,000	1,459,596,000	405,529,000	—
February	1,779,854,000	1,109,049,000	670,805,000	—
March	1,492,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,445,416,000	333,290,000	—
June	1,486,612,000	1,147,630,000	338,982,000	—
July	1,454,956,000	1,239,193,000	215,763,000	—
August	1,628,368,000	1,364,782,000	263,586,000	—
September	1,348,317,000	1,136,590,000	211,727,000	—
October	1,877,534,000	1,619,967,000	257,567,000	—
November	1,470,867,000	1,280,701,000	190,166,000	—
December 5	414,498,000	363,003,000	51,495,000	—
" 12	384,992,000	319,639,000	65,353,000	—
" 19	39,163,000	323,036,000	67,603,000	—
Total ..	18,787,875,000	14,984,466,000	3,802,436,000	—

CURRENCY NOTES.

Return of Currency Notes for the week ended December 19, 1917.

	Issued.	Cancelled.	Outstanding.
£1 notes	7,721,304	2,061,738	148,367,977
10s. notes	2,531,281	1,955,930	36,004,746
Note certificates	280,000	—	—
Previous total	773,984,559	574,550,252	—
	784,520,144	577,567,921	206,952,223

Ratio of gold held against notes, this week, 15.46 p.c.; last week 16.03 p.c.

BANK OF FRANCE (25 francs to the £).

	Dec. 13, 1917.	Dec. 6, 1917.	Nov. 29, 1917.	Dec. 14, 1916.
Gold in hand	132,123,960	131,967,480	131,851,440	202,640,560
Silver in hand	9,834,000	9,850,200	9,876,400	12,318,960
Bills discounted	32,023,960	32,082,960	33,047,200	23,017,280
Advances	46,159,120	46,313,600	45,138,240	53,412,360
Note circulation	912,846,080	916,471,280	907,635,360	655,358,160
Public deposits	1,562,360	1,710,680	1,130,440	1,066,160
Private deposits	115,329,160	111,850,280	111,154,240	80,872,480
Foreign Bills	165,520	106,080	163,840	244,280

Proportion between bullion and circulation 24.47 per cent., against 24.36 per cent. last week. Advances to the State £512,000,000, unchanged. The adjourned payments of drafts in Paris on account of the moratorium, £20,367,000 decrease £35,840, and at the branches £25,388,640, decrease £54,440.

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Nov. 30, 1917.	Nov. 23, 1917.	Nov. 15, 1917.	Nov. 30, 1916.
Total Coin & Bullion	126,968,100	126,732,250	126,453,750	126,746,250
Treasury Notes	49,908,850	49,894,150	49,908,850	15,791,650
Bills discounted	611,711,150	584,887,950	584,401,900	403,784,350
Advances	438,750	398,100	437,650	620,202
Note circulation	531,112,650	518,933,600	518,166,700	366,633,000
Deposits	302,260,903	287,277,600	35,627,500	183,095,850

Clearing House return during November £424,839,705, against £505,402,450 in October.

SWISS NATIONAL BANK (25 francs to the £).

	Dec. 7, 1917.	Nov. 30, 1917.	Nov. 23, 1917.	Dec. 7, 1916.
Gold and silver	16,134,448	16,176,724	16,188,932	14,970,756
Bills	9,410,303	9,278,536	9,267,452	6,746,180
Note circulation	24,765,424	25,103,608	23,962,372	18,801,888
Current and deposit accounts	3,604,900	3,290,432	4,076,568	4,703,188

FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Nov. 16, 1917.	Nov. 9, 1917.	Nov. 17, 1916.
Gold coin and certificates ..	105,584,400	101,480,600	58,688,200
Gold Settlement Fund	72,742,000	77,144,800	28,164,200
Gold with foreign agencies ..	10,500,000	10,000,000	—
Total gold held by banks ..	188,826,400	188,625,400	86,852,400
Gold with Federal Res. Agent	125,981,200	123,251,800	47,691,600
Gold Redemption Fund	2,254,000	2,200,200	876,600
Total gold reserves	316,855,600	314,077,400	134,822,600
Legal tender notes, silver, &c.	10,505,000	10,141,600	3,316,000
Total reserves	327,360,600	325,117,000	138,138,600
Bills discounted—Members' ..	97,570,000	102,030,800	39,400,800
Bills bought in open market ..	37,773,800	36,000,000	10,557,800
Total bills on hand	1,634,348,000	1,382,431,000	23,495,800
U.S. Gov. long-term sec. ..	1,801,400	10,743,500	7,823,000
U.S. Gov. short term sec. ..	37,580,800	8,473,400	2,233,400
Municipal warrants	254,600	254,600	3,719,400
Loans on gold coin and bullion	—	—	—
Total earning assets	184,079,600	157,707,000	3,774,400
Due from other Fed. Res. banks	3,567,600	1,545,000	11,954,600
Uncollected items	85,708,800	54,359,200	—
Total deducts from gross dep.	89,276,400	55,904,200	11,954,600
5% Red. Fund ag Fed. Res. banks	107,400	107,400	94,000
All other resources	747,200	59,800	1,224,200
Total resources	602,481,200	53,434,000	188,818,800
Capital paid in	13,352,200	13,009,000	11,740,800
Government deposits	43,777,400	11,839,600	5,034,200
Due to members—Res. account	296,099,600	281,396,400	—
Due to non-mbrs—clearing ac.	4,183,000	6,773,200	—
Members' bank deposits—net	—	—	124,450,800
Collection items	48,037,400	37,404,400	—
Total gross deposits	39,149,400	337,413,600	129,485,000
F.R. notes in actual circulation	194,517,000	186,502,400	47,734,000
F.R. bk nts in circn—net liab.	1,600,000	1,600,000	206,000
All other liab. in for Gov. crds	8,600,000	849,000	118,000
Total liabilities	602,481,200	539,434,000	188,683,800
Gold res. ag net deposit liab.	62.2%	67.1%	73.9%
Gold & lawful money reserve	65.7%	70.8%	76.7%
against net deposit liabilities	65.9%	67.3%	100.5%
Gold res ag F.R. nts in act circ	—	—	—

NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Dec. 15, 1917.	Dec. 8, 1917.	Dec. 1, 1917.	Dec. 16, 1916.
Loans	927,708,000	973,672,000	927,302,000	670,030,000
Reserve held in own vaults ..	3,588,000	4,020,000	4,022,000	82,974,000
Reserve held in Fed. Res. Bk.	115,090,000	113,614,000	110,520,000	33,682,000
Cash in own vaults	22,098,000	22,006,000	22,134,000	—
Reserve held in Other Depos.	1,708,000	1,808,000	1,700,000	11,000,000
Net Demand Deposits	715,688,000	707,910,000	693,020,000	655,744,000
Net Time Deposits	38,068,000	39,276,000	42,082,000	34,402,000
Circulation	6,724,000	6,658,000	6,638,000	5,772,000
Excess Lawful Reserve	25,220,000	24,966,000	23,762,000	14,706,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Dec. 15, 1917.	Dec. 8, 1917.	Dec. 1, 1917.	Dec. 16, 1916.
Loans	187,426,000	191,540,000	184,646,000	153,940,000
Specie	4,458,000	4,690,000	4,674,000	12,366,000
Deposits	167,774,000	162,744,000	166,502,000	162,434,000
Legal Tenders	14,956,000	14,898,000	14,856,000	2,190,000

BANK OF SWEDEN.

	Nov. 24, 1917.	Nov. 17, 1917.	Nov. 3, 1917.	Nov. 25, 1916.
Gold	12,302,000	12,292,000	12,216,000	10,135,000
Balance abroad and Foreign Bills ..	7,346,000	7,505,000	6,946,000	7,873,200
Swedish and Foreign Govt. Securities	6,386,000	6,386,000	5,942,000	3,774,000
Discounts and Loans	8,154,000	8,084,000	8,553,000	4,377,000
Notes in circulation	23,166,000	28,814,000	29,278,000	19,958,000
Deposits at notice	6,389,000	5,718,000	5,151,000	5,105,000

BANK OF SPAIN (25 pesetas to the £).

	Dec. 7, 1917.	Dec. 1, 1917.	Nov. 24, 1917.	Dec. 9, 1916.
Gold	78,581,715	78,555,505	78,460,987	48,815,209
Silver	28,595,183	28,848,587	28,833,084	29,670,428
Foreign Bills	3,575,522	3,632,507	3,588,422	3,835,733
Discounts and Short Bills ..	29,237,951	29,116,525	29,078,571	25,877,203
Treasury Account, &c.	24,983,208	25,090,188	25,085,408	28,930,412
Notes in Circulation	110,241,682	109,663,878	109,659,129	92,893,356
Current Accounts, Deposits	37,499,879	37,668,680	37,402,397	28,599,244
Dividends, Interests, &c. ..	1,529,485	2,152,497	1,569,686	1,347,776
Government Securities	3,877,291	3,613,291	2,716,021	4,409,495

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Dec. 18, 1917.	Dec. 21, 1917.
		Sellers.	Buyers.
Amsterdam	Cable transfers	10.90	11.00
	Three months' bills ..	11.05	11.15
Paris	Cable transfers	27.22	27.27
	Three months' bills ..	27.60	27.65
Switzerland	Cable transfers	20.55	20.65
	Three months' bills ..	20.90	20.95
Petrograd	Cable transfers	370	360
Genoa, &c.	Cable transfers	39.40	39.70
Spain	Cable transfers	19.78	19.65
	Three months' bills ..	57	58
Lisbon and Oporto	Cable transfers	29 1/2	29 1/2
Copenhagen	Cable transfers	15.13	14.93
Christiania	Cable transfers	14.43	14.23
Stockholm	Cable transfers	13.98	13.93

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques	Francs to £1	25.22½	27.23	27.20½
Amsterdam, cheques	Florins to £1	12.107	10.87½	11.02½
Italy, sight	Lire to £1	25.22½	39.4½	39.70
Madrid, sight	Pesetas to £1	25.22½	19.85½	19.60
Lisbon, sight	Pence to milreis	53½d.	30d.	30d.
Switzerland, sight	Francs to £1	25.22½	20.42½	20.67½
Christiania, sight	Kroner to £1	18.159	13.70	14.30
Stockholm, sight	Kroner to £1	18.159	12.93	14.12½
Copenhagen, sight	Kroner to £1	18.159	14.10	15.03
Petrograd, sight	Roubles to £10	94.57	350	366
Alexandria, sight	Piastres to £1	97½	97½	97½
Bombay, T.T.	Sterling to rupee	1/4	1/4½	1/4½
Calcutta, T.T.	Sterling to rupee	1/4	1/4½	1/4½
Hong Kong, T.T.	Sterling to dollar	—	2/11½	2/11½
Shanghai, T.T.	Sterling to tael	—	4/3	4/4
Singapore, T.T.	Sterling to dollar	—	2/4½	2/4½
Yokohama, T.T.	Sterling to yen	21.58d.	2/12	2/12
New York, cable	Dollars to £1	4.86½	4.76½	4.76½
Buenos Aires, T.T.	Pence to dollar	47.58d.	53½d.	53½d.
Valparaiso, 90 days	Pence to peso	—	14½d.	14½d.
Montevideo, T.T.	Pence to dollar	51d.	63d.	63d.
Rio de Janeiro, 90 days	Pence to milreis	16d.	13½d.	13½d.

OPEN MARKET DISCOUNT.

	Last week.	This week
	Per cent.	Per cent.
Thirty and sixty day remitted	4½	4½
Three months	4½	4½
Four months	4½	4½
Six months	4½	4½
Three months fine inland bills	5½	5½
Four months	5½	5½

BANK AND DEPOSIT RATES.

	Last week	This week
	Per cent.	Per cent.
Bank of England minimum discount rate	5	5
" " short loan rates	5	5
Bankers' rate on deposits	4	4
Bill brokers' deposit rate (call)	4	4
" " 7 and 14 days' notice	4½	4½
Current rates for 7 day loans	4½	4½
" " for call loans	4½	4½

The Week's Stock Markets.

There is nothing to say about markets this week. We have had a wonderful visit from the King and Queen, and the enthusiasm they created almost lifted the dome off the roof of the House when the National Anthem was sung in the best form that has ever been accomplished. But it does not mean business, and of that there has been precious little except in the way of selling, which the House, as a rule, hates horribly. At the same time, even in the case of Russian securities—the worst of the whole list from a superficial point of view—there has been a certain amount of support, and after the recess it is likely enough that there will be a considerable augmentation of business in directions that are not quite obvious at the present moment.

On the whole, Stock markets have been extremely quiet all the week, partly owing to the approach of an exceptionally long holiday which on this occasion extends from Friday afternoon until Thursday morning. Almost the only ray of sunshine was the Royal visit, which created an enormous amount of interest in the "House," and, needless to say, generated a great deal of vociferous enthusiasm in the way of singing the National Anthem and other demonstrations of loyalty. That, however, did not prevent gilt-edged securities, including Consols and War Loans, from steadily depreciating in value, and the cumulative losses have become quite severe. Of course, the 5 per cent. Loan has had the advantage of the full employment of the sinking fund arranged at the time the issue was made, but, even so, the price is now fully 1½ per cent. below par value. India issues also gave way, and very few stocks had any business marked if they failed to register a decline. Colonial loans kept wonderfully steady, mainly because they were scarcely mentioned, and there was no occasion to disturb quotations. Foreign securities were weak, as a rule, but Russians have not moved much further downwards, because the market has become almost purely nominal. Japanese, however, and several other stocks which are usually well supported had all to follow the general tendency. Mexican bonds were prominently weak, and several other South American issues were rather pressed for sale.

Home Railways have been on offer nearly all the time, and although towards the close one or two stocks, such as Caledonian, Midland deferred, North-Eastern and South-Eastern deferred recovered a fraction on balance, most of the leading issues are lower. Canadian Pacifics gave way a fraction, but Grand Trunks have been exceptionally firm, and have recovered very substantially on the victory of the Borden Government, which it is expected will be favourable to the settlement that must be made with the company. Mexican Rails at first were weak, but on a little support recovered most of the lost ground. San Paulos and United of Havana also showed a certain amount of strength.

In the Banking division the most conspicuous inci-

	Last Week	This Week		Last Week	This Week
Consols.....	54½	53½	N.S.W. 4½% 5 yr. bds.....	97	97
War Loan 3½%.....	85	84½	" " 4½% 1922-7.....	89	89
" " 4½%.....	99½	99½	" " 5% 1921-3.....	95	95
" " 5% 1920-47.....	93½	93½	" " 5% 1920-2.....	95½	95½
" " 4% 1919-42.....	100½	100½	New Zealand 4% 1929.....	85	85
India 3½%.....	54½	54	Queensland 4%.....	80½	80½
" " 3%.....	63½	62½	" " 4½% 1920-5.....	91	91
Australian 5½% 1920-22.....	90½	92½	Union of S. Africa 4½%.....	92	92
Canada 4% 1910-60.....	81½	81½	" " 1920-5.....	91	91
" " 4½% 1920-5.....	92½	92½	Victoria 4½% 1920-5.....	92	92
N.S.W. 4% 1933.....	81	81	West. Aus. 4%.....	79	79
Argentine 4% 1900.....	65	65	French War Loan, 5%.....	76½	76½
Belgian 3%.....	60	60	Japan 4½% (1st), 1905.....	98	98½
Brazil, 1913.....	69	69	" " 5% 1907.....	90½	90
" " 5% 1914.....	79½	79	Mexican 5% 1899.....	60	57½
Chinese 1896.....	92	92	Russia 4%.....	41½	41½
" " 1912.....	83	83	" " 4% 1909.....	45½	45½
Egypt Unified 4%.....	84	84	" " 5% 1906.....	51½	52½
Caledonian defd.....	8½	8½	London and N.W.....	80½	80½
Gt. Central prd.....	12½	12½	London and S.W. defd.....	23	23
" " defd.....	68	68	Do red. pf. 1914.....	92½	94
Gt. Eastern.....	35	34½	Metropolitan.....	21½	21½
Gt. Northern defd.....	35	35	Do. 5% pf.....	77	77
Gt. Western.....	83½	81	Met. District.....	15½	15½
Lancs. and Yorks.....	61	63½	Midland defd.....	55½	55½
London Brighton defd.....	58	58	Nth. British defd.....	13½	13½
London Chatham ord.....	8½	8½	Nth.-Eastern.....	95½	96
			Sth.-Eastern defd.....	28½	28½
Canadian Pacific.....	159	159	Chesapeake.....	50	50
E. Indian Guar. 4½% debts.....	84	84	Erie.....	21½	22
Grand Trunk ord.....	84	84	Southern.....	24½	24
Do. 1st pf.....	47	49½			
Do. 3rd pf.....	18½	19½			
Antofagasta defd.....	131	131	Cent. Argentine ord.....	59½	59½
Brazil Common.....	5	5	Leopoldina.....	37½	37½
B. A. & Pacific.....	39	39	Mexican ord.....	16½	16½
B. A. Gt. Southern.....	72½	72½	San Paulo (Brazilian).....	184	183
B. A. Western.....	70½	71	United of Havana.....	73½	74½
Anglo-South American.....	7½	7½	London & S.W.....	13½	13½
Bank of Australasia.....	114	114	London City & Midland.....	7½	7½
Bank of N.S. Wales.....	35½x	35½x	London County & West.....	14½	15
Barclay & Co. "A".....	7½	7½	London Joint Stock.....	2½	2½
Do. "B".....	11½	11½	Nat. Prov. of Eng. (£104 pd)	27	27
Capital & Counties.....	22½	22½	Do. (£12 pd)	31½	30½
Chartered of India.....	68	68	Parr's.....	29	29
Hongkong & Shanghai.....	84	84	Standard of S.A.....	10½	11
Lloyds.....	25	25	Union Discount.....	10½	10½
London & Provincial.....	17½	17½	Union & Smiths.....	23½	27½
London & Brazilian.....	23½	23			
Armstrong, Whitworth.....	41/6	41/6	Kynochs.....	35/	36/3
Birmingham Small Arms.....	51/	51/3	Mond Nickel ord.....	3½	3½
Cammell-Laird.....	6½	6½	South Durbam Steel.....	38/6	38/
Cargo Fleet.....	22/6	23/	Thornycroft.....	38/6x	38/6x
Dorman, Long.....	45/6	47/6	Vickers.....	42/3	42/6
Associated Cement.....	38½	38½	Pine Cotton Spinners.....	37/6	32/6
Borax defd.....	38/6	37/	Forestal Land.....	48/6	48/6
Bovril.....	20/	20/	Furness, Withy.....	55/0	50/9
Brazil Traction.....	46	45½	Harrods Stores.....	28½	28½
British Amer. Tobacco pf.....	18/6	18/6	Hudson's Bay.....	78x	78x
British Aluminium.....	33/	32/	Imperial Tobacco "C" pf.....	33/6	33/6
British Oil & Cake.....	31/9	32/	Lever Bros. "C" pf.....	20/	20/
Brunner, Mond.....	47½	48½	Lyons, J.....	34½x	34½x
Castner-Kellner.....	38½	38½	Marconi.....	3½	3½
Coats.....	6½x	6½x	Maypole Dairy defd.....	19/0	19/0
Courtaulds.....	6½	6½	National Steam Car.....	20/	20/
Cunard.....	47½	47½	Pears, A. & F.....	1½x	1½x
Dennis Bros.....	35/6x	35/6x	P. & O. defd.....	12½x	32½x
Eastern Telegraph.....	151½	152½	Royal Mail.....	121½	121½
Eastmans.....	10/3	10/	Underground Inc. Bds.....	81	81
English Sewing Cotton.....	55/	56/			
Anglo-Egyptian "B".....	25/6	26/	North Caucasian.....	8½	8½
Baku (ros.).....	1/9	1/9	Roumanian Cons.....	9/	9/
Burmah.....	7½	7½	Royal Dutch (100 gulden).....	51	51
Lobitos.....	2½x	2½	Shell.....	54½	54½x
Maikop Pipeline.....	3/	3/	Spies (100).....	8/	7/3
Mexican Eagle pf.....	3½x	64/6	Ural Caspian.....	1½	1½
Allagar 2/.....	3/1½	3/3	Perak 2/.....	7/4½	7/6
Anglo-Java Rub. 2/.....	6/9	6/9	Port Dickson 2/.....	4/	4/
Anglo-Malay 2/.....	13/6	14/6	Rub. Estates Johore £1.....	45/	45/
Ayer Kuning £1.....	51/0	51/	Rub. Estates Krian 2/.....	4/3	4/1
Batang Malaka 2/.....	5/	5/	Rubber Trust £1.....	28/9	29/3
Bekoh 2/.....	4/6	4/7½	Sampang (Java) 2/.....	2/0	2/0
Brit. N. Borneo Trust £1.....	17/9	16/	Sapumalkande £1.....	24/6	23/9
Bukit Clob 2/.....	5/14x	5/14x	Seaport £1.....	20x	28x
Bukit Kajang £1.....	77/6	76/6	Selangor.....	35/	35/
Bukit Mertajam 2/.....	47/6	4/7½	Sengat 2/.....	3/4½	3/4
Bukit Sembawang 2/.....	3/3	3/3	Seremban £1.....	44/	44/
Carey United £1.....	47/6	46/3	Shelford £1.....	41/3	40/
Ceylon Para 2/.....	10/	10/	Sialang £1.....	70/8x	69/8x
Chersonese.....	3/1½	3/4	Singapore Para 2/.....	41/0x	41/4x
Chevi 2/.....	6/	6/	Singapore United 2/.....	3/3	3/4
Dalkeith 2/.....	3/1	3/1	Somber Ajoe 2/.....	2/7½	2/9
Eastern Invest. Trust £1.....	27/3	27/3	Stratbrook £1.....	33/0	33/0
Grand Central £1.....	27/	27/6	Strats Bertam 2/.....	6/6	6/6
Gula Kalumpung £1.....	35/3	35/3	Sumatra Para 2/.....	9/3x	9/14x
Highlands.....	60/	61/	Sungei Bahru £1.....	40/	40/6
Java Investment £1.....	28/3	28/6	Sungei Kruar 2/.....	11/3	11/3
Java Para £1.....	32/3	32/3	Sungei Krut £1.....	50/	56/
Johore Rubber Lands £1.....	34/6	33/9	Taipung 2/.....	4/6	4/6
Kamunin 2/.....	4/	4/1½	Tah Ayer £1.....	37/6x	37/6x
Kinta Kellas 2/.....	4/8	4/8	Tandjong £1.....	87/	87/
Kuala Klu 2/.....	3/3	3/3	Tandjong Malim £1.....	34/3	34/3
Labu 2/.....	9/9	9/7½	Tebrau £1.....	65/	60/
Langen Java £1.....	43/	42/	Telorejo £1.....	40/	46/
Linggi 2/.....	27/	29/	Tempeh 2/.....	2/7	2/6
London Asiatic 2/.....	8/10	8/10x	United Serdang 2/.....	14/0	11/3
Malacca £1.....	5½	5½	United Sumatra 2/.....	8/10x	8/9
Malayalam £1.....	39/6	39/6	Val d'Or 2/.....	4/	4/
Melrimau 2/.....	5/2½	5/2	Vallambrosa 2/.....	24/3x	24x
Padang Java 2/.....	3/0	3/0	Way Halim 1/8 pd.....	2/6	2/6
Pataling 2/.....	4/6	4/6			
Abchontakoon (10/-).....	4/1½	4/1½	Gt. Boulder (2/-).....	13/0	13/9
Bechuanaland Exp.....	7/1	7/3	Kysht m.....	14½	14
Broken.....	5½x	5½x	Mashonaland Agency.....	7/1	7/1
Bracken Hill Prop. (8/-).....	52/6	52/6	Meyer & Charlton.....	5½x	5½x
Cam & Motor.....	10/9	10/6	Modder "B".....	8½	8½
Central Mining (£12).....	6½	6½x	Do. Deep.....	7½	7½
Chartered.....	14/1½	14/	Mysore.....	3	3
City Deep.....	3½x	3½	Rand Mines (5/-).....	2½x	2½x
Cons. Gold Fields.....	1½x	1½x	Rio Tinto (£5).....	6½x	6½x
Cons. Langlaagte.....	21/3	21/	Russo-Asiatic.....	3½x	3½x
Crown Mines (10/-).....	2½	2½	Spring Mines.....	1½x	1½x
De Beers defd. (£2 10/-).....	12½	12½	Tanganyika.....	3½x	3½x
East Rand.....	5/9	5/9	Tanayik.....	1½x	1½x
Geduld.....	1½x	1½	Van Ryn Deep.....	3½x	3½x
Gov. Areas Mod.....	3½x	3½x			

dent of the week has been the sharp rise in Union of London and Smiths on the projected amalgamation with the National Provincial. On the announcement of the terms the price of Unions jumped as much as 4½, and although the top figure has not been fully maintained it leaves off not far from the top. National Provincials also advanced a fraction at the outset, but afterwards gave way. Several other Banking shares have been prominent on rumours of still further amalgamations pending, but nothing definite has so far transpired, and the secret in the last two cases has been so carefully kept that the market is working entirely in the dark in its speculations as to the next move. Breweries have been rather inclined to ease off, but Allsops after a small decline advanced fairly well on the excellent report. Egyptian securities have not been so prominent, but Salt and Soda gained a good fraction on the excellent dividend. Catering shares were dull as a rule and Iron and Steel were on offer during the greater part of the week, but hardened up a little towards the close, Birmingham Small Arms, Dick Kerrs, Kynochs, and Nobels being prominent in the recovery. Land shares were almost neglected, but Nitrates showed some strength. In the Shipping division Prince Lines created quite a furore with an exceptionally large gain, which carried the price up to the neighbourhood of 6½ on the arrangement entered into with the Furness, Withy Co. some time ago. P. and O. deferred and Royal Mail also secured substantial increases, and Houlder Line, Indo-China deferred, and a few others were all supported by good buying, more particularly from the provinces. Textile shares were mostly neglected, and among Miscellaneous Industrials there was nothing very much doing except in a few specialities like Borax Consolidated and Dunlop Rubbers. The rest of the list was rather weak where any movement at all occurred.

Oil shares at first were decidedly dull, but a better tendency developed before the close, and several of the leading Argentinians advanced. Eagle Transports, Mexican Eagles, North Caucasians, and Venezuelan Concessions were prominently firm, but as a rule Russian and Rumanian shares were almost unsaleable, and prices were practically nominal. Rubber shares after the recent shake out displayed a more confident tone, but business was restricted by the interruption of communications caused by the air raid and the fog, and business was on a very small scale. However, most of the active shares were well supported, and, as a rule, moderate recoveries are registered wherever the declines appeared to have gone too far.

LONDON PRODUCE MARKETS.

SUGAR.—No change was made in quotations this week.

COFFEE.—General trade proved quieter, but with regard to all mild liquoring grades steady prices were secured. Santos kinds, on the other hand, were only saleable at a slight decline. In auction, bold East India sold, 105s. 6d. to 109s.; Guatemala, 89s.; Uganda, 85s. 6d.; and Costa Rica, 110s. Terminal market firm, quiet. December sold, 62s. 6d.

COCOA.—Actual business ruled quiet, but importers required steady prices. No auctions were held this week.

TEA.—Good competition ensued, and though rather unsettled, rates were mostly steady with the exception of D class, and here weakness was apparent. 45,900 packages Indian and 6,720 packages Ceylon were offered.

SPICE.—Market ruled quiet for pepper. Fair black Singapore, spot, sold, 1s. 2½d.; Tellicherry, 1s. 4d.; and Muntok, 1s. 8d. Zanzibar cloves, spot, sold, 1s. 9d. Tapioca quiet, steady. Fair flake, spot, 7d. per lb. Penang seed pearl fair, 65s.; medium, 65s.

RICE in active support. Beans and peas unaltered.

HEMP.—East India grades steadily sought after at full to dearer prices.

SHELLAC.—Market remained firm on spot, but distant easier. Fair second orange, spot, sold, 360s.; March, 335s. to 328s.; May, 320s.

GAMBIER firm, quiet. Block to arrive quoted 61s., ex quay.

RUBBER reservedly offered, and a moderate demand prevailed. Plantation, spot crepe, sold, 2s. 4d. to 2s. 5½d.; January-March, 2s. 4½d. to 2s. 6½d.; April-June, 2s. 5½d. to 2s. 7½d. Ribbed smoked sheet, spot, 2s. 4½d. to 2s. 5½d. Fine hard Para, spot, sold, 2s. 8½d.; soft fine value, 2s. 3½d.; ball, 1s. 7d.

CORN (Mark Lane).—Principal business here was confined to breadstuffs since last Monday, the all-round tone remaining steady. Wheat: Of imported descriptions, No. 1 Northern Manitoba sold at 79s. 9d.; No. 2, 78s. 3d.; and No. 3 at 76s. 6d. Plate, 80s., and Australian, 81s. 6d., all landed. Flour: Country straight runs, 44s. 3d. per sack, ex mill. Barley: English remains at 62s. 9d. per quarter.

COTTON (from our Manchester correspondent).—The market has presented a very quiet appearance throughout the week. Buyers and sellers have been quite content to mark time pending developments in the situation, and, of course, the approaching holidays have had some effect upon trade generally. Rather more uncertainty exists as to the raw cotton situation, and the New York market has been much more bullish than Liverpool. A definite scheme has now been put forward by the Control Board for the purpose of restricting the output of cloth, and from the beginning of next week manufacturers will not be allowed to produce more than 70 per cent. of their output of normal times. Inquiry in piece goods for export has been featureless. With regard to India, a few more offers have been met with in dhooties and jaconets for

Madras, but scarcely anything at all has been done, and grey shirtings remain very slow. A dragging state of affairs continues to be reported for China. Only a sorting-up business has been put through for the minor outlets East and West. The home trade, as is usual at this time of the year, has not been at all active. Full prices have had to be paid for anything wanted in cloth, but irregularity in quotations rather tends to increase. American yarns for home use have been in limited demand, but spinners

CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING DECEMBER 21, 1917.

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt. duty 14½, 98% polarisation	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granu- lated, first marks f.o.b., spot	nom.	nom.	Greasy Crossbred	nom.	nom.
German Cubes f.o.b.	nom.	nom.	New Zealand (scoured) Merino	nom.	nom.
French Cube	nom.	nom.	Greasy Crossbred	nom.	nom.
Crystallised, West India ..	2 6 9	2 6 9	Cape snow white	nom.	nom.
Beet, 88% f.o.b.	nom.	nom.	Indiarubber p. lb. Plantation, Spot	0 2 4	0 2 5½
Tea —per lb., duty 1½ lb.	s. d. s. d.	s. d. s. d.	Crepe ..		
Indian Pekoe ..	1 0-1 6	1 0-1 6	Coal —per ton		
Broken ..	1 0-2 4½	1 0-2 2	Durham, best ..	nom.	nom.
Orange ..	1 0-1 6	1 0-2 2	Seconds ..	nom.	nom.
Broken ..	1 3-2 7½	1 3-2 2½	East Hartlepool ..	nom.	nom.
Pekoe Souchong	1 0-1 3	1 1-1 6	Seconds ..	nom.	nom.
Ceylon Pekoe ..	1 0-1 6	1 0-1 6	Steamers, best ..	32 6	32 6
Broken ..	1 0-1 6	1 0-1 6	Seconds ..	29 6	29 6
Orange ..	1 0-1 6	1 0-1 3	Lead —per ton.	£ s. d.	£ s. d.
Broken ..	1 3-2 6	1 3-2 4½	English Pig ..	nom.	nom.
Pekoe Souchong	1 0	1 1½-1 0	Foreign soft ..	£ 30½-£ 29½	£ 30½-£ 29½
Cocoa —per cwt. duty 6½, per lb.	d. s. d.	d. s. d.	Quicksilver —per bottle first hand	nom.	nom.
Trinidad ..	90 0-97 0	89 0-99 0	Tin —per ton		
Grenada ..	85 0-96 0	85 0-98 0	English Ingots ..	£ 302-304	£ 310
West Africa ..	65 0-77 0	66 0-77 0	Do. bars ..	£ 303-305	£ 311
Ceylon Plantation	75 0-92 0	77 0-94 0	Standard cash ..	£ 299 10	£ 308 10½
Guayaquil Arriba ..	103½-107½	105½-109½	Tin Plates, per box	nom.	nom.
Coffee —per cwt. duty 42½, per cwt.			Copper —per ton.		
East India ..	97 0 116 0	97 0 116 0	English, Tough	nom.	nom.
Jamaica ..	77 0-120 0	77 0-120 0	Best Selected ..	£ 119-£ 123	£ 119-£ 123
Costa Rica ..	97 0 115 0	97 0 116 0	Sheets ..	£ 147	£ 147
Provisions —			Standard ..	£ 110-110½	£ 110-110½
Butter, per cwt.			Jute —per ton.		
American finest ..	25½	25½	Native firsts for shipment	nom.	nom.
Argentine ..	25½	25½	Onion —		
Irish Creameries ..	25½	25½	Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Dutch ditto ..	25½	25½	Rape, refined ..	£ 71	£ 71
Russian finest ..	nom.	nom.	" crude ..	£ 66	£ 66
Paris baskets ..	25½	25½	Cott'n Seed, crude	£ 60	£ 60
Danish finest ..	nom.	nom.	Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
Brittany rolls ..			Petroleum Oil, per 8 lbs.	1/7½	1/7½
doz. lb. ..	27½-28½	nom.	Water White ..	1/8½	1/8½
Bacon —per cwt.			Oil Seeds, Linseed	—	—
Irish ..	17½	17½	Calcutta—per ton		
Continental ..	17½	17½	Spot	29 15 0	29 15 0
Canadian ..	17½	17½	Rape ..	£ 29-10 £ 30	£ 29-10 £ 30
American ..	17½-180	17½-180	Iron —per ton		
Hams —per cwt.			Cleveland Cash ..	nom.	nom.
Irish ..	25½	25½	Tobacco —duty, unmanufactured		
Canadian ..	162½-165½	162½-165½	7½ to 8½ per lb.		
American ..	125½-165½	125½-165½	Maryland & Onio.		
Cheese —per cwt.			per lb. bend ..	nom.	nom.
Dutch ..	nom.	nom.	Vinemalear ..	0 8-2 1	0 8-2 1
Canadian ..	nom.	nom.	Kentucky leaf ..	0 7-0 11	0 7-0 11
English Cheddar	142	142	Latakia ..	2 0-5 0	2 1-5 0
Whits loaf ..	nom.	nom.	Havana ..	1 6-6 6	1 6-6 6
New Zealand ..	nom.	nom.	Manilla ..	nom.	nom.
Rice —per cwt.	s. d.	s. d.	Cigars, duty 10½ per lb. ..	2½ upds.	2½ upds.
Japan ..	nom.	nom.	Timber —Wood.		
Rangoon 2 stars ..	26 3	26 3	Pitch Pine ..	300½-400½	300½-400½
Eggs —per 120.			Indian Teak ..	38½-700½	38½-700½
English ..	41 0-44 0	43 0 45 0	Turpentine —		
Irish ..	34 0-38 0	35 0-39 0	American Spot ..	127½	119½
Danish ..	37 0-38 0	38 0-41 0	Gopra —per ton		
Spelter —			Malabar ..	46 0 0	46 0 0
G.O.B. as to position	£ 54-£ 50	£ 54-£ 50	Ceylon ..	46 0 0	46 0 0
Flour—per sack.			F.M.S. Singapore	45 10 0	45 10 0
Country Straight			F.M. Straits ..	45 10 0	45 10 0
Runs ex Mill ..	44½	44½			

remain stiff and difficult to deal with. There continues a good deal of pressure for deliveries. Export bundles have attracted very little attention. Bolton spinings continue to be strongly held, but during the last few days there has been a falling-off in the turnover.

*Eat less
Bread*

Tea, Oil and Rubber.

There has been a moderate recovery in the Rubber market. The price of the commodity has risen to 2s. 5½d., and this has encouraged a feeling of confidence that may not be justified by the event. We notice that there is still a sort of idea that prices can be controlled by some amazing edict of the Rubber Growers' Association. It would be extremely interesting to see this idea carried out to its logical conclusion, but the real fact of the matter is that in spite of the efforts of interested parties who wish to see prices higher, both for the raw material and shares—especially shares—the statistical position is altogether against them. At the same time the bear campaign which we hear of in the provinces has none of our sympathy, although some of the reasons put forward are well worthy of the consideration of holders and intending purchasers.

Imports of rubber last month, as shown in the Board of Trade returns, amounted to 130,900 cents, against 173,784 last year, and 148,486 in 1915, the decline being due partly to shipping restrictions and partly to the fact that, owing to the war, a larger proportion of the requirements of America goes direct from the East to San Francisco. Even so, as stocks here were already abundant, we may be permitted to wonder why most of the shipping capacity involved could not have been used to relieve the famine in tea. Fortunately, there is no Rubber Controller, and no prospect of rubber queues. For the year to date imports have reached 1,689,510 cents, against 1,530,150 for the corresponding period, and almost exactly 50,000 cents more than in the eleven months of 1915. Exports last month amounted to 45,108 cents, against 157,650 a year ago, and for the eleven months the total is 1,140,400 cents, against 1,018,450. Consequently, we have retained this year for home consumption 543,110 cents, against 511,700, not a great increase certainly, but more than is actually necessary, judging by the accumulation of visible stocks.

The Week in Mines.

Despite the extreme quietness of business, the mining markets have been generally firm in tone. South African shares were supported on dividend expectations, which were more optimistic in the latter than in the earlier part of the week. A further spurt in tin, which touched £309 a ton, however, failed to stimulate fresh buying of tin shares, which showed a tendency to react.

SOUTH AND WEST AFRICANS.

In the South African market movements in prices were irregular, but generally upward in the latter part of the week, as advices from Johannesburg indicated some good dividend declarations. City Deeps, the dividend on which is now expected to be the same as the midsummer distribution of 4s. 6d. per share, fell ½ to 3½, but recovered to 3½, and Brakpans at 5½, Modder Leases at 3 19-32, and Central Minings at 6½, closed higher. Gold Mines Investments fell 1s. 3d. to 14s., owing to disappointment at the absence of a dividend in the report, and Gold Trusts sympathetically fell 1s. 9d. to 20s. New Steyns have declined 1s. 6d. to 4s. 9d., and Rand Mines at 2 29-32, and Springs at 3 17-32, are both lower. A heavy fall of ½ to 22½ is shown in New Modders. Among Rhodesian shares, Globes improved to 1 19-32 on the dividend, but Eldorados declined 3d. to 7s., in spite of the maintenance of the dividend. Chartered declined to 14s., but the debentures rose 7½ to 106 on the scheme for extending the period of redemption and paying the interest free of tax. Lonely Reefs have fallen 1s. further to 28s. 9d., and Rezendes ½ to 3½. Tanganyikas have recovered 3-32 to 3½, and the debentures ½ to 7½, but Zambesias are 1s. 6d. lower at 23s. 6d. De Beers deferred have declined ½ to 12½, despite the declaration of another 10s. dividend. West African gold shares have been on offer, including Ashantis at 21s. 9d. and Taquahs at 17s.

COPPER AND MISCELLANEOUS.

The only movement of interest in the copper group has been a rise of 2s. 6d. to 30s. 3d. in Hampdens, in anticipation of a dividend shortly. Tin shares show a fairly general reaction, the rise in the metal being insufficient to offset the disposition to take profits induced by the general depression. Angelos have declined 1s. to 13s. 3d. Rayfields 9d. to 12s. 6d., and Dolcoaths 6d. to 10s. 9d. Renongs, however, are ½ higher at 2½, and so are Gopengs at 1½. Broken Hill shares have been on the dull side, and Sulphides have declined 1s. to 28s. on the decrease in profits shown in the report. Russian shares have improved slightly, Russo-Asiatics being ½ higher at 3½, and Tanalyks 1s. 6d. higher at 30s. Burmas have risen ½ to 3 31-32, but Champions have weakened to 5s. 9d. on the report foreshadowing a smaller output next year.

MINING NEWS.

SHEBA GOLD.—This company suffered a further setback in the year ended June 30. Operations resulted in a working profit of £7,347, but owing to the large expenditure necessary on mine development, namely, £17,613, charged as usual to revenue, the profit was converted into a loss of £10,266 against a profit of £10,610 in 1915-16. This result is attributed to a decrease in the value of the ore milled, higher costs of working, and a reduced extraction recovery. No dividend is again paid, and the credit balance carried forward is reduced by £10,266 to £2,112.

FORUM RIVER (NIGERIA) TIN.—During the year ended March 31 the output totalled 325 tons, an increase of nine tons. The "call-in" cost of production was £114 8s. 4d. per ton of dressed ore, and the average price realised was £155 6s. 6d. per ton of ore. After allowing for depreciation the net profit was £13,268 as against £9,683. A sum of £5,000 is placed to reserve, a final dividend of 7½ per cent., less tax, is proposed, making 15 per cent. for the year against 10 per cent., and £5,088 is carried forward subject to excess profits duty.

NORTHERN NIGERIA (BAUCHI) TIN.—The report for the year ended June 30 shows a gross profit of £32,282 against £21,623, and a net profit of £26,780 against £16,481, after writing off £5,502 for depreciation and development expenditure. The preference dividend is raised from 10 per cent. to 17½ per cent., and the ordinary shareholders receive a maiden dividend of 7½ per cent., less tax. Production of tin amounted to 555 tons against 565 tons, and the average price realised was £139 2s. 1d. against £121 4s. 2d. per ton. Costs rose from £55 5s. 5d. to £58 15s. 9d. per ton. The reserve at June 30 amounted to 6,876 tons.

MINERALS SEPARATION.—Revenue in 1916 exceeded expenditure by £29,124. It has been determined that by means of the new discovery covered by the patents referred to in the report for 1915 the company is now able to undertake the treatment of a large class of ores hitherto outside the scope of its processes. Negotiations are proceeding and in some cases have been completed in connection with new business in the United Kingdom, Norway, Spain, Portugal, and Rhodesia. On account of the year 1917 an interim dividend of 50 per cent. has been declared. This is the company's first distribution.

MALAYAN TIN DREDGING.—In the year ended June 30 this company produced 871½ tons of tin ore as against 1,020½ tons, the sum realised being £8,213 less at £97,682, or an average of £112 1s. per ton as compared with £103 per ton in 1915-16. After deducting £10,504 for depreciation as against £15,247, the profit shows a decrease of £10,666 at £32,354. A final dividend of 1s. per share is proposed, making 5s. per share for the year, or 25 per cent. as compared with 20 per cent. for 1915-16, leaving a balance liable to excess profits duty of £8,154. Of the balance brought in £10,000 has been placed to plant and machinery account, £10,004 was absorbed by the excess profits duty for 1915-16, £1,842 was carried to reserve, leaving £15,089. It is out of this balance that the final dividend is to be paid.

SUB-NIGEL.—In the year ended June 30 the tonnage milled was increased by 19,150 to 110,280, and the revenue amounted to £242,907 against £180,927, the average yield being 44s. per ton against 37s. 8d. Costs were kept down to 32s. 6d. per ton, the same figure as for 1915-16. The total profit rose from £35,397, 7s. 9d. per ton, to £65,962, or 11s. 6d. per ton, while the net profit was £54,816 against £32,715. Shareholders have received 12½ per cent. in dividends as compared with 7½ per cent., and £3,645 against £2,776 is carried forward. Reserves of ore show the substantial increase of 145,000 tons at 359,000 tons, valued at 10.4 dwts., an increase of 1.3 dwts. per ton.

SIMMER AND JACK PROPRIETARY.—The report for the year ended June 30 does not make very satisfactory reading. Tonnage decreased by 32,600 tons to 765,300, and the yield averaged 21s. 6d., a decrease of 6d. per ton. On the other hand costs rose 8d. further, so that the profit per ton was reduced by 1s. 3d. The working profit was lower by £59,997 at £227,187, without taking credit for £11,083 added to reserve gold account. The gross profit was £251,977, but the net profit £207,512, a decrease of £63,427. This has involved a further cut in the dividend from 8½ per cent. to 7½ per cent., and a reduction from £92,234 to £73,119 in the carry forward. During the year the company acquired from the Simmer Deep 40 claims at the price of £124,000, of which one-half was paid at the time of purchase, and the balance is payable in instalments. Reserves of fully developed ore are estimated at 1,862,000 tons, valued at 5.3 dwts., as compared with 1,935,000 tons valued at 5.2 dwts. per ton.

BENUE (NORTHERN NIGERIA) TIN.—After allowing £1,750 for depreciation the accounts for the year ended July 31 show a profit of £11,834 against £2,212. A sum of £5,000 is placed to a capital reserve account, and a dividend is declared of 2s. per share, tax free, of which 6d. is applied in extinguishing the liability of 6d. per share now existing, thus making the shares fully paid up. The output was approximately 200 tons of black, averaging over 74 per cent. of metal, which realised an average price of £241 8s. 2d. per ton. For 1915-16 the dividend was 6d. per share.

WITBANK COLLIERY.—A substantial improvement is recorded in the results of this company for the year ended August 31. During that period 887,331 tons, including 126,346 tons of duff, were despatched from the colliery, being an increase of 36,483 tons upon those of the preceding year. Profits amounted to £84,493 against £69,252. The dividend is maintained at 25 per cent. £40,620 of capital expenditure has been written off. Government taxes for two years have absorbed £11,320, and the balance carried forward is reduced from £89,536 to £69,579.

GOLD MINES INVESTMENT.—Despite the reduction in capital to

£500,000, which is apparently £54,585 less than the nett value of the assets, the directors of this company have decided not to pay a dividend on account of the year ended November 30. This is presumably due partly to much of the assets valuation being based on estimates, and partly to a sharp decline in profits, which fell from £42,311 to £19,495. Including £87,398 brought forward the total available is £106,893, subject to investment depreciation estimated at £52,307. The profit balance this year has been arrived at after allowing for realised loss on investments, whereas previously such losses have been included in depreciation. In view of the uncertainty of the gold mining future under war conditions we think the directors are wise in not distributing any of the profits.

Answers to Correspondents.

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Deposits against future queries may be lodged with the Publisher.

A. W. W.—(1) Is quite a small concern, and we cannot find any market for the shares. We should not recommend a purchase. (2) These have been pushed lately by interested parties; we think you will be happier without them.

C. E. M.—The market has recovered again since you wrote. Company has a big property, which should do well in the years to come. There is no urgent reason for selling at present.

G. K.—There is no object in selling unless you can get a price sufficiently high to pay expenses and give you a better return on reinvesting. Any savings should, of course, go into War Bonds.

L. P. R.—They cannot rise much. Sell when ex-dividend is about 102½.

Cairn.—The company's prosperity promises to grow still further, and there appears to be a good chance of still higher prices. Your profit is tempting, and it is for you to decide whether you will take advantage of the rise to reduce your stake in the company.

H. G. A.—(1) The present position does not justify any rapid rise. It will be a long time, we think, before dividends will be possible. (2) It is a speculative chance, with perhaps a prospect of a moderate rise. The management has certainly been improved.

DIVIDENDS ANNOUNCED.

Anglo-American Oil Co.—Interim of 3s. per share, free of tax, payable Jan. 15.

Assam Frontier Tea.—Interim of 3 per cent. on preferred shares. W. and T. Avery.—Interim on ordinary shares of 5 per cent., less tax, payment on Jan. 1.

"Bodega" Co.—Interim of 2½ per cent. actual, 2s. 6d. per share on ordinary shares of £5 each, fully paid, and 2s. per share on shares £4 paid, less tax, payable Jan. 1, the same as a year ago.

City and Suburban Gold Mining and Estate Co.—No 36, of 3½ per cent. (3s. per share), subject to income-tax from British shareholders at rate to be announced later. European shareholders may expect to receive warrants about the middle of Feb. A year ago the dividend was 6½ per cent.

Cicely Rubber Estates Co.—Interim of 52½ per cent. on preference shares and 50 per cent. on ordinary for year to March 31, less tax, payable Jan. 10, the same as a year ago.

Central Mining and Investment Corporation.—4s. per share, free of tax, payable Jan. 10.

James W. Cook and Co.—Final at the rate of 5 per cent. per annum, less tax, on pref. shares for half-year to Dec. 31, payable Jan. 1.

Clerical, Medical, and General Life Assurance Society.—Half-yearly payment of 9s. 6d. per share, free of tax, will be made on Jan. 1 next.

East India Distilleries.—10 per cent. on the ordinary shares. English and Scottish Law Life Assurance Association.—Half-yearly (including interim dividend) to Dec. 31 at rate of 6s. 3d. per annum per share (£3 10s. paid), free of tax, payable on Jan. 10, the same as a year ago.

Eldorado Banket Gold Mining.—Interim of 7½ per cent., less tax, in respect of year ending March 31, payable on Jan. 31, same as a year ago.

European Gas Co.—Interim of 4s. per share, free of tax, payable on Feb. 1, against 5s. a year ago.

Galkandawatte Tea Co. of Ceylon.—On ordinary shares for year ended March 31 at rate of 4 per cent., free of tax.

Globe and Phoenix Gold Mining.—Third interim of 1s. 4d. per share, less tax, in respect of 1917.

Hoare and Co.—Interim of 4 per cent. for the year ending April 18, 1918.

Imperial Bank of Persia.—For half-year ended Sept. 20 last of 5s. per share, free of tax, payable Jan. 1.

Bluemel Brothers.—Final 1s. 4d. per share on ordinary shares, making 10 per cent., plus a bonus of 1s. per share, totalling 15 per cent. for the year.

Jokai (Assam) Tea Co.—Interim of 5 per cent., less tax, on ordinary shares, payable on Jan. 10, same as a year ago.

Jeringa Valley Tea Co.—Interim of 5 per cent. (being at the rate of 10 per cent. per annum), free of tax, on the ordinary shares.

Kuala Pergau Rubber Plantations.—Interim of 10 per cent., less tax, in respect of the year ending Feb. 28.

Lautaro Nitrate Co.—Interim of 8s. per share, free of tax, payable Jan. 1, on coupon serial No. 48 of the share warrants to

bearer, to be paid at the London City and Midland Bank, 5, Threadneedle Street, E.C. 3, and at the Banque de Paris et des Pays Bas, 3, Rue d'Antin, Paris.

Lipton, Ltd.—Interim for past half-year on the ordinary shares at rate of 8 per cent. per annum. 7½ per cent. was paid in June for previous year.

Mond Nickel Co.—Interim, payable Feb. 5, of 1s. per share on ordinary shares for year ending April 30, 1918, less tax.

Marconi International Marine Communication Co.—Interim 5 per cent., equal to 1s. per share, less tax.

Manila Electric Railroad and Lighting Corporation.—Of 1½ per cent. (\$1.50 per share) for quarter ending Dec. 31, on the common stock.

Mitchells and Butlers.—Interim on ordinary shares for year ending June 30, 1918, at rate of 5 per cent., payable Jan. 5, the same as a year ago.

Minerals Separation.—Interim 50 per cent., payable on Jan. 15.

National Bank of New Zealand.—Interim rate of 12 per cent. per annum, free of tax, for the half-year ended Sept. 30.

North Broken Hill.—Warrants for No. 46 of 2s. per share, payable on the 21st inst., have been posted.

New Zealand Loan and Mercantile Agency.—Final 3½ per cent. and bonus of 1 per cent., less tax, on the ordinary stock to June 30, making 7 per cent. for year, against 6 per cent.

National Bank of New Zealand.—Interim at rate of 12 per cent. per annum, free of tax, for half-year ended Sept. 30, the same as a year ago.

Northern Assurance Co.—Further interim of 4s. 6d. per share, payable, less tax, on Jan. 1, in respect of the 6 per cent. participating preference shares.

Oriental Rubber Co.—Of 5 per cent. (1s. per share), payable Jan. 1, the same as a year ago.

Pacific Phosphate Co.—Interim on ordinary share capital in respect of the half-year ended June 30 of 2½ per cent., payable Dec. 29, the same as a year ago.

Poderosa Mining Co.—Further interim of 5s. per share, free of tax. Warrants will be posted on Jan. 15. A year ago the dividend was the same.

Pataling Rubber Estates Syndicate.—Third interim of 50 per cent. (actual) for year ending Dec. 31, payable on Jan. 22, against 75 per cent. a year ago.

St. Louis Breweries.—Of 16s. per share (8 per cent.) on the preference shares, payable on Jan. 1.

Village Main Reef Gold Mining Co.—2s. per share, tax free, against 3s. a year ago.

Wilson's Brewery.—2½ per cent. on the 5 per cent. cumulative preference shares, leaving arrears of preference dividend from Jan. 1, 1915.

Yorkshire (West Riding) Electric Tramways Co.—Final 3 per cent. (being at the rate of 6 per cent. per annum) on preference shares.

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NOVEMBER RUBBER OUTPUTS.

Company.	Current Estimate.	Last All-in Cost.	Nov. lbs.	(+) or (-) lbs.	Months.	Aggregate lbs.	(+) or (-) lbs.
Aboyné Clyde	444,374	1/0.50	45,049	+ 1,401	5	221,906	+ 41,332
Alagar	360,000	1/1.62	25,200	+ 8,600	11	309,600	+ 42,500
Alliance	163,716	—	26,480	+ 325	11	171,037	+ 31,192
Alor Pongsu	275,000	1/0.75	23,722	+ 648	11	248,868	+ 15,107
Ampat	180,000	1/1.35	18,200	—	5	38,400	+ 4,540
Anglo-Java	2,624,000	—	256,356	+ 99,056	11	2,253,456	+ 744,136
Anglo-Johore	300,000	1/3.20	28,121	+ 6,230	8	208,380	+ 40,621
Anglo-Malay	1,720,000	1/1.23	149,738	+ 14,604	11	1,526,365	+ 63,676
Anglo-Sum.	940,000	1/0.3	69,160	+ 11,192	6	442,633	+ 31,937
Asahan	550,000	1/3.26	39,913	+ 1,783	4	157,231	+ 12,733
As. T. Ceylon	255,000	—	23,765	+ 4,979	5	114,114	+ 14,341
Ayer Kuning	721,457	1/0.34	79,261	+ 761	11	745,571	+ 108,114
Bagan Serai	417,000	1/1.82	34,000	+ 3,560	11	373,259	+ 49,983
Bab Lias	—	1/9.46	47,668	+ 33,932	1	47,668	+ 33,932
Bajoe Kidol	250,986	1/8.85	41,000	+ 19,505	8	228,000	+ 95,519
Bakap	285,000	—	19,000	+ 8,600	5	87,400	+ 6,200
Bambrakelly	235,000	1/4.96	19,840	+ 7,847	8	156,657	+ 27,903
Bandar Sum.	395,450	—	38,300	+ 3,910	4	156,593	+ 1,011
Bandarsarie	259,000	1/2.48	18,800	+ 3,620	11	222,741	+ 25,338
Bandarapola	250,000	—	27,000	+ 5,000	11	255,000	+ 67,000
Bantardawa	340,000	—	27,720	+ 2,720	5	127,298	+ 25,338
Bantam	854,681	1/1.75	85,113	+ 10,605	5	387,512	+ 57,343
Banteng	434,000	1/1.37	43,400	+ 2,130	7	244,420	+ 27,780
Batak Rabit	440,000	1/1.64	34,500	+ 2,437	5	177,000	+ 30,724
Batang Mal.	400,000	1/3	28,119	+ 3,081	11	287,293	+ 25,110
Batu Caves	637,819	1/9.13	5,722	+ 14,535	11	716,659	+ 98,564
" Matang	185,000	—	16,746	+ 16	5	22,420	+ 9,591
" Rata	49,030	1/1.50	49,690	+ 500	5	22,420	+ 16,600
" Tiga	—	1/0.25	64,000	+ 6,300	11	693,500	+ 10,036
Beuf rtr'n'o	236,000	1/5.75	17,000	+ 3,500	7	116,802	+ 24,500
Bekoh	540,000	—	32,446	+ 15,254	5	214,629	+ 35,302
Beranang	294,168	1/5.9	26,314	+ 707	5	142,629	+ 16,561
Bernam-Perk	300,000	—	21,900	+ 2,600	5	112,300	+ 2,400
Bidor	419,500	1/1.83	36,000	+ 1,050	8	322,700	+ 53,200
Bikam	420,000	1/3.62	29,500	+ 3,500	11	344,734	+ 13,918
Bode	273,000	1/5.22	25,325	+ 5,225	10	219,135	+ 63,531
Bradwall	480,000	1/2.58	44,259	+ 2,371	11	398,167	+ 25,377
Bratunston	450,000	1/1.26	45,000	+ 6,000	2	90,000	+ 16,800
Brit Born Para	220,000	1/1	21,000	+ 2,300	7	119,830	+ 34,720
British Malay	750,000	—	79,500	+ 38,038	11	644,446	+ 384,613
Brooklands	601,310	1/1.47	57,432	+ 856	5	271,644	+ 40,784
Broome	450,000	1/4.42	32,994	+ 1,521	5	165,100	+ 1,110
Bruas-Perak	111,000	1/6.47	9,677	+ 4,660	9	79,327	+ 46,021
Bukit Cloh	260,000	1/0.38	25,000	+ 1,000	11	197,000	+ 25,500
" Ilok	340,000	1/1.57	27,000	+ 1,000	11	276,000	+ 4,500
" Kajang	940,000	—	89,631	+ 3,631	5	409,868	+ 982
" Lintang	280,000	1/2.73	22,000	+ 4,000	5	104,520	+ 22,580
" Mert'ing	932,000	1/0.74	70,795	+ 9,870	8	548,440	+ 50,038
" Pan'ing	525,000	1/0.45	51,000	+ 6,500	11	472,900	+ 29,800
" Rajah	1,071,000	1/1.20	91,686	+ 7,207	8	623,590	+ 40,787
" Seaba	800,000	1/3.17	60,300	+ 12,700	11	693,350	+ 37,957
Carey United	312,275	—	38,495	+ 7,851	2	74,650	+ 16,810
Castlefield	571,342	—	46,946	+ 2,040	7	259,201	+ 26,736
Cent. Trav.	280,000	1/2.34	31,077	+ 3,317	11	200,547	+ 3,505
Ceylon Para	970,000	—	101,265	+ 1,052	11	914,965	+ 187,123
Ceylon T. & R.	—	1/4.31	25,072	+ 1,667	11	203,973	+ 543
Changkat-Sal.	925,000	1/0.47	92,000	+ 12,000	11	910,000	+ 192,000
Chemb Malay	440,000	1/1.37	43,393	+ 264	11	418,611	+ 42,943
Cheras	264,000	1/5.39	29,000	+ 9,100	11	254,800	+ 95,700
Chersonese	750,000	1/0.58	54,845	+ 11,010	11	618,150	+ 3,828
Cheviot	610,000	1/3.24	51,980	+ 4,500	11	545,280	+ 204,690
Chimpul	250,000	1/6.9	24,245	+ 379	5	115,704	+ 23,713
Chota	320,000	—	18,036	+ 1,701	11	207,997	+ 15,046
Cicely	400,000	1/1.44	37,600	+ 6,100	8	271,931	+ 34,917
Cluny	265,000	1/2.54	20,021	+ 1,389	11	225,341	+ 20,700
Cons. Malay	906,550	—	88,800	+ 6,900	11	816,900	+ 83,193
Dalkeith	475,000	1/4.78	50,000	+ 8,000	11	394,500	+ 54,300
Damanasara	830,000	1/1.05	67,151	+ 2,691	11	779,878	+ 72,317
Dangan	225,000	—	23,683	+ 3,988	5	129,552	+ 34,056
Dennistown	656,000	—	44,733	+ 12,717	11	525,071	+ 6,144
Deviturai	340,000	1/1.90	43,500	+ 3,200	11	293,520	+ 32,660
Dimbula	340,700	1/0.36	30,300	+ 7,965	11	240,638	+ 49,522
Djasinga	433,554	1/7.39	54,000	+ 24,428	5	223,000	+ 80,000
Djember	250,000	—	31,500	+ 15,000	11	235,700	+ 85,900
Doranakande	215,000	1/4.47	21,497	+ 3,803	11	176,497	+ 19,055
Duff Develop.	400,400	1/7.40	84,560	+ 34,342	11	742,470	+ 191,978
Dusun Durian	820,000	1/0.71	72,315	+ 2,392	11	715,929	+ 58,021
E. Ind. & Cey.	210,000	1/1.15	21,000	+ 6,134	11	174,310	+ 14,850
Edinburgh	465,000	1/1.14	46,500	+ 6,000	11	410,550	+ 26,550
Elphib	252,000	1/5.88	17,130	+ 1,973	11	126,881	+ 51,604
Emerald	377,700	1/2	47,900	+ 6,400	10	444,800	+ 151,100
Row Seng	185,000	—	14,350	+ 1,400	11	157,250	+ 13,042
Esot	244,500	1/2.32	15,474	+ 3,262	2	34,574	+ 1,046
Fed. Malay S.	1,845,000	1/9.50	161,000	+ 12,000	6	991,000	+ 32,000
Fed. Selangor	370,000	1/1.68	33,634	+ 1,731	8	269,044	+ 33,147
Galaba	143,500	—	14,900	+ 1,101	11	103,453	+ 1,272
Galaba Besar	450,000	—	43,550	+ 6,050	5	212,410	+ 31,760
Gan Kee	200,000	—	16,800	+ 952	5	74,300	+ 1,815
Garing	197,682	1/1.99	19,666	+ 3,666	2	39,666	+ 9,366
Gedong	277,508	1/1.75	24,192	+ 4,417	1	24,192	+ 4,417
Geng. Ceylon	1,012,000	1/1.27	116,800	+ 7,498	11	950,552	+ 168,777
Glen Bervie	275,400	—	28,164	+ 3,227	2	59,453	+ 14,458
Glendon	243,000	—	19,025	+ 8,583	2	41,894	+ 7,827
Glenshiel	458,500	1/2.18	47,199	+ 258	11	448,450	+ 106,949
Golconda	594,000	1/1.36	46,155	+ 5,437	11	546,676	+ 17,654
Golden Hope	305,000	1/1.41	33,091	+ 5,948	11	315,843	+ 77,315
Grand Cent.	4,137,867	1/0.72	479,237	+ 30,909	11	4,199,765	+ 551,657
Gula Kal'p'g.	1,370,000	1/1.2	113,000	+ 9,100	11	1,245,743	+ 352,432
Harpenden	568,000	1/1.49	40,000	+ 1,600	11	471,431	+ 4,191
Hayoepp	520,000	—	47,528	+ 4,843	11	455,926	+ 20,840
Heawood	275,000	1/1.5	27,174	+ 4,134	11	242,391	+ 58,985
Hewagang	616,200	1/2.80	78,000	+ 11,000	11	580,300	+ 21,100
Hid. Streams	240,000	—	19,000	+ 4,500	11	223,239	+ 7,551
Highlands	1,353,000	1/0.01	131,199	+ 1,634	11	1,282,814	+ 79,686
Inch-Kenneth	440,000	1/3.71	41,210	+ 1,200	6	244,890	+ 27,980
Insulindie	268,000	—	24,300	+ 2,800	5	116,900	+ 17,540
Java Amal.	315,000	—	71,200	+ 17,000	11	990,200	+ 113,130
Java R & Prod	620,000	—	28,500	+ 1,000	11	—	—
Java Para	265,692	1/1.20	50,000	+ 20,043	11	—	—
Jeram	300,000	—	20,203	+ 5,937	8	150,150	+ 24,533
Johore Para.	190,362	1/2.14	17,500	+ 1,400	5	84,500	+ 9,568
" Rub. Ld.	1,268,000	1/3	129,671	+ 89,738	11	1,048,801	+ 271,411
Jong Lander	680,000	—	52,386	+ 6,515	5	267,976	+ 17,281
Jugra Estate	378,613	1/0.60	34,500	+ 1,809	8	263,572	+ 24,805
Jugra Land	1,398,000	1/0.02	129,076	+ 19,280	7	695,795	+ 52,793
Juru Estates	200,000	1/1.88	16,000	+ 1,600	8	117,700	+ 12,494
Kajang	263,709	1/1.95	35,765	+ 6,511	11	354,660	+ 121,581
Kali Glagah	250,000	—	21,513	+ 4,013	8	135,935	+ 16,335
Kamp Kua'n	360,000	1/2.07	30,000	+ 10,000	10	301,500	+ 13,800
Kamuning	810,000	1/1.49	71,030	+ 20,060	5	339,730	+ 47,260
Kapar Para	954,000	1/0.91	105,850	+ 21,718	11	961,421	+ 232,806
Karak	220,000	—	19,104	+ 27	11	233,125	+ 51,922
Kasatote	400,000	1/8.56	44,000	+ 10,000	11	559,075	+ 301,823
Kawie Java	500,000	—	46,713	+ 10,013	8	345,747	+ 57,947
Keptigalla	640,000	—	54,576	+ 11,338	8	401,712	+ 14,026
Kepong	315,000	—	37,000	+ 5,500	11	302,500	+ 36,000
Kerala	250,000	—	38,878	+ 3,500	11	249,294	+ 60,825
Khota Tamp'n	202,000	1/3.30	22,500	+ 3,250	10	187,000	+ 28,150
Killinghall	305,359	—	26,217	+ 3,056	5	132,746	+ 1,760
Kimanis	420,000	1/9.22	40,100	+ 8,100	9	326,700	+ 100,400
Kinta Kellas	610,000	—	44,400	+ 2,286	8	371,054	+ 45,680
Klabang	315,000	1/4.30	23,231	+ 769	11	273,886	+ 72,179
Klangang	505,125	1/1.02	49,868	+ 14,093	11	447,918	+ 84,230
Kombok	594,000	1/1.88	50,000	+ 1,470	9	432,200	+ 50,690
Kuala Klang	197,448	1/0.39	16,200	+ 1,510	2	32,000	+ 4,259
" Kubu	158,950	—	10,439	+ 3,686	5	59,280	+ 5,590
" Lumpur	1,700,000	1/2.34	154,440	+ 12,870	5	774,180	+ 95,040
" Nal	187,800	1/2.36	26,000	+ 10,500	11	247,000	+ 73,200
" Pahi	200,000	—	25,742	+ 10,800	11		

Taiping..	675,000	1/10.88	48,449	—	18,353	2	100,122	—	28,214
Tali Ayer	1,080,000	1/10.25	81,500	—	23,740	7	578,000	—	384
Tamang	777,213	—	27,300	+	20,101	—	157,552	+	43,759
Tangga Batu	180,000	1/3.59	15,029	—	1,696	11	155,776	+	12,276
Tangkah	479,293	1/6	43,000	+	3,817	—	86,000	+	11,130
Tanj. Malim.	1,400,000	1/5.50	120,780	+	14,850	5	619,740	+	162,360
Tandjong	1,595,000	1/3.18	112,069	—	8,817	—	552,272	—	40,688
Tangoel	308,000	1/12	31,750	+	7,957	—	105,532	+	6,306
Tebrau	1,046,480	1/10.70	65,046	—	29,203	5	316,215	—	147,696
Teekoy	250,000	1/5.12	37,382	+	9,300	4	122,128	+	17,110
Telagoreddi	750,000	—	80,000	+	33,000	11	767,020	+	435,452
Tenomb'neoo	690,000	1/11.98	55,500	+	500	11	548,100	+	25,450
Third Mile	280,000	—	22,000	—	9,522	11	170,835	—	217,565
Tremelbye	750,000	1/10.54	56,500	—	9,000	5	282,200	—	42,300
Trolak	332,040	1/22	25,060	—	3,466	—	55,350	+	364
Ulu Rantau	250,000	1/1.16	24,914	—	710	11	258,644	+	21,877
U. Sua Betong	900,000	1/1.15	87,779	+	2,858	10	759,702	+	132,791
U. Serdang	3,265,819	1/10.60	253,452	—	42,452	3	779,631	—	67,851
U. Sumatra	967,500	1/10.73	85,580	+	4,360	11	906,080	+	154,950
U. Temiang	800,000	1/5.80	70,260	+	17,570	4	276,600	+	80,390
Uva	189,833	—	40,343	+	1,782	11	164,361	+	8,671
Val d'Or	314,100	—	23,100	—	7,200	1	23,100	—	7,200
Victoria	250,000	1/4.49	24,442	+	7,142	5	116,642	+	51,002
Windsor	320,000	1/4.10	33,000	+	4,000	11	367,200	+	123,940
Woodend	220,000	—	28,842	+	1,785	11	224,427	+	62,222
Yam Seng	493,363	—	28,785	—	7,545	1	28,785	—	7,545
Yatiantota	497,000	—	57,950	—	7,940	11	453,939	+	73,411

a Last year's crop.

* For October, or previous month.

MINING RETURNS FOR NOVEMBER.

Abooso.—8,807 tons, producing £13,750 (Oct., £11,725).
Ashanti.—10,021 tons; value, £40,740 (Oct., £40,570).
Aurora West.—14,200 tons; profit, £3,078 (Oct., £3,134).
Balaghat.—Output, 1,897 ozs. fine gold (Oct., 1,841 ozs.).
Brakpan.—57,800 tons; profit, £40,075 (Oct., £45,083).
Bullfinch.—5,002 tons; profit, £500 (Oct., £454).
Cam and Motor.—11,728; profit, £798 (Oct., £2,366).
Champion Reef.—28,279 tons; 7,824 ozs. fine gold (Oct., 7,900 ozs.).
Chenderiang Tin.—Output, £4,430; profit, £2,450.
City and Sub.—25,300 tons; profit, £8,013 (Oct., £10,354).
City Deep.—58,500 tons; profit, £48,482 (Oct., £47,950).
Cons. Langlaagte.—44,400 tons; profit, £15,225 (Oct., £16,315).
Cons. Main Reef.—24,590 tons; profit, £11,756 (Oct., £11,716).
Crown.—157,000 tons; profit, £37,324 (Oct., £40,046).
Durban Road Deep.—23,600 tons; profit, £2,841 (Oct., £2,756).
Durban R. Gold.—27,040 tons; 3,101 ozs. fine gold; profit, £785.
East Rand Prop.—134,500 tons; profit, £13,301 (Oct., £586).
Ferreira Deep.—43,700 tons; profit, £16,896 (Oct., £17,586).
Geduld.—37,600 tons; profit, £20,078 (Oct., £20,120).
Geldenhuis Deep.—52,000 tons; profit, £3,547 (Oct., £4,235).
Ginsberg.—14,480 tons; profit, £13,530; profit, £1,003 (Oct., £1,539).
Glencairn.—21,100 tons; profit, £1,248 (Oct., £1,254).
Globe and Phoenix.—6,378; profit, £18,384 (Oct., £18,743).
Glynn's Lydenburg.—3,550 tons; profit, £2,344 (Oct., £2,981).
Gov. Areas Mod.—102,400 tons; profit, £58,534 (Oct., £58,259).
Ivanhoe G. Corp.—19,577 tons; profit, £9,002 (Oct., £9,008).
Jupiter.—24,200 tons; profit, £4,365 (Oct., £5,292).
Kalgurli.—7,256 tons; profit, £1,521 (Oct., £1,500).
Knight Central.—25,000 tons; profit, £103 (Oct., £1,414).
Knight's Deep.—98,600 tons; profit, £2,006 (Oct., £1,501).
Langlaagte Estate.—40,560 tons; profit, £8,068 (Oct., £9,182).
Lonely Reef.—4,850 tons; profit, £9,776 (Oct., £10,298).
Main Reef West.—25,070 tons; profit, £3,402 (Oct., £3,744).
Meyer & Charlton.—12,200 tons; profit, £28,024 (Oct., £27,271).
Modder "B."—41,000 tons; profit, £57,258 (Oct., £69,638).
Modder Deep.—42,500 tons; profit, £48,897 (Oct., £50,306).
Mysore.—75,690 tons, 16,523 ozs. fine gold (Oct., 16,480 ozs.).
New Goch.—17,190 tons; profit, £2,279 (Oct., £3,379).
New Heriot.—12,500 tons; profit, £3,761 (Oct., £5,104).
New Kleinfontein.—57,860 tons; profit, £15,353 (Oct., £17,528).
New Modder.—54,100 tons; profit, £65,516 (Oct., £64,528).
New Primrose.—18,000 tons; profit, £1,808 (Oct., £1,834).
New Unified.—13,000 tons; profit, £3,486 (Oct., £3,536).
North Anantapur.—5,400 tons; 1,125 ozs. fine gold.
Nourae.—36,300 tons; profit, £47,955; profit, £4,732 (Oct., £6,521).
Nundydroog.—19,717 tons, 6,482 ozs. fine gold (Oct., 6,653 ozs.).
Ooregum.—29,922 tons; 7,543 ozs. fine gold (Oct., 7,541 ozs.).
Pahang Consolidated.—14,000 tons; 185 tons black un.
Princess Estate.—21,500 tons; profit, £1,064 (Oct., £1,251).
Randfontein Cent.—165,260 tons; profit, £30,475 (Oct., £36,007).
Robinson Deep.—49,800 tons; profit, £10,527 (Oct., £10,330).
Robinson.—42,800 tons; profit, £14,067 (Oct., £15,395).
Roodepoort United.—26,544 tons; profit, £1,403 (Oct., £661).
Rooiberg Minerals.—1,292 tons; profit, £1,424 (Oct., £1,131).
Rose Deep.—55,500 tons; profit, £22,978 (Oct., £25,026).
Shamva.—51,502 tons; profit, £13,042 (Oct., £10,743).
Sheba.—6,184 tons; 1,586 ozs.; loss, £1,529 (Oct., loss, £1,230).
Simmer and Jack.—55,300 tons; profit, £21,117 (Oct., £17,479).
Simmer Deep.—44,200 tons; profit, £4,160 (Oct., £5,633).
Sons of Gwalia.—12,801 tons; value, £18,043 (Oct., profit £3,455).
Springs.—30,440 tons; profit, £30,722 (Oct., £32,452).
Sub Nigel.—9,330 tons; profit, £23,296; profit, £8,025 (Oct., £7,728).
Sudan Gold.—4,877 tons; 1,304 ozs.; value, £4,634.
Transvaal Gold.—14,920 tons; profit, £8,597 (Oct., £10,650).
Van Ryn Deep.—43,800 tons; profit, £55,028 (Oct., £56,063).
Van Ryn.—33,300 tons; profit, £10,761 (Oct., £11,243).
Village Deep.—48,900 tons; profit, £14,765 (Oct., £14,271).
Village Main Reef.—24,100 tons; profit, £11,420 (Oct., £13,647).
Wanderer.—13,653 tons; profit, £1,250 (Oct., £1,375).
West Rand.—34,640 tons; profit, £3,119 (Oct., £2,033).
Witwatersrand.—33,800 tons; profit, £13,001 (Oct., £14,713).
Wit Deep.—32,400 tons; loss, £576 (Oct., profit, £2,135).
Wolbuter.—32,400 tons; profit, £11,426 (Oct., £11,415).

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and December 15, 1917:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Dec. 15, 1917.	Total Receipts into the Exchequer from April 1, 1916, to Dec. 16, 1916.
Balances in Exchequer on April 1—	£	£	£
Bank of England	—	25,209,947	25,111,065
Bank of Ireland	—	1,225,912	403,941
REVENUE.		26,435,859	25,575,006
Customs	70,750,000	50,081,000	48,134,000
Excise	34,950,000	26,520,000	38,745,000
Estate, &c., Duties	29,000,000	21,612,000	21,021,000
Stamps	8,000,000	5,389,000	5,289,000
Land Tax	2,600,000	360,000	350,000
House Duty	—	—	—
Property and Income Tax and Super Tax	224,000,000	63,874,000	48,509,000
Excess Profits Duty (including Munitions Levy)	200,000,000	140,637,000	73,699,000
Land Value Duties	400,000	289,000	141,000
Post Office	33,700,000	23,650,000	23,150,000
Crown Lands	600,000	420,000	420,000
Receipts from Sundry Loans, &c.	7,500,000	14,116,269	4,822,119
Miscellaneous	27,100,000	44,710,797	11,650,381
Revenue	638,600,000	378,979,066	275,930,500
Total, including Balance		405,414,925	301,505,506
OTHER RECEIPTS.			
Repayment of Advances for Bullion		1,630,000	2,800,000
Repayment of Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		169,818	—
Under Telegraph (Money) Act, 1913		55,000	180,000
Under Post Office (London) Railway Act, 1913		68,000	160,000
Under Housing Act, 1914		229,000	45,200
For Treasury Bills (for supply)		1,893,928,000	1,591,514,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904		1,300,000	—
For 4½ per Cent. War Loan, 1915-1916		—	424
For 5 per Cent. Exchequer Bonds, 1919		—	34,222,000
For 5 per Cent. Exchequer Bonds, 1920		—	84,140,469
For 5 per Cent. Exchequer Bonds, 1921		—	62,464,000
For 5 per Cent. Exchequer Bonds, 1922		82,209,400	—
For 6 per Cent. Exchequer Bonds, 1920		—	143,757,000
For War Expenditure Certificates		—	29,471,200
For War Savings Certificates		28,700,000	39,550,000
For other Debt created under the War Loan Acts, 1914-1917		523,203,320	150,117,751
For 4 per Cent. War Loan, 1920-1921, and 5 per Cent. War Loan, 1920-1921		166,913,580	—
For National War Bonds		*149,227,000	—
Cunard Loan: Repayment on account of Principal		130,000	130,000
Temporary Advances—			
Ways and Means (including Treasury Bills £345,000,000 in 1916-1917)		685,687,000	464,156,500
Total		3,938,855,043	2,907,103,650

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

* Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Dec. 15, 1917.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Dec. 16, 1916.
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	17,000,000	12,590,066	15,189,637
Interest, &c., on War Debt ..	194,500,000	137,307,546	96,301,436
Payments to Local Taxation Accounts, &c.	9,700,000	6,425,864	6,345,312
Other Consolidated Fund Services	1,695,000	1,116,892	1,304,452
Supply Services	2,543,830,000	1,775,952,044	1,345,951,191
Expenditure	2,765,725,000	1,933,392,412	1,435,092,028
OTHER ISSUES.			
For Advances for Bullion		1,780,000	2,830,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		169,818	91,370
Under Telegraph (Money) Act, 1913		85,000	210,000
Under Post Office (London) Railway Act, 1913		68,000	160,000
Under Public Buildings Expenses Act, 1903 ..		—	8,000
Under Housing Act, 1914		394,500	44,500
For Treasury Bills for Supply		1,288,057,000	1,041,353,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904		1,300,000	—
For War Loans and Exchequer Bonds, under Section 34 of Finance Act, 1917		6,139,057	235,915
For other Debt under the War Loan Acts, 1914 to 1917		20,945,947	—
For Depreciation Fund under the Finance Act, 1917		24,841,180	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908		10,000	69,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..		20,000	53,160
Old Sinking Funds, 1911-12 and 1913-14, issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914		949,000	250,000
Cunard Loan Repayments—			
Issued to reduce Debt under the Cunard Agreement (Money) Act, 1904		130,000	130,000
Temporary Advances repaid—			
Ways and Means (including Treasury Bills £312,806,000 in 1916-17)		541,558,000	306,702,500
Total		3,919,839,914	2,880,317,073
Balances in Exchequer—	1917. Dec. 15.	1916. Dec. 16.	
Bank of England	18,483,498	25,815,470	
Bank of Ireland	530,031	971,107	
Total	19,013,529	26,786,577	
MEMO.—Treasury Bills outstanding on Dec. 15, 1917			* £1,069,857,000

* Includes £289,000, the proceeds of which were not carried to the Exchequer within the period of the account.

COMPANY MEETINGS.

MINERALS SEPARATION.

DIVIDEND OF 50 PER CENT.—PROSPECTS OF NEW BUSINESS.

The twelfth ordinary general meeting of shareholders of Minerals Separation, Ltd., was held on Thursday, at Winchester House, Old Broad Street, E.C., Mr. F. L. Gibbs presiding.

The Secretary (Mr. A. O. Williams) having read the notice convening the meeting and the auditors' report,

The Chairman said: Gentlemen,—I presume you will take the report and accounts as read. We have received from our chairman, Mr. Ballot, a cable expressing his great regret that he must again be absent from our annual general meeting owing to important matters in connection with the North American Corporation, upon which both he and Dr. Gregory are engaged. Turning now to the accounts for the past year, and commencing with the profit and loss account, you will notice that the total income for the period under review amounted to £44,948 19s. 3d., which exceeds the previous year by £6,688. If it had not been for the war this amount would have been considerably larger. The cost of management, travelling, staff, examination of properties and metallurgical expenditure at home and abroad amounted to £7,350 17s. 6d., as compared with £7,269 5s. 7d. in the previous year. Patent renewal fees came to £1,361 10s. 11d., as against £2,467 17s. 5d. in 1915. London administration expenses were somewhat higher, while a sum of £2,000 has been added to the patent reserve account, bringing the amount standing to the credit of that account up to £10,000. A sum of £240 has been written off as depreciation on plant and furniture and fittings. The balance of £29,123 10s. 5d. has been carried to the appropriation account. With regard to the appropriation account, the first item on the credit side of this account—namely, £50,352 19s. 6d.—is the balance of the profit and loss account as at December 31, 1915, less income-tax. The second item, £99,942 11s. 9d., represents the profit on the sale of our North American patents to the Minerals Separation American Syndicate (1913), Ltd., less income-tax. You will remember that in 1913 Minerals Separation American Syndicate (1913), Ltd., was formed for the purpose of acquiring our patents and business for North America. Minerals Separation, Ltd., received as consideration for the sale the allotment of 250,000 "B" shares of 10s. each, fully paid, in the 1913 syndicate. These shares have recently been valued by the Inland Revenue authorities for the purpose of income-tax at £125,000, the cost of the patents in question being £5,863 0s. 7d. The authorities have assessed Minerals Separation, Ltd., for the purpose of income-tax at £119,136 19s. 5d. as profit resulting from the sale, and the tax in respect of this assessment, amounting to £19,194 7s. 8d., has been incorporated into the accounts and will be paid by the company. The next item on the credit side of the appropriation account is the balance of the profit and loss account for the year 1916, to which I have already referred. Turning to the debit side of the appropriation account, the first item represents the distribution to the shareholders of 250,000 voting trust certificates in Minerals Separation North American Corporation. As you are aware, in December, 1916, the Minerals Separation North American Corporation was formed with a capital of 500,000 shares of no nominal, or face, value for the purpose of acquiring all the undertaking and business of Minerals Separation Syndicate (1913), Ltd. The consideration for this sale was the allotment to the 1913 syndicate of the whole of the 500,000 shares of the North American Corporation. Voting trust certificates representing these shares were issued to the shareholders of the 1913 syndicate. Minerals Separation, Ltd., as holders of 32,616 "A" shares of £1 each and 250,000 "B" shares of 10s. each in the 1913 syndicate, received 315,232 voting trust certificates of the American Corporation. Of these 315,232 voting trust certificates 250,000 were immediately distributed among the shareholders of Minerals Separation, Ltd. The second item on the debit side of the account is the distribution of 12,000 voting trust certificates among the directors in accordance with a resolution of shareholders passed at the extraordinary general meeting held on March 14, 1917. The next item represents bonus to two members of our metallurgical staff in recognition of their valuable services to the company since its incorporation. The balance of £46,919 1s. 8d. has been carried to the balance-sheet. Referring now to the balance-sheet, premiums received on shares issued have been reduced from £19,943 13s. 11d. to £18,877 2s. by writing off £1,066 11s. 11d. to patent litigation expenditure. Patents reserve account I have already dealt with. Sundry creditors show a debit of £38,463. Among these is the amount of £19,194 for income-tax previously referred to, also two items amounting to £1,064, which, as I told you last year, have been registered under the Trading with the Enemy Act, and will only be dealt with according to instructions received from the authorities. The further amount of £1,076 3s. 5d. referred to by me last year is still being held in suspense. All other items have been paid or adjusted, with the exception of £497 14s. royalties paid in advance. Contingent liabilities for calls and investments have been reduced by payment from £12,542 10s. to £9,750 and for litigation expenses from £4,807 18s. 10d. to £3,831 5s. 7d. On reference to the other side of the balance-sheet you will see that the company spent during the year on further patents and patent application £1,403 10s. 10d. Plant and laboratory apparatus and also furniture and fittings have been written down by

your directors to a very safe figure. With regard to sundry debtors on open accounts standing at £25,462 17s. 2d., of this amount about £4,000 is due by the Caucasus Copper Company, and will, I hope, come back with additional profit after the war. Debtors in enemy countries also owe to us £68. With these exceptions the whole amount standing on open account has been received or adjusted since our accounts closed. The cost of investments has been increased from £83,342 16s. 3d. to £103,536 9s. 8d. This latter figure represents our shareholding in the Australian company and the balance of our holding in Minerals Separation North American Corporation, and £38,000 of Treasury bills purchased at a cost of £37,365 12s. 4d. This concludes all the remarks I have to make in connection with the accounts.

It was with great satisfaction that your directors felt themselves justified in declaring, on the 18th inst., an interim dividend for the current year of 10s. per share, or 50 per cent., payable, less income-tax, on January 15, 1918. (Applause.) By the distribution, therefore, in 1916 and 1917 of trust certificates in the Minerals Separation North American Corporation, and by this cash dividend of 50 per cent., it has been possible to make a good beginning in rewarding the patience which has been exhibited by the shareholders since the company commenced its operations. The North American Corporation is just finishing its first year of operations, and you will, therefore, no doubt shortly be receiving its first annual report. The management of that corporation's business is, as you know, in the hands of Mr. Ballot, Dr. Gregory, and one of the partners of Messrs. Lazard Frères, of New York. On the occasion of our last general meeting we had good reason to feel gratified that the Supreme Court in the United States of America had upheld the decision given by Judge Bourquin in our favour in July, 1913. Since that date you have been advised by this board and also by direct information which you have received from New York as to the further legal proceedings which have taken place in the United States of America with regard to our patent position there. These proceedings have, as you are aware, resulted in our favour, and our chairman, Mr. Ballot, who is also president of the Minerals Separation North American Corporation, has informed this board that as soon as circumstances permit the American board will communicate direct to the shareholders of the corporation matters relating to its business, so that you will in future, as stated in the report just issued, look to that board for information regarding the North American business in which you are now individually interested owing to the distribution of trust certificates which has been made to you. Regarding the distribution to you of the 250,000 trust certificates which was made last year, shareholders who did not specifically request that the certificates to which they were entitled should remain in New York should now have received them from the Guaranty Trust Company of New York in London. Shareholders have also received information by circular issued on the 14th inst. that the additional 50,000 trust certificates which the board in September last decided to issue are now ready to be delivered.

THE NEW PATENTS.

Regarding the business which our company has before it in various parts of the world, I will now give you as much information as I can. From the annual report you will have noticed that the value of the new patents referred to in last year's report has been established, and I think we can congratulate ourselves greatly in this matter. These new discoveries enable us to treat a class of ores which only one year ago we were completely unable to handle. The possibilities opened up by these new discoveries which have been made by our expert staff in London are great, and there is every reason to expect that an important increase in our business will result therefrom. (Hear, hear.) Ever since the war commenced our processes have been of considerable value in helping to produce metals essential for war purposes, and every new invention which we perfect increases the assistance which our company is able to render in this direction. (Hear, hear.) In Wales it is likely that there will be several of our plants erected in the near future, as mines are being reopened there for the purpose of increasing the output of war material. In Norway steps have been taken to demonstrate the suitability of our processes for the treatment in that country of molybdenite ores, and also for the treatment of all other ores for which the processes are useful. One of our engineers is now in that country, and has just completed superintending the erection of a plant to treat molybdenite ores. It is expected from the exhibition afforded by that plan of the advantages derived from the use of our processes considerable additional business will result. Negotiations are proceeding which there is every reason to believe will in the immediate future result in an agreement being entered into between this company and a powerful French company having large mining interests in Spain and several other countries where at present our processes are not much known. It is not possible yet to provide you with details as to this proposed arrangement, but we anticipate that it will prove in the future of considerable advantage to the contracting company, as well as to ourselves.

OPENINGS IN RUSSIA.

In Russia, where there is a large field for our processes, it is, of course, at the present time impossible to carry on much work, but with the assistance of the International Russian Corporation of London and their Petrograd organisation we are slowly, but surely, laying the

foundation of business on a larger scale in that country when more settled conditions return. Before the war, as you know, the Caucasus Copper Company became our licensees, and in 1915 we also granted a licence to the Spassky Copper Company in Siberia, who have our plants in working. In Sardina also for some time past a French company has been operating a small unit of our plant for the concentration of copper ore on our ordinary royalty terms, and arrangements are now being entered into for the commutation of these royalties in future by a cash payment to us and the transfer to us of a portion of the stock of the French company. It will be recognised that the principle adopted in this arrangement is a sound one, both for the licensees and the licensors. In Bolivia a plant has been sent out to the Corocoro United Copper Mines, Ltd., and is expected to be in operation early in 1918. During the past year our works here in London have carried out a large amount of experimental and research work, which is a most important part of our business, but the conditions, as you may readily imagine, have been difficult, owing to so many of our staff serving at the front, while others are engaged upon pushing forward the production of metals in some of the Allied countries. Since our last general meeting Major A. C. Howard, R.E., has been awarded the Military Cross; Major Webster, R.E., and Captain W. W. Tullis, R.F.C., have both been mentioned in despatches. (Applause.) That, gentlemen, concludes the remarks I have to make, and I now formally move the adoption of the report and accounts.

Mr. W. W. Webster: I beg to second the motion for the adoption of the report and accounts.

The Chairman: Before putting the resolution to the meeting, I shall be pleased to answer any questions you may wish to ask.

COMPANY'S PROCESS AND THE BWANA M'KUBWA MINE.

Mr. Seymour: I should like to ask if any negotiations are going on or have been concluded with the Bwana M'Kubwa Copper Mine?

The Chairman: Regarding the Bwana M'Kubwa mine, this company has signed and sealed an agreement with it, and we have an engineer ready to proceed to Rhodesia to erect our plant, and have models and patterns also ready for him to take out so soon as the Bwana M'Kubwa have signed their part of the agreement in exchange. If there are no further questions, I will now put the motion for the adoption of the report and accounts for 1916.

The resolution was put to the meeting and carried unanimously.

The Chairman: I have now to move: "Resolved, that the distribution among the shareholders of 50,000 voting trust certificates in Minerals Separation North American Corporation by way of dividend for the year ending December 31, 1917, be and the same is hereby approved."

Mr. H. A. Krohn: I beg to second that.

The resolution was unanimously passed.

The Chairman: We have now to deal with the re-election of the retiring directors, and I move: "That Mr. W. W. Webster and Dr. S. Gregory be re-elected directors of the company."

Mr. Krohn: I have pleasure in seconding that resolution.

The resolution was unanimously carried.

Mr. Webster: Thank you, gentlemen.

The Chairman: I will ask one of the shareholders to propose the next resolution regarding the election of auditors.

Mr. Andrews: I beg to propose: "That Messrs. Monkhouse, Stoneham and Co., of Salisbury House, E.C., be and they are hereby re-elected auditors of the company for the ensuing year at a fee of 75 guineas."

Mr. Williams: I beg to second that.

The resolution was agreed to unanimously.

The Chairman: That concludes the business of the meeting, gentlemen. I am very much obliged to you for your attendance.

Mr. Williams: Before we part I think we should pass a vote of thanks to the chairman. (Hear, hear.) I have very much pleasure in proposing it, and of assuring the chairman and the other directors how greatly we appreciate all their efforts in the past and the brilliant prospects of the company. We feel quite sure that the business is perfectly safe in their hands, and without further remarks I move that we give them our best thanks. (Hear, hear.)

The motion was carried by acclamation.

The Chairman: Thank you, gentlemen; we are very much obliged to you.

The proceedings then terminated.

TANDJONG RUBBER.

PRINCIPLE OF RESTRICTED OUTPUT—£50,000 EXCESS PROFITS DUTY.

The tenth ordinary general meeting of the Tandjong Rubber Co., Ltd., was held on Thursday at the Council Room of the Rubber Growers' Association (Incorporated), 38, Eastcheap, E.C., Mr. George Croll (the chairman) presiding.

Mr. J. M. Kemp, on behalf of Messrs. Harrisons and Crosfield, Ltd., the secretaries, read the notice convening the meeting and the report of the auditors.

The Chairman said: Gentlemen.—The report and accounts have been in your hands for some time, and I have no doubt it will be your wish that we take them as read. During the past year there has been no alteration in the issued and paid up capital of the company, which remains at £150,000. The

amount standing to the credit of premiums on shares and reserve accounts is £103,684, which is equivalent to £18 os. 3d. per planted acre. After deducting the depreciation shown in the accounts the nett capital expenditure for the year amounted to £2,229 2s. 1d., which is equal to £1 8s. 10d. per acre on the 1,543 acres, which was the average immature area during the year. After deducting the amount at the credit of premium and reserve accounts the nett book cost of the 5,616 acres planted at the end of the year was £23 11s. 6d. per acre. This, of course, does not take into consideration any value for the 1,487 acres of good plantable reserve land. At the close of the company's financial year we had a surplus on capital account of £17,603, to which has to be added the nett carry forward of undistributed profit of £7,757 after deducting the £50,000 which we estimate as the excess profits duty for which we shall be liable for the 1916-17 accounting period, and against this we have to meet estimated capital expenditure for the current year of £19,123, so that our capital position at the present time is quite satisfactory.

PLANTING OPERATIONS.

During the year under review an area of 250 acres was planted, bringing our total cultivated area up to 5,616 acres. Great care and attention was given to this extension, which was planted up from especially selected seeds from our oldest trees, and we are advised that this care is reflected in the very healthy and vigorous growth of the young trees. We have sanctioned the opening of a further 761 acres, and it is hoped that this can be undertaken as to 270 acres in 1917, 326 acres in 1918, and the balance of 165 acres in 1919. By proceeding in this way, we should be able to bring these areas to maturity at a very low cost. When this programme is completed the properties will consist of 6,377 acres of rubber, and it is intended that they should be worked in three divisions of, approximately, 2,125 acres each. Estates of this size are rather larger than it is customary for a manager to efficiently work and control, but in the case of this company, where the manufacture and despatch of the whole crop is carried out at one large central factory, we felt that we were justified in agreeing to this arrangement. The crop of rubber harvested during the financial year amounted to 1,384,551 lbs., against an estimate of 1,455,000 lbs.; the shortage of 70,449 lbs. is due to the abnormal weather conditions which prevailed during the year. The crop was harvested from an average bearing area of 4,073 acres, or about 73 per cent. of the total planted area. The yield was at the rate of 340 lbs. per acre, against 330 lbs. per acre in the previous year.

ALL-IN COST.

The all-in cost of production was 1s. 3.18d. per lb., as against 1s. 0.50d. per lb. for the previous year. This increase is due mainly to increased war risk insurance, increased cost of labour and materials on the estate, coolie engagement expenses and furlough reserve for staff. The gross average price realised was 2s. 6.98d. per lb., London equivalent, against 2s. 5.63d. per lb. in the previous year. The estates were kept clean weeded throughout the year at an average cost of 9d. per acre per month, against 8.6d. for the previous year. The labour force on the estates at the end of June last numbered 46 less than at the end of the previous year. Provision has been made for a considerable increase in the force during the current year, in view of the additional areas coming into tapping and the necessity for replacing the wastage caused by coolies whose contracts have expired and who do not renew them. The health of both the European and native labour was very satisfactory, the death rate among the latter being the extremely low one of 5 per 1,000. The general appearance and condition of the estates are reported as being excellent, the trees all over showing a healthy and vigorous growth. As I foreshadowed last year, a commencement was made with thinning out in the older areas, and this will be continued as and when it is required. No new disease made its appearance during the year, and there is, in fact, very little disease of any kind on the properties. The estates have been regularly visited and are reported in first-class condition in every respect.

THE CURRENT YEAR.

With regard to the current year, our managers have estimated for a crop of 1,595,000 lbs., to be harvested from an estimated average bearing area of 4,284 acres, which is equal to about 76 per cent. of the total present planted area. Of this estimate 552,272 lbs. were obtained in the first five months of the year, and under normal conditions I have no doubt that the estimated crop would be secured. Circumstances have, however, arisen which I think compel rubber producers carefully to consider the advisability of to some extent restricting the full output capacity of their estates, and I feel sure it will be your wish that we should loyally support any scheme which may be devised in the interests of the industry as a whole. Out of the current year's crop we have sold under forward contract 584,400 lbs. at an average of 2s. 7.89d. per lb., London equivalent. The nett profit for the year's working amounted to £94,704 os. 10d., which is equal to about 63 per cent. on the capital of the company. To this has to be added £39,159 16s. 6d., being the carry forward from 1915-1916. From this amount falls to be deducted the amount of excess profits duty for the two years to June 30, 1916, amounting to £38,436 12s., also the sum of £200 voted at last year's meeting as a donation to the Red Cross Society and the interim dividend of 1s. per cent. paid in April of this year, amounting to £22,200. These deductions leave us with a balance of £72,757 5s. 5d. to be dealt with to-day, and our proposal to you is that we should pay a final dividend of 10 per cent., making 25 per cent. for the year, and carry forward the balance of £57,757 5s. 5d. This carry forward is, of

course, subject to excess profits duty for the year under review, estimated at £50,000, equal to 33⅓ per cent. on the capital of the company, so that we earned 63 per cent. and our excess profits duty amounts to 33⅓ per cent. We very much regret that it has been necessary for us to reduce the total distribution for the year from 30 per cent. to 25 per cent., and, further, that our having paid an interim dividend of 15 per cent. should have indicated our ability to pay a final dividend of at least an equal amount. At the time we paid our interim dividend we went very carefully into the matter, and we then felt that we should be able at least to maintain our last year's distribution, but with the completed accounts before us, we found that our liability under the excess profits duty was in excess of the amount which we then estimated it would be; in addition to which, the shortage on the year's crop and the lower price which we obtained for the latter portion has made it necessary for us to recommend the smaller distribution I have referred to. Before formally moving the adoption of the report and accounts I wish, on behalf of your directors, to recognise the good work done by our general manager and the staff under him during the past year, and I hope that some shareholder will voice your appreciation by moving a vote of thanks to them for their services before the meeting closes.

WAR CHARITIES.

During the year your directors took upon themselves to subscribe 50 guineas to the Rubber Growers' and Rubber Trades Associations' appeal on behalf of St. Dunstan's Hostel for Blinded Sailors and Soldiers and £100 to the Mincing Lane Fund on behalf of King George's Fund for Sailors, and I have no doubt that you will confirm our having done so. Perhaps some shareholder will move that the sum of 250 guineas out of last year's profits be placed at the directors' disposal for contribution to war charities, such sum to include the donations to which I have just referred. I now beg to move the adoption of the report and accounts as now submitted, and I will ask Mr. Gray if he will kindly second it. Before putting the resolution to the meeting, if there are any questions to answer I shall be very pleased to deal with them to the best of my ability.

Mr. J. R. Gray seconded the motion, which was unanimously adopted.

The Chairman moved that a final dividend of 10 per cent. be paid in respect of the financial year ended June 30, 1917, and that the balance of £57,757 5s. 5d. (subject to excess profits duty for the year 1916-17, estimated at £50,000) be carried forward to 1917-18.

Mr. Charles Heath Clark seconded the motion, and it was passed unanimously.

The retiring directors, Mr. George Croll and Mr. C. H. Clark, were re-elected, and the auditors, Messrs. McAuliffe, Davis and Hope, were reappointed.

It was resolved that the sum of 250 guineas be voted out of the 1916-17 profits to war funds, including the donations already granted of 50 guineas to the St. Dunstan's Hostel for Blinded Sailors and Soldiers and £100 to King George's Fund for Sailors.

Col. Clibborn: I should like to propose a vote of thanks to the directors, agents, and staff in the East for the very excellent way in which, as far as I can judge from the report, they have managed the affairs of the company. I think the attendance here is very strong proof of the confidence which the shareholders have in the directors.

Mr. Wragge: I shall have very much pleasure in seconding that proposition. As one who knows a little of the East and understands the difficulties under which they are working, especially at the present time, I am sure they will be very glad to know that we are thinking of them to-day in London, and I am sure, Mr. Chairman, you will convey our thanks to them.

The resolution was unanimously adopted.

The Chairman: I am very much obliged to you, on behalf of my colleagues and myself, and I am sure your vote of thanks will be very much appreciated also by the staff in the East.

The proceedings then terminated.

PEKIN SYNDICATE.

An ordinary general meeting of the Pekin Syndicate, Ltd., was held on Thursday at the Cannon Street Hotel, Cannon Street, E.C., Mr. René de Cérenville presiding.

The Secretary (Mr. Thomas Gilbert) having read the notice convening the meeting,

The Chairman said: Gentlemen, as you will have read in the circular letter which has been sent to you with the notice convening this meeting, the meeting is being held merely to comply with legal requirements. The accounts, owing to the necessarily disorganised state of the postal arrangements, only came to hand a few days ago, since the posting of the circular, and it is therefore manifestly clear they could not be got ready and audited in time to be presented at a meeting held this year, although they were mailed as far back as October 15. In addition, you will also have seen in the circular letter that the chairman (Mr. Barson) has not been able to return in time to preside at this meeting, as he intended, and as we had all hoped he would have been able to do. The directors have, therefore, decided that under the circumstances the best thing will be to adjourn this meeting until such time as the chairman can return and give you the result of his visit to the syndicate's properties, together with the opinions he has formed of the actual conditions prevailing on the spot by personal observation. In adopting this course the directors felt sure they would be meeting the shareholders' wishes, as they were convinced the shareholders would prefer to wait what, it is hoped, will be only a short time longer and then have the benefit of the chairman's views.

I should, however, just like to mention, with regard to the salient features of the past year, that, as anticipated, the coal sales, which have been effected through the Fu Chung Corporation, which corporation you know was formed to combine interests, have been a great success, notwithstanding the unsettled state of the political and financial situation, aggravated by climatic difficulties. An additional difficulty we are experiencing is the shortage of rolling stock on the railways—an obstacle which I am afraid is not likely to be improved until some time after the war. In substantiation of the foregoing, I may mention we have heard from Mr. Barson by telegram that the total sales for the month of November reached a tonnage of 160,000. Another piece of interesting information I may impart to you is that the corporation has supplied one of his Majesty's gunboats in the Far East with coal. It is true it was only a small quantity, but it is hoped this will lead to more extensive use by the Navy. However, I must not say anything more on this subject for the present. Markets, I am glad to say, are extending rapidly, and, to use Mr. Barson's own words to us, "the position of affairs has entirely changed, and instead of it being a question of finding a market for the syndicate's coal, it was, or would be, more one of finding coal for the market." It will be seen, by what I have just told you, that it was quite the right policy for the syndicate to have joined forces with Chinese interests; this has had the good result, as was anticipated, of increasing the good feeling all round. There is one other matter I would like to mention, which is that the Fu Chung Corporation are contemplating extending their sphere of operations by acting as selling agents for various trading and other concerns. I refrain from saying more, as I feel sure, as I have already mentioned, you will prefer to hear from our chairman's own lips the progress of events as gathered by him in China, and I am hoping the date is not far distant when he will be here, but you will readily understand that it would have been prejudicial to the interests of the syndicate for him to have left before he had completed the negotiations which have already been mentioned.

Mr. Berthelot seconded the motion, which was carried unanimously.

DORMAN, LONG, AND CO., LTD.

The twenty-eighth ordinary general meeting of shareholders of this company was held on Monday, the 17th instant, at the company's registered office, Zetland Road, Middlesbrough.

Mr. A. J. Dorman in the chair.

The Secretary (Mr. R. Jameson) read the notice convening the meeting (a copy of which had been forwarded to each shareholder).

The Chairman then said: I regret to say that, owing to the requirements of the Government under the various Finance and Munitions Acts, the directors are once again unable to place before you the usual report and balance-sheet, but in order to comply with the articles of association it is necessary the meeting should be held before the end of the year. The proceedings, so far as the accounts are concerned, will be of a formal character only, and a resolution will be submitted to you to adjourn to a future date to be fixed by the directors.

From estimates of the results of the year's working the directors are satisfied the profits will be at least equal to those of the preceding year, and would justify them in paying the same dividend as last year—namely, 8 per cent., with a cash bonus of 6 per cent. In view, however, of the large expenditure which has already been incurred at Redcar, the directors have decided to recommend the payment of a final dividend of 4 per cent., making, as before, 8 per cent. for the year, but in place of the cash bonus to appropriate from the reserve the sum of £240,406, to be distributed to the shareholders in fully paid shares in proportion to their holdings. This will bring the ordinary share capital to £1,500,000, the total amount at present authorised by the articles of association, and will give to each shareholder approximately one bonus share in respect of every 5½ shares already held. The directors feel justified in recommending this course, because, as the new works at Redcar come into operation—and they are rapidly doing so—the additional profits arising therefrom should be sufficient to pay dividends on the increased capital on the scale to which the shareholders have been accustomed in recent years.

You have already been informed of the negotiations which have resulted in the purchase of the undertaking of Sir B. Samuelson and Co., Ltd. As there are no debentures or other charges on the property acquired through this purchase, the whole undertaking is unreservedly at our disposal. The shares are all held by members of the Samuelson family or the officials and staff of their company. It having been intimated to us that they were prepared to sell us the undertaking, negotiations were commenced which resulted in our acquiring the whole of the shares of the company.

The ironworks, standing upon 70 acres of freehold land, with river frontages, consist of eight blast furnaces, upwards of 200 coke ovens and by-product plant, two wharves on the River Tees capable of loading and unloading ships up to 8,000 tons. For many years we have been largely dependent for our molten iron on this plant, which is situated in close proximity to our Britannia Works. As we have long contemplated the desirability of possessing blast furnaces of our own to work in conjunction with our steel furnaces, it will be seen that the present opportunity was not one to be lost. This becomes still more apparent when it is taken into account that, in addition to the blast furnaces situated at Newport-on-Tees, the company possesses collieries adjoining those of Bell Brothers in Durham

and ironstone mines in Cleveland. At present the collieries produce upwards of 500,000 tons of coal per annum, and this can be considerably increased. There are important by-product coke ovens at Newport, making 270,000 tons of coke per annum for use at the blast furnaces. The ironstone mines at present give about 400,000 tons of ironstone per annum. Before the war they were producing 500,000 tons per annum, which quantity can again be reached. This, supplemented by a certain quantity of foreign ore, enables the blast furnaces to produce their present output of 275,000 tons of pig-iron per annum, nearly the whole of which will be consumed at our Britannia Steelworks in molten condition. The coke is all used at the blast furnaces; the coal not consumed at the ovens is sold for manufacturing and other purposes in the district.

It will be clear to you that the acquisition of such an undertaking adds very greatly to the advantages possessed by your company. We shall now have adequate supplies of raw material, and shall be able to work the blast furnaces so as to give an unfailing supply of the particular quality of iron we require. This is a matter which is of very great importance to us, and one from which we have seen the great advantages by our experience at Clarence.

The profit-earning capacity, not only of the undertaking of Sir B. Samuelson and Co., Ltd., but also of the Britannia Works, cannot fail to be enhanced by the benefits of direct control by us. Among other advantages, the waste heat, both from the blast furnaces and from the coke ovens, will be utilised at our own works. A considerable saving in the cost of producing steel will be effected. In addition, it is confidently believed that the output of the steel furnaces will be increased by the better and more regular supplies.

The purchase money is £1,400,000. For this we take all their investments, which include £150,000 in War Loan and other Government securities, book debts, and stocks of pig-iron, raw material, &c., the whole amounting to approximately £500,000, so that we shall acquire the land, buildings, plant, machinery, &c., of the ironworks, together with the collieries and ironstone mines, freehold farms and houses at £900,000, which your directors consider a fair and reasonable pre-war value.

As already intimated in the notice of December 4 sent out to the shareholders telling them we had provisionally acquired the property, your directors have applied to the Treasury for their approval and permission to make an issue to finance the purchase. At this stage it is not possible to make known any details, but the directors are confident the profits arising from the acquisition of this property should be more than sufficient to pay the interest upon the new issue, and therefore it will not in any way be a burden upon the present ordinary shares, but rather consolidate and improve their position.

It is very difficult to form any reliable estimate of the future. So far as we have gone the results compare favourably with last year, but I must remind you once again we are under the control of the Government—our total output is absolutely at their disposal; they settle our rolling programme and fix the price of all our manufactures. It is to be hoped they will recognise the increasing cost of everything entering into the manufacture of a ton of steel. The demand for all that we produce continues very urgent, and is taxing to the utmost the full resources of the company.

I now beg to propose: "That a final dividend of 4 per cent., free of income-tax (making, with the interim dividend of 4 per cent. already paid, a dividend of 8 per cent.) be paid on the 28th instant to the shareholders registered in the books of the company on the 5th instant."

Sir Hugh Bell seconded the resolution, which was carried.

Formal resolutions re-electing the retiring directors (Sir Hugh Bell, Bart., Mr. C. Arthur Head, Mr. Charles Dorman, and Lieut.-Colonel Maurice L. Bell, C.M.G.) and the auditors, Messrs. W. B. Peat and Co., were carried unanimously.

Subsequently an extraordinary general meeting was held, when resolutions making alterations in the company's articles of association were passed.

COMMERCIAL BANK OF SCOTLAND, LTD.

The annual general meeting of Shareholders was held in Edinburgh, on the 17th inst., the Marquis of Breadalbane, K.G., governor of the bank, in the chair.

The Chairman, in moving the adoption of the report and accounts, referred to the continued increase in deposits, which now amount to £26,659,000, showing an increase of £3,786,000 for the year, which growth was general at all the offices of the bank.

He mentioned that there were now over 500 members of the staff on naval or military service, and made suitable reference to the 58 who had been killed, died of wounds, or succumbed to sickness, and he expressed the sympathy of the bank with the sorrowing relatives.

The outstanding feature of the year was the successful issue in spring of the 5 per Cent. War Loan, which raised £1,000,000,000. Every facility was provided by the bank to enable its customers and the public to subscribe to the issue, and no fewer than 16,000 separate and new applications were dealt with. A large sum was lent to enable applicants to subscribe for the loan, upon the special interest terms arranged by all the banks, and very satisfactory repayment of these advances have been made—the balance now outstanding being less than 38 per cent. of the original amount borrowed.

The Chairman's motion was seconded by Mr. John Rankine, K.C., who in the course of an interesting examination of the more important items in the balance-sheet mentioned that, compared with the figure shown in the balance-sheet of October,

1914, the deposits showed an increase of over £8,500,000, and in this connection he said that the bank cordially approved of the efforts of the Government to raise money for war purposes by the plan of continuous daily borrowing, and the bank at all its offices had accordingly encouraged and facilitated the sale of National War Bonds and other Government issues.

With regard to the investments of the bank, he stated the holdings of British Government stocks showed an increase of over £1,000,000, and in addition to these there was an increase of nearly £2,000,000 in British Treasury bills. Depreciation has not been so serious this year, and all the investments have been valued at or below the market prices.

He also mentioned that the increase of £1,250,000 in advances on accounts was accounted for by the special loans granted for the purpose of taking up War Loan.

The report, which provides for payment of dividend at 16 per cent. for the year, was unanimously adopted, and, after the transaction of the usual formal business, the meeting terminated with a cordial vote of thanks to Lord Breadalbane for his conduct in the chair.

SOUTH AMERICAN STORES.

The fifth ordinary general meeting of the South American Stores (Gath and Chaves), Ltd., was held on Thursday at Winchester House, Old Broad Street, E.C., Baron F. A. d'Erlanger (chairman of the company) presiding.

The Secretary (Mr. George Frampton) having read the notice convening the meeting and the report of the auditors,

The Chairman said: The figure of our issued share capital remains unaltered, and that of our debentures in circulation has been reduced to £891,100 by the redemption of £25,100. As regards the creditors and credit balances, they show an increase of £146,000 as compared with last year's figure. About half that amount is accounted for by an increase in our trading liabilities; the other half is made up of internal book entries, which do not affect our business, such as liabilities to our Chilean stores, reserve for contingencies, &c. There is also a substantial increase in bills payable, due to the fact that we are obliged, owing to the war, to order and despatch our goods much further ahead than under normal conditions in order to ensure their timely arrival in South America. This naturally entails financing, and accounts, not only for the larger amount of bills, but also for the next item in the balance-sheet—namely, loan from bankers, which did not appear in last year's accounts.

Another fresh item is that of mortgages, £137,000. You may remember that when I had the honour of addressing you a year ago I mentioned that we had been very fortunate in acquiring certain plots of land, which we considered indispensable to the future of our enterprise. They cost us £339,296, of which £202,052 has been paid in cash. The £137,000 referred to in the balance-sheet represents mortgages on the properties in favour of the vendors, with the exception of a small amount already existing thereon at the time of the purchase. As you will see, we have added £43,000 to our general reserve, which now stands at £171,000 in round figures, and we have, in addition, an extraordinary reserve of £35,000. Passing to the credit side of the balance-sheet, we find that the item freehold land and buildings has increased considerably; that is due to the purchase of land which I have just referred to. I now come to the all-important question of stocks. In normal times our main object must be to keep stocks down to the lowest possible figure by timing our shipments of goods to a nicety, thus saving interest, and also, in a small measure, depreciation. Under the abnormal conditions now prevailing our first duty must naturally be to keep our customers well provided, and sacrifices have to be made to achieve that result. There are no better means of doing so than by ordering goods very long ahead and despatching them much earlier than would be necessary in the ordinary course. By this procedure we protect ourselves, at least to a great extent, against the risk of going short of such articles as the manufacturers may fail to deliver or which may be sunk. To use a colloquial expression, it gives us time to turn round in cases of emergency. The difficulty of obtaining goods is increasing daily, and prices are rising accordingly. We must, therefore, congratulate ourselves on having a fairly large stock. I say "fairly large," because the stock, though representing a very substantial increase in value over that of last year, is probably only slightly larger in bulk. The greater portion of the difference is unquestionably due to the higher cost price of the goods. Our debtors and debit balances stand at £365,790, or £127,000 in excess of last year. I take our investments in Government securities and our cash balances as representing liquid resources, and if I compare their total this year with that of last year I find a decrease of about £460,000. To that we must add (1) an increase in our creditors and credit balances, reserves, &c., of £102,000, (2) an increase in our bills payable of £153,000, and (3) £150,000 borrowed from our bankers. These variations, taking into account a reduction of £25,000 in our debenture debt, give a total of approximately £90,000, representing decrease in liquid assets or increase in liabilities, including the increase in reserves, which are liabilities to ourselves. The trading profit is £340,000, about £54,000 larger than that of last year, and the nett profit is £260,000, against £222,000. You will notice with satisfaction that we are again making a substantial addition to our general reserve, and that we have besides, as a conservative war measure, allocated £25,000 to a reserve for contingencies. You will, no doubt, agree with me, gentlemen, that the results of the year under review are satisfactory, especially in view of the many unfavourable factors which our

enterprise has had to contend with. The difficulties under which we laboured in 1915-16 were greater still during the past year, and they are likely to increase further as a natural consequence of the war. However, and though I do not wish to make any forecasts as to the current year, I am glad to say that, so far, we have no reason to complain of our trading since July 31 last. The reports about the crops are very satisfactory, and if the large estimated surplus of the country's produce can be exported the spending power of the population in Argentina ought to be substantially enhanced, and the effect thereof reflected in our sales a few months hence.

Mr. Georges Bernard seconded the motion, which was carried unanimously.

IND, COOPE AND CO.

The fifth ordinary general meeting of Ind, Coope and Co. (1912), Ltd., was held, on Monday, at the Great Eastern Hotel, Liverpool Street, E.C., Mr. Louis E. Walker (chairman and managing director) presiding.

The Secretary (Mr. E. M. Wilks) having read the notice convening the meeting and the report of the auditors,

The Chairman said: I am pleased to say that a few days ago the directors caused a step to be taken which resulted in Mr. Justice Younger, on Friday last, at a hearing at which I and the majority of my colleagues were present, making a peremptory order for the receivers to send in their applications to the company within one month for the shares which they will respectively require pursuant to the provisions of the scheme of reconstruction, and that the company be then at liberty to declare and pay a dividend. In effect the order removes our trammels, as within a month we shall, for practical purposes, know the extent of our share capital. As this order removes the difficulties in which the directors were placed, the board immediately met to consider the question of recommending a dividend out of the profits shown on the accounts now before you, and it is with the greatest pleasure I have to announce that, as the result of our deliberations, the directors are of opinion that a dividend can and should be paid at the earliest possible moment. The trading profit is £104,275, being approximately £50,000 better than last year. We carry forward £37,302, which, with the amount brought forward from the previous year, makes a total of £61,759, out of which any dividend that may be declared will be paid. The year, from the management point of view, has been a most trying one owing to the various restrictions imposed both on the output and on facilities for trading. The principal object we have kept in view has been to keep our customers supplied with beer as far as we possibly could, and—a matter of equal importance—we have endeavoured to maintain the quality of our article up to the high standard for which our beers have for many years had the reputation. Also we have maintained our properties in a good state of repair. Of course this latter has been somewhat difficult owing to the scarcity of labour and materials, but we have been successful in overcoming these difficulties to a very large extent, with the result that I can safely say the properties have not suffered in any way by neglect. We have also carried out improvements in many cases to properties under the sanction of the licensing magistrates and the Government authorities during the past year. With regard to the position of the brewing trade, there is little to be said on an occasion like the present, as none of us are politicians in these days, but I think I can say without contradiction that the trade is in a stronger position to-day than it has been for a long time, it having at last been recognised that beer is a necessity for the working man, and our opponents, although they are still willing to inflict all the ignominy they can upon us, have been taught a very serious lesson recently, and one which they are not likely to forget for a long time. This lesson has not been taught them by the trade, but by those who are in the habit of consuming beer as part of their daily diet—namely, the working classes themselves.

Major G. L. Courthope seconded the motion, which was carried unanimously.

LONDON AND RIVER PLATE BANK.

The fifty-fifth ordinary meeting of the London and River Plate Bank, Ltd., was held on Tuesday, at River Plate House, Finsbury Circus, E.C., Mr. E. Ross Duffield presiding.

The Sub-Manager and Secretary (Mr. G. R. Hutchinson) read the notice convening the meeting and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, said that when the directors met the shareholders last year they distributed the balance of a 15 per cent. dividend for the 12 months, subject to income-tax, and carried forward £228,758. That amount was less than the carry-forward of the year before by £32,217. This year the balance available, after making ample allowance for bad and doubtful debts, income-tax, and £60,184 rebate of interest on bills not due, amounted to £563,356, including the £228,758 brought forward from last year. The directors recommended the following distribution: To dividend, £162,000, being 9 per cent., subject to income-tax, payable on the 10th instant, making with £108,000, the interim dividend paid in June last, a distribution of 15 per cent. for the year on the paid-up capital of the bank, leaving £293,356 to be carried forward, which was more than the carry forward of last year by £64,578. Last year's carry-forward showed less than the year before, owing to losses arising from the pressure of the war upon South American business, which had to be provided out of the year's profits. That necessity had arisen again this year, as the outstanding

debts in liquidation due to the crisis of some years ago had called for further provision, which they had made in the same way, not by depleting their contingency fund, which, on the contrary, was increased this year, but out of the year's profit. He thought the shareholders would be satisfied with the results of the year's working. The results shown had been obtained without departing from their long cherished policy of prudence and caution. They had not sought new fields of enterprise, but had continued working in those which had so well recompensed them for so many years in those localities where the bank's important interests were so paramount, and its standing so firmly rooted. It had not been a time for taking undue risks or extending operations outside their natural sphere, and the board's care had been to keep the bank's financial strength in a state of preparedness to meet any eventuality that might rise. This policy, with other precautions, meant keeping exceptionally strong reserves, but that, while it might curtail profit, maintained and strengthened credit. As they held large deposits in South America, this course was a *sine qua non* for them. The gross profits stood out well in comparison with last year, namely, £781,000, as against £633,000, in both cases after providing for bad and doubtful debts. Shareholders would be pleased to note the absence of any amount charged for depreciation of securities, no provision having been needed. The securities stood in the books well under present quotations. Speaking generally, the prospects of South American business for the year they had entered upon were not unfavourable. There was reason to hope that, unless unforeseen circumstances should arise, in North, South and West Argentina good surplus harvests and good pastoral results might be looked for, while on the Pacific Coast, in Chile, the raw material of the chief product was assured. The same might be said of the Great Brazilian area and that of Uruguay. However, they had to bear in mind that all that was burdened by the serious factor in the case, one vividly brought home to our minds day by day, and that was the dire scarcity of tonnage to convey those products to consuming markets. Time, it was true, should, and they hoped would, tend to remedy this, but it was time that was of such importance.

Mr. J. G. Griffiths, C.V.O., seconded the motion, which was carried unanimously.

EDISON SWAN ELECTRIC.

The thirty-fourth ordinary general meeting of the Edison Swan Electric Co., Ltd., was held on Wednesday, at Winchester House, Old Broad Street, E.C., Mr. Charles Jermyn Ford (chairman of the company) presiding.

Mr. R. H. Parker (the secretary) having read the notice convening the meeting and the report of the auditors,

The Chairman said: At the first glance the results of the trading for the year may seem to you unsatisfactory, but I must remind you that during the past year the company has carried on its operations under probably the most disadvantageous circumstances which it could possibly have to face. It has been pointed out to you at every annual meeting at which I have presided that the need of additional working capital was very seriously prejudicing the company's position, rendering it unable to take full advantage of any increased trading which it might obtain; and for the last few years the position had become steadily worse in this respect, and during the year under review it arrived at its climax. You will bear in mind that that portion of the new money brought in by the preference share issue, of which up to the date of the balance-sheet we had received about £60,000, was not at our disposal until practically a few days before the close of the financial year, as the allotment of the shares did not take place until June 1, and the balance-sheet carries us to the 30th of that month. Under these circumstances, of course, we received no practical benefit from this money in the period; the only way it really benefited us was that we were able to clear off a very large amount of our outstanding indebtedness for goods supplied, &c., otherwise the item of "sundry creditors" would stand at a very much higher figure. The profits which would, under normal conditions, have been earned at our branches abroad have been seriously affected by reason of the fact that it has been impossible to obtain shipping freights in order to keep these branches fully supplied with stock, and, while the current expenses abroad have increased, as everything has increased (a world-wide complaint), we have not been able to sell a correspondingly increased amount of goods, and unfortunately I do not think that this condition of affairs can possibly be remedied so long as the present difficulty of shipping goods continues. The profit derived from the manufacture of electric lamps has also suffered, partly from the rise in the cost of labour and materials and partly from the fact that a very large number of our old and skilled hands have left our works to take up the manufacture of munitions, and we have been forced to fill their positions with unskilled hands, whom we have had to train. In spite of the additional capital brought into the business by the preference issue, the cash position is far from being comfortable. Owing to war conditions and the heavy rise in all raw materials, a large amount of capital is required to run a business of this character, and, as our turnover has materially increased in recent months, we have to conserve our cash resources in every direction. For all these reasons we feel that, as regards an immediate dividend, we must go a little slow, and we do not therefore see our way to recommend it at the present juncture. However, the new money has undoubtedly improved our position and earning capacity, and with the very considerable increase in the output

of lamps which we have now achieved should make it possible for us, in the absence of unforeseen circumstances, to make a far better showing for the current year.

Mr. E. B. Ellice-Clark seconded the motion, which was carried unanimously.

At an extraordinary general meeting held subsequently a resolution was passed authorising the reduction of the capital of the company in the terms of the scheme of arrangement.

PAHANG CONSOLIDATED.

The eleventh ordinary general meeting of the Pahang Consolidated Co., Ltd., was held on Wednesday, at Winchester House, Old Broad Street, E.C., Mr. J. E. Champney (the chairman) presiding.

The Secretary (Mr. Arthur Giffard) read the notice convening the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said that the value of tin produced during the year was £45,000 in excess of the previous year, due partly to the increase in the price of tin and partly to an improvement in the grade of ore treated. There was an increase in the cost of mining and the treatment of the ore, which was inevitable, having regard to the advance in the price of stores, material and wages; in fact, the directors had feared that this increase might be even greater. The actual cost per ton of ore mined was 8s. 9½d., against 8s., and the cost of treatment per ton was 3s. 2d., against 2s. 11½d., together an increase of 1s. per ton. On the other hand, the development costs were actually less. It would be seen that £18,800 had been set aside for depreciation and £20,000 placed to reserve. The unusually large amount carried forward was considered necessary in view of the uncertain position in respect of excess profits duty. The report of the superintendent went so fully into the development of the mines that he (the chairman) had really nothing further to tell the shareholders, except that more recent news certainly suggested no falling off in the general appearances of the points of operations. In regard to tin, during the four months from August to November, inclusive, a total of 54,750 tons of ore was treated, from which 780 tons of black tin were produced, and from alluvial 46 tons. As to rubber, in the same four months 74.955 lbs. were obtained from Kuala Reman and 68,000 lbs. from Sungai Talam. These figures showed that in the four months which had expired the amount crushed had averaged rather more than that of last year, while the black tin produced was 100 tons less. While the present high price of the metal lasted it appeared a sound policy to crush the lower grade ore which it might not be possible to treat at a profit in the event of a fall. Turning to the company's rubber industry, although the produce fell short of the amount estimated, owing to the wet year, the directors had every reason to be satisfied with the progress and with the general appearance of the plantations. The profit derived from the mines was £136,782, and from rubber £24,857, a total of £161,640. After payment of interim dividends on both classes of shares, and after writing off the depreciation and reserve already mentioned, a balance remained of £107,383. The directors recommended a final dividend of 15 per cent. on the ordinary shares, making 20 per cent. for the year. The preference shares would thus be entitled to a further 11½ per cent., or 15 per cent. for the year, and a balance of £39,727 remained to be carried forward.

Mr. H. Frisby, jun., seconded the motion, which was carried unanimously.

THE WESTERN CANADA INVESTMENT CO. LTD.

The tenth annual general meeting of the Western Canada Investment Co., Ltd., was held on Friday at 24, Coleman Street, E.C., Mr. J. G. Colmer, K.C.M.G., chairman of the company, presiding.

The Secretary (Mr. W. L. Waite) having read the notice convening the meeting and the auditors' report,

The Chairman, in moving the adoption of the report and accounts, said: Gentlemen,—Before dealing with business matters, I must refer to the loss we have all sustained during the last year by the death of General C. Bulkeley-Johnson, who was killed in action while gallantly leading his brigade. General Bulkeley-Johnson had been connected with the company since its inception, and always took a keen interest in its affairs. We shall miss him very much. We have also to lament the loss of Mr. J. C. Lomax, who acted as alternate director for General Bulkeley-Johnson while the latter was serving at the front. I do not think I can add anything on behalf of the directors to what is stated in the report that has been circulated. Companies like our own, which are loaning money in Canada, have naturally been affected more or less in the matter of taxes and other expenses by the financial conditions that have prevailed, not only there, but in all other countries, owing to the war. In some of the Western Provinces moratorium laws are in operation for the protection of borrowers, but it is only right to state that they have not operated, so far, to our disadvantage as regards revenue to any serious extent. The crops have been fairly good, and prices are high. Farmers are believed to be in a satisfactory position, and quite able to meet their obligations. Even in the cities and towns in the West, which are not manufacturing centres and have not been much helped by war conditions, payments have, on the

whole, been fairly met. You will notice from the accounts that, after paying management expenses, debenture interest, and other charges, including preference dividend for the year ended June 30, 1917, and an interim dividend of 2 per cent. on the ordinary shares, there was a surplus of £8,719 4s. 6d. This is a falling off as compared with last year, but it is explained by increased payments for income-tax, and the increase in the interest and bonuses on our short-dated debentures, rates having had to be advanced upon them in common with other similar securities. The directors propose out of the surplus to write £500 off preliminary expenses, to add £1,000 to the reserve, raising that fund to £12,000, and to pay a final dividend on the ordinary shares of 3 per cent., subject to deduction for income-tax, making the total dividend for the year 5 per cent., the same as in 1916. This leaves £5,719 4s. 6d. to be carried forward, as compared with £6,477 3s. 11d. last year. We have £7,128 13s. 4d. invested in Government securities, and also had £2,197 4s. 9d. cash in hand when the accounts were closed. I may call your attention to the fact that the item "sundry debtors in Canada" £15,176 10s. 10d., that is, interest in arrear and interest accrued up to the closing of our accounts but not then due, is very much the same as last year. The managers in Canada inform us that the company stands to lose very little of these arrears of interest, and the same remarks apply to the property account, which is referred to in the report. Perhaps I ought to remind you that while some of our outgoings are increasing, as already explained, owing to the war, we are not in a position to increase rates of interest on current loans. You may be assured, however, that the affairs of the company from every point of view are being watched with the closest attention both by the directors in London and by the advisory board in Winnipeg. The directors are of the opinion, having regard to all the circumstances, that the accounts will be considered satisfactory.

Mr. William Graham seconded the motion, which was carried unanimously.

What Balance Sheets Tell.

ROBERT YOUNGER, LTD.

A considerable expansion took place in the profits of this Edinburgh firm of brewers and maltsters during the financial year ended September. The sum available comes out £4,600 larger at £22,500, and after providing for the dividend on the preference shares, the distribution on the ordinary is raised from 10 per cent., less tax, to 15 per cent., tax free. Of the balance remaining, £5,000 is allocated to general reserve, and £500 added to the carry forward, which now amounts to £4,610. The improvement is, we should imagine, reflected in the accounts, but as the directors do not append the balance-sheet to their report, we are unable to tell what the position is.

MADRAS AND SOUTHERN MAHRATTA RAILWAY CO., LTD.

Following the recent practice of most of the Indian railways, this company has adopted the policy of issuing annual instead of half-yearly reports, and the accounts to March 31 last show very encouraging progress. Gross earnings of the entire system amounted to Rs. 5,19,74,000, an increase of Rs. 51,98,000, while the working expenses were Rs. 2,65,25,000, or 51.04 per cent., as compared with Rs. 2,46,39,000, or 52.67 per cent. There was consequently an increase of Rs. 33,11,000 in net earnings, the largest amount obtained since the amalgamation in 1908. Coaching traffic gave an increase of 22.42 lakhs, most of which was derived from ordinary third-class passengers, and goods traffic produced 29.20 lakhs more. To this increase general merchandise contributed 10.51 lakhs, coal 10.86 lakhs, and revenue stores 5.31 lakhs. As regards expenses, there was a saving of Rs. 1,62,000 in maintenance of way, but locomotive expenses rose Rs. 9,42,000, and special expenditure Rs. 8,98,000, while traffic expenses were Rs. 1,24,000 higher, but the whole system is very economically managed, as the reduction in the expense ratio shows. It is pointed out, however, that during the war all capital and revenue expenditure other than the minimum required for maintaining the railway in working order has been deferred, with the result that working expenses are abnormally low and net earnings inordinately high. The arrears of renewals which are thus accumulating will have to be dealt with when normal conditions are restored. To give some idea of the decrease in expenditure, it is mentioned that the shipments of English stores, which averaged £350,000 in the four pre-war years, fell to £227,000 in 1915-16, and to £82,000 in 1916-17. However, the reserve fund is being strengthened to maintain, as far as possible, an equal distribution of dividend. Surplus profits for the year, including interest on investments, amounted to £245,470, against £184,820 in 1915-16. Two interim dividends of 15s. and 30s. respectively have been paid, and a final dividend of 25s. is recommended, in addition to the guaranteed interest, but in future it is hoped to pay £3 in all each half-year.

BOVRIL AUSTRALIAN ESTATES, LTD.

Accounts for the year 1916 have only recently been issued, and we think the directors might try to issue them considerably earlier in future. Changes as compared with the previous year are mostly of a trifling character. Gross profit on cattle amounted to £40,500, a decrease of £800, and the net profit comes out £500 higher at £18,475, after providing for debenture interest.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK			GROSS TRAFFIC TO DATE		
	Week ending	Amount	In. or Dec. on last year.	Amount	In. or Dec. on last year.	
Assam Bengal	Nov. 3	Rs. 1,23,515	— 28,726	Rs. 5,94,799	— 1,07,494	
Barsi ..	Oct. 27	15,100	— 13,200	4,92,000	— 102,700	
Bengal & N.W.	Nov. 3	3,23,680	— 45,046	15,01,660	— 1,64,616	
Bombay Nagpur	Oct. 10	8,52,000	+ 1,76,000	3,64,357	+ 29,650	
Bombay, Baroda ..	Dec. 8	13,31,000	— 87,500	1,28,710	— 4,01,000	
Burma ..	Oct. 13	6,59,221	— 38,573	10,73,533	— 1,37,798	
Delhi Umballa	Dec. 1	95,901	+ 20,726	8,73,370	+ 1,54,646	
East Indian ..	Oct. 8	25,07,000	+ 2,54,000	2,30,12,000	+ 13,28,000	
Gt. Indian Penin. ..	Nov. 3	25,76,500	+ 2,89,600	2,03,33,600	+ 10,31,000	
L. & N. W. India ..	Nov. 3	35,738	+ 850	2,01,168	+ 23,801	
Madras ..	Oct. 10	9,50,000	+ 1,65,424	52,75,000	+ 3,02,400	
Nizam's Gd. (Broad)	Oct. 27	1,14,390	+ 15,874	4,52,597	+ 5,540	
.. (Metre)	Sept. 30	51,953	+ 5,072	2,28,359	+ 4,968	
Rohilkund and	Nov. 3	38,799	+ 4,247	1,99,458	+ 15,281	
Kumaon ..	Oct. 27	6,21,454	+ 74,818	23,81,664	+ 1,26,158	
South Indian	Oct. 27	6,21,454	+ 74,818	23,81,664	+ 1,26,158	

TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or Dec. on last year.	Amount	In. or Dec. on last year.
Bristol ..	Dec. 14	£ 11,206	+ £ 1,723	£ 5,10,126	+ £ 45,205
Dublin United ..	" 7	6,826	+ 751	329,590	+ 31,796
Hastings and Dist. ..	" 16	987	+ 148	61,712	+ 9,948
Isle of Thanet ..	Oct. 13	195	+ 141	350	+ 324
Lancashire United ..	Dec. 5	2,413	+ 722	115,357	+ 25,995
Provincial ..	Oct. 27	2,315	+ 201	9,138	+ 507
Yorks. (Wat. Rdng.)	Dec. 16	2,057	+ 427	166,740	+ 19,050

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or Dec. on last year.	Amount	In. or Dec. on last year.
Alabama Power ..	Oct. 5	£ 13,018	+ £ 22,071	£ 1,25,083	+ £ 361,340
Argo-Argentine ..	Dec. 16	53,994	+ 71	2,601,726	+ 40,407
Auckland Electric ..	Oct. 26	22,308	+ 880	92,118	+ 7,832
Brazilian Traction ..	"	M8,005,000	+ M744,000	M764,360	+ M602,300
Brisbane Elec. Inv. ..	"	33,580	+ 820	345,420	+ 2,000
British Columbia ..	Nov. 5	89,459	+ 5,038	829,155	+ 27,648
B.A. Lacroze ..	Nov. 5	39,619	+ 546	189,475	+ 1,214
Burmah Electric ..	Oct. 1	Rs. 27,748	+ Rs. 937	82,884	+ Rs. 4,844
Calcutta ..	Dec. 20	Rs. 71,748	+ Rs. 456	Rs. 326,4106	+ Rs. 1,981
Carthage and	Nov. 6	3,932	+ 1,680	45,142	+ 17,751
Herreras ..	Oct. 1	12,491	+ 1,052	95,376	+ 2,640
Cor. oba Light	" 20	13,011	+ 336	57,912	+ 39,885
P. & T. ..	Nov. 10	4,069	+ 365	40,615	+ 1,441
Hongkong ..	Dec. 15	16,985	+ 1,998	159,413	+ 4,850
La Plata ..	Aug. 8	Rs. 33,112	+ Rs. 3,174	Rs. 800,674	+ Rs. 73,566
Madras Electric ..	Nov. 5	65,467	+ 4,667	547,492	+ 70,625
Manila Electric ..	Nov. 5	215,256	+ 108,609	3,193,106	+ 197,227
Mexico ..	Oct. 27	5,858	+ 325	49,313	+ 1,975
Rangoon ..	Oct. 27	12,157	+ 86	529,661	+ 12,549
Singapore Electric ..	Nov. 5	444,813	+ 7,190	4,463,520	+ 247,886
Toronto ..	Nov. 5	31,06	+ 2,656	31,063	+ 2,656
United of Monte V. ..	Sept. 5	56,400	+ 8	404,400	+ 8
Vera Cruz ..	Oct. 1	91,96	+ 4,252	662,038	+ 313,038
Winnipeg ..	Oct. 1	91,96	+ 4,252	662,038	+ 313,038

b 28 days. * From Jan. 1. † Net. a From July 1. c Two weeks.

FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or Dec. on last year.	Amount	In. or Dec. on last year.
Alcoyand Gandia ..	Dec. 1	Ps. 11,501	+ Ps. 3,000	Ps. 531,020	+ Ps. 83,780
Antofagasta (Chili) ..	Oct. 16	52,670	+ 9,100	2,12,890	+ 386,458
Arauco ..	Oct. 31	14,500	+ 2,500	102,500	+ 17,000
Argentine N.E. ..	Dec. 15	10,200	+ 3,200	181,400	+ 21,198
Bilbao R. and Canta	Oct. 1	3,911	+ 1,426	35,861	+ 10,946
Bolivar ..	Nov. 5	12,000	+ 4,820	55,005	+ 18,501
Brazil ..	Aug. 5	M4,432,000	+ M532,237	M319,800	+ M37,9874
Brazil Gt. Southern	Oct. 1	M1,300,300	+ M2,080	M325,937	+ M43,467
B. Ayres & Pacific	Dec. 15	103,000	+ 20,000	1,020,000	+ 402,000
Do. Central ..	Sept. 1	13,317	+ 7,787	70,915	+ 4,287
Do. Gt. South'n	Dec. 15	122,000	+ 1,020	2,152,705	+ 370,549
Do. Western ..	" 16	61,000	+ 11,000	924,000	+ 337,000
Central Argentine ..	" 15	122,000	+ 23,000	1,990,700	+ 666,000
C. Ur'g'ay of Mto V. ..	" 15	19,071	+ 5,199	421,538	+ 127,047
Do. East'n Ex. ..	" 15	5,691	+ 601	110,957	+ 8,519
Do. North'n Ex. ..	" 15	3,756	+ 1,231	71,141	+ 22,965
Do. West'n Ex. ..	" 15	2,277	+ 14	47,993	+ 2,465
Cordoba Central ..	" 15	36,200	+ 10,800	690,263	+ 42,325
Costa Rica ..	Nov. 3	3,558	+ 1,190	55,255	+ 36,900
Cuban Central ..	Dec. 8	12,588	+ 3,800	272,135	+ 62,099
Dorada Extension ..	Nov. 10	8,000	+ 300	98,700	+ 7,500
Egyptian Delta ..	" 10	10,912	+ 1,736	152,215	+ 26,799
Entre Rios ..	Dec. 15	18,000	+ 7,300	298,200	+ 22,600
French Sante Fé ..	Aug. 1	132,000	+ 29,099	900,316	+ 173,429
Gt. South. of Spain ..	Dec. 8	Ps. 28,913	+ Ps. 27,605	Ps. 119,619	+ Ps. 43,100
Gt. West. of Brazil ..	" 15	23,000	+ 4,700	697,100	+ 140,850
Havana Central ..	Nov. 17	8,115	+ 1,493	147,563	+ 20,988
Inter. of C. Amer. ..	Oct. 6	10,839	+ 381	227,876	+ 29,867
La Guaira and Car	Nov. 5	6,500	+ 500	80,500	+ 4,750
Leopoldina ..	Dec. 15	32,147	+ 7,230	1,497,842	+ 243,684
Midland Uruguay ..	Nov. 1	15,745	+ 1,407	67,448	+ 7,537
Mogiana ..	Aug. 1	M3,211,000	+ M5,6074	M145,911	+ M40,07
N.W. of Uruguay ..	Nov. 1	630,500	+ 2,554	81,6074	+ 84,666
Nitrate ..	Dec. 1	30,191	+ 1,356	737,091	+ 84,443
Paraguay Central ..	" 15	2,800	+ 410	69,770	+ 7,170
Paraguay ..	Aug. 1	M4,904,000	+ M12,7274	M199,900	+ M172,000
Peruvian Corp'n ..	Nov. 1	S1,044,730	+ S108,970	S4,937,180	+ S472,530
Salvador ..	Dec. 8	21,051	+ 2,100	86,676	+ 81,003
State of Bahia S.W. ..	Nov. 1	M65,000	+ M45,000	M1,021,000	+ M66,000
S. Pau. (Brazilian)	Dec. 16	40,406	+ 7,808	1,54,914	+ 101,992
Sorocabana ..	Aug. 1	M2,67,000	+ M22,833	M1,95,900	+ M144,477
Taitai ..	Nov. 1	29,320	+ 12,432	121,328	+ 23,590
United of Havana ..	Dec. 8	45,437	+ 10,075	867,051	+ 1,7,358
West'n of Havana ..	" 8	7,601	+ 2,971	1,9,199	+ 26,003
Zaira and Huelva ..	Oct. 1	11,796	+ 207	113,284	+ 2,870

* Months. † From Jan. 1. ‡ From July 1. c Net. b 15 days. a 10 days

COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or Dec. on last year.	Amount	In. or Dec. on last year.
Beira ..	Aug. 5	£ 54,914	+ £ 12,277	£ 706,175	+ £ 4,297
Canadian Northern ..	Dec. 7	5,610,000	+ 81,900	19,199,600	+ 843,500
Canadian Pacific ..	" 14	2,9,800	+ 819,000	81,526,000	+ 8,171,000
Gt. Trk. Main Line ..	" 14	165,398	+ 35,040	1,003,560	+ 856,374
Gt. Trk. Western ..	" 14	3,733	+ 1,993	1,003,560	+ 856,374
Detroit G. H. & M. ..	" 7	12,109	+ 533	601,311	+ 13,663
Gt. Trk. Prairie Sc. ..	Sept. 5	47,070	+ 9,630	674,999	+ 169,400
Mid. of West. Aus. ..	Oct. 1	2,010	+ 931	25,356	+ 1,307
New Cape Central ..	Nov. 3	2,571	+ 843	80,985	+ 11,996
Rhodessa ..	Sept. 3	75,017	+ 11,644	1,011,764	+ 73,017

* Months. † July 1. ‡ Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.	Month.	Amount.	In. or Dec. on last year.
Atchafalpa T. & S. P.	Sept.	Dols. 3,933,000	+ 853,000	9	37,525,000	+ 4,302,000
Atlantic Coast Line	Oct.	757,000	+ 132,000	9	8,260,000	+ 337,000
Baltimore & Ohio ..	"	78,000	+ 581,000	9	24,800,000	+ 1,210,000
Canadian Northern	"	501,100	+ 620,200	4	2,515,100	+ 1,707,200
Chesapeake & Ohio	"	5,055,000	+ 1,393,000	10	37,377,000	+ 2,514,000
Chicago & N.W. ..	"	1,161,000	+ 218,000	9	10,129,000	+ 1,172,000
Chicago Burl. & Q.	Sept.	2,634,000	+ 4,400	9	19,485,000	+ 2,499,000
Chicago G.W. ..	"	3,593,000	+ 809,000	9	31,552,000	+ 794,000
Chicago Mil. & S.P.	Oct.	168,000	+ 17,000	9	4,271,000	+ 746,000
Chicago, Rock I. & P.	Sept.	1,599,000	+ 1,525,000	10	17,198,000	+ 4,559,000
Colorado & Southern	Sept.	1,664,000	+ 359,000	9	15,157,000	+ 1,977,000
Cuba ..	"	476,000	+ 47,000	9	9,319,000	+ 719,000
Delaware & Hnd. ..	"	75,896	+ 106,919	"	58,800	+ 123,699
Denver & Rio Gran.	"	673,000	+ 2,000	9	5,002,000	+ 193,000
Erie ..	"	742,000	+ 182,000	9	8,094,000	+ 876,000
Gr. Tr. Main Line ..	Oct.	812,000	+ 725,000	"	5,002,000	+ 193,000
Grand Trunk Western	"	1,157,500	+ 120,300	"	15,821,100	+ 4,471,300
Detroit G. H. & M.	"	6,27,850	+ 63,800	10	19,300	+ 1,361,350
Gt. Northern ..	"	614,000	+ 4,250	10	6,700	+ 1,900
Illinois Central ..	Sept.	2,636,000	+ 899,000	9	17,198,000	+ 2,282,000
Kansas City South.	Oct.	1,852,000	+ 135,000	10	16,073,000	+ 2,999,000
Lehigh Valley ..	Sept.	351,000	+ 77,000	9	3,400,000	+ 6,700
Louisville & Nashv.	"	811,000	+ 231,000	9	7,875,000	+ 1,050,000
Minn. S.P. (Soof) ..	"	1,472,000	+ 114,000	9	14,070,000	+ 250,000
Miss. K. & Texas ..	"	912,000	+ 316,000	9	7,051,000	+ 2,763,000
Missouri Pacific ..	"	76,000	+ 2,000	9	5,503,000	+ 2,344,000
New York Cent. & H.	"	1,630,000	+ 9,000	9	15,523,000	+ 1,111,000
N.Y. N. Haven & H.	Aug.	4,915,000	+ 1,221,000	9	39,447,000	+ 1,157,000
New York Ont. & W.	Aug.	2,061,000	+ 305,000	9	13,906,000	+ 970,000
Norfolk & Western	Sept.	150,000	+ 69,000	10	2,019,000	+ 45,000
Northern Pacific ..	Sept.	1,861,000	+ 125,000	9	16,005,000	+ 1,820,000
Pennsylvania East	"	2,388,000	+ 957,000	9	21,430,000	+ 31,000
and West Lines ..	"	10,356,000	+ 415,000	9	72,908,000	+ 11,917,000
St. Louis & San F.	Aug.	1,939,000	+ 464,000	2	3,560,000	+ 1,154,000
Seaboard Air Line ..	"	487,000	+ 34,000	8	4,070,000	+ 176,000
Southern ..	Oct.	3,104,000	+ 671,000	4	9,324,000	+ 1,749,000
Southern Pacific ..	"	7,077,000	+ 1,673,000	10	5,111,000	+ 8,294,000
Union Pacific ..	"	5,408,000	+ 39,000	10	35,733,000	+ 1,644,000
Wabash ..	Nov.	1,24,000	+ 134,000	10	10,209,000	+ 160,000

‡ Includes Wisconsin Central. * Gross earnings. † Surplus. b Deficit.

NOTICES.

IMPERIAL JAPANESE GOVERNMENT
4 PER CENT. LOAN OF 1899.

Coupon Due 31st December, 1917.

IMPERIAL JAPANESE GOVERNMENT 4 PER
CENT. LOAN OF 1905.

Coupon Due 1st January, 1918.

NOTICE IS HEREBY GIVEN that the above COUPONS will be PAID on and after the 31st December, 1917, and 1st January, 1918, respectively (Saturdays excepted), between the hours of 11 and 3, at the Yokohama Specie Bank, Ltd., where lists may be obtained.

Coupons must be left three clear days for examination prior to payment.

The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

Vol. XL.—No. 1,043.]
NEW SERIES.

[Registered as a
Newspaper.]

SATURDAY, DEC. 29, 1917.

[Price 6d.]

CONTENTS.

Passing Events:—National War Bond Sales — Revenue — Mr. Bonar Law on the Conscription of Wealth — Coal Conservation — Australia and Conscription — Sir Joseph Ward's Triumph — British Manufacturers' Corporation — New Zealand Loan and Mercantile Agency — Power Gas Corporation — Canada Investment — Burma Railway — Law Guarantee Trust — Central Railway — Taitai Railway — Richardsons, Westgarth — Minerals Separation — Pekin Syndicate (pp. 655-9).

Leading Articles:—The War: and Some Thoughts on the True Peace — Course of Retail Prices, 1914-17 — By-the-Way War Notes (pp. 659-61 and 665-7).

Money and Credit Notes:—Treasury Bill Rates Reduced — Unsettled Market Conditions — Bank Returns — Exchange Fluctuations — Forecast of Banking Results — Austro-Hungarian Gold Stock — Silver (pp. 662-4).

American Business Notes:—Kaiser's Peace Terms in America (p. 667).

The Week's Stock Markets (pp. 661-5).

London Produce Markets (p. 665).

Answers to Correspondents (p. 667).

Letters to the Editor (p. 668).

Insurance News:—London and British Law Fusion — Danish War Rates Reduced — Expansion of Marine Business in America (p. 667).

Mining News:—Russian Mining Corporation — Giant Mines (p. 669).

Tea, Oil, and Rubber:—Restriction of Output Agitation — Tandjong Rubber Co. — Bukit Kajang Rubber Estates — Bantam (Java) Rubber Estates (p. 669).

What Balance Sheets Tell:—British Empire Land, Mortgage and Loan Co. — Army and Navy Investment Trust Co. — Government and General Investment Co. — Idris and Co. — Pan de Azucar Nitrate Co. — Peek Bros. and Winch — India-Rubber, Gutta-Percha, and Telegraph Works Co. (pp. 669-70).

Company Meetings:—The National Bank of Scotland — Forum River (Nigeria) Tin Co. — Amalgamated Press — Bantam (Java) Rubber Estates (p. 670-1).

The Week in Mines (p. 668).

Books Received (p. 671).

Traffic Returns (p. 672).

Dividends Announced (p. 672).

CANADA.

THE DOMINION BANK.

Head Office, TORONTO.

Total Assets - - \$97,061,000.

SIR EDMUND B. OSLER, M.P. (Canada), President.

W. D. MATTHEWS, Vice-President.

C. A. BOGERT, General Manager.

London Branch, 73, CORNHILL, E.C. 3.

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.
General Banking business transacted. Information furnished regarding Canadian matters.

ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

PAID-UP CAPITAL .. £2,000,000
REST AND UNDIVIDED PROFITS 914,968
DEPOSITS 26,177,865

Head Office: ST. ANDREW SQUARE, EDINBURGH.

Cashier and General Manager, A. K. WRIGHT. Secretary, J. B. ADSHEAD.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager. ALEX. DICK, Deputy-Manager.

Glasgow Office: EXCHANGE SQUARE.

A. DENNISTOUN, Agent. THOMAS LILLIE, Sub-Agent.

167 Branches throughout Scotland.

Banking Business of every description transacted. Accounts opened and Agency business undertaken for Foreign and Colonial Banks and other financial establishments. Drafts, Circular Notes, and Letters of Credit issued—available throughout the world. Cable transfers are also made. Deposits received at interest repayable at call or at notice. Correspondence invited.

THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,980,000; together £3,980,000

Reserve Liability of Proprietors .. 4,000,000

Total Capital and Reserves .. £7,980,000

HEAD OFFICE - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital Yen 48,000,000
Capital Paid Up Yen 36,000,000
Reserve Fund Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Antung-Hsien.	Harbin.	Nagasaki.	Shanghai.
Bombay.	Honolulu.	Newchang.	Singapore.
Calcutta.	Hong Kong.	New York.	Sydney.
Changchun.	Kobe.	Osaka.	Tiehling.
Dairen (Dalny).	Liaoyang.	Peking.	Tientsin.
Fengtien (Mukden).	Los Angeles.	Ryojun (Port Arthur).	Tokyo.
Hankow.	Lyons.	San Francisco.	Tsinanfu.
		Seattle.	Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital - £1,000,000.	Subscribed Capital - - 225,000
Paid-up Capital £500,000	
Reserve Fund 540,000	
	£1,040,000
Uncalled Capital 125,000	
Reserve Liability of Shareholders 625,000	
	£1,790,000

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD Manager.

BANKS.

STANDARD BANK OF SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province, to the Imperial Government in South Africa, and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL	£6,194,100
PAID-UP CAPITAL	£1,548,525
RESERVE FUND	£2,000,000
UNCALLED CAPITAL	£4,645,575
	£8,194,100

BOARD OF DIRECTORS.

Wm. Reiersen Arbutnot, Esq.
Sir David Miller Barbour, K.C.S.I.,
K.C.M.G.
Robert E. Dickinson, Esq.
James Fairbairn Finlay, Esq., C.S.I.
Horace Peel, Esq.
William Smart, Esq.
Right Hon. Lord Sydenham, G.C.S.I.,
G.C.M.G., G.C.I.E., G.B.E.
H. L. M. Tritton, Esq.

HEAD OFFICE: 10, CLEMENTS LANE, LOMBARD ST., LONDON, E.C. 4.

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OVER 250 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

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DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

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FRANCIS SHIPTON, London Manager.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	£1,500,000
Capital Issued	1,125,000
Capital Paid Up	562,500
Reserve Fund	600,000

Branches:

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On current accounts interest is allowed at 2 per cent. per annum on daily balances.

THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital	£4,000,000
Paid-up Capital	1,800,000
Reserve Fund	2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, São Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILI—Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

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THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office: 71, Old Broad Street, E.C. 2.

Subscribed Capital	£1,275,747 10 0
Paid up Capital	669,670 0 0
Reserve Fund and Undivided Profits	375,680 11 8
Reserve Liability of Proprietors	606,962 10 0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

THE WESTERN AUSTRALIAN BANK.

Established 1841.

Paid-up Capital .. £250,000 0 0 25,000 Shares of £10 each.

Reserve Fund .. £700,000 0 0 Reserve Profits .. £16,088

Reserved Liability of Shareholders £250,000.

Drafts issued, Remittances cabled, Bills negotiated or collected, Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents, The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

BANKS.

BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital	£3,894,980
Reserve Fund	2,800,000
Reserve Liability of Proprietors	3,894,980
	£10,589,960

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.

H. L. M. TRITTON, Esq.

WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager.

J. S. CAMPBELL, Secretary

HALKERSTONE MELDUM,

DAVID GEDDIE,

Assistant Manager.

Accountant

The Bank has 337 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office—35, Lombard Street, E.C. 3.

Subscribed Capital	£1,078,875 0 0
Paid-up Capital	539,437 10 0
Further Liability of Proprietors	539,437 10 0
Reserve Fund	500,000 0 0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

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BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION Manager

BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, Queen Victoria Street, London, E.C. 4.

AUTHORISED CAPITAL £5,500,000

SUBSCRIBED CAPITAL.

Four per Cent. Guaranteed Stock	£529,988
"A" Preference Shares issued to New Zealand Government	500,000
"B" Preference Shares issued to New Zealand Government	250,000
Ordinary Shares	1,500,000
	£2,779,988
Reserve Fund and Undivided Profits	£2,240,595

Negotiates and collects Bills of Exchange.

Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager

INSURANCE.

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NOTICE IS HEREBY GIVEN that the COUPONS of the above-described Loan, due on the 10th January, 1918, will be paid on and after that date (Saturdays excepted), between the hours of 11 and 3, at the Yokohama Specie Bank, Ltd., where lists may be obtained.

Coupons must be left three clear days for examination prior to their payment.

For the Yokohama Specie Bank, Ltd.,

K. TATSUMI, Manager.

7, Bishopsgate, London, E.C. 2,

24th December, 1917.

The Investors' Review.

Vol. XL.—No. 1,043.
New Series.

SATURDAY, DEC. 29, 1917.

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One Year, £1 5s. 0d. Six Months, 12s. 6d. Three Months, 6s. 6d.

For the Colonies and Abroad the charge is

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Letters from correspondents must, in every case, be authenticated by the name and address of the writer.

The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and they cannot accept responsibility for statements made therein.

ANSWERS TO QUERIES.

One Reply to One Question — One Shilling. Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

Telegrams advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

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Passing Events.

Again quite a good time was enjoyed by the Treasury last week in its National War Bond campaign. The Bank of England received or had notice of applications to the number of 20,348. This was 5,044 less than the number of the previous week, but the amount applied for was £225,180 larger at £18,025,357, which was just about the amount of two and a half to three days' expenditure. The total sales to date numbered 194,249, and represent £187,319,734 paid in to the Treasury, which is not so bad, all things considered. Post Office dealings in War Bonds meant the sale of 173,200, or 70,600 more than in the previous week, and signified that £3,901,000 was handed over, an increase of £1,666,000 on the preceding week's "take," which was £2,235,000. Adding the week's transactions to the heap, we get total applications through the Post Office to date of 364,000, and meaning in money £8,870,000. Business was also tolerably brisk in War Savings certificates, of which 1,430,602 were sold last week, making the total number sold up to then 134,562,284. In money that would represent a receipt by the Treasury of about £104,300,000. These figures are all satisfactory as far as they go, and would be eminently so did they represent an income commensurate with our necessities, but they do not provide for a half, nor even a quarter, of these necessities, and Mr. Bonar Law and his officials will have to bestir themselves and find a new stimulus, before they bring the whole credit market down about their ears.

Last week's accounts need not detain us, because we shall have the summary of income and outgo for the expired nine months of the current fiscal year in our hands by Tuesday morning next. It is worth noting, however, that only £46,483,000 is set down as having been spent on supply last week, so that the daily average of disbursements were £6,640,429 under this rubric alone. The total disbursements for all purposes were £116,323,875, against which the Treasury scraped together an income of £116,632,082. The difference between these two figures was met by drawing down the Exchequer balances by £692,000, reducing them to £18,333,336. Treasury bills to the amount of £51,402,000 were sold and £64,165,000 of due bills redeemed. This meant

that the total of these bills outstanding was reduced by £12,763,000 to £1,057,094,000. National War Bonds brought in £18,697,000, against £24,923,000 in the preceding week. The actual revenue of the week from taxation and monopolies was £11,311,000, and of that total less than usual came from excess profits, &c., and income-tax. Excess profits and munition levy yielded £3,777,000, and income-tax £1,229,000. In spite of the good receipts from the various instruments for raising the wind, the Government had to get £9,000,000 from the Bank of England on ways and means, and the total of such borrowings now amounts to £270,655,000.

A curious extract from some observations made by the Chancellor of the Exchequer to a deputation of trades unionists, has been dragged to the light by the *Daily Chronicle*. According to this authority he told the deputation that the conscription of wealth was not practicable during the war, but that as a post-war question he recognised that the future burden of the National Debt, if borne by taxation, would be a burden on industry, and proceeded to say that it was really a burden which will rest practically on the wealth that has been created and is in existence at the time the war comes to end, a burden which should not fall merely on the wage-earning classes, or on the people with small means, but upon the wealth that exists at the time, so that it would not be there "as a handicap on the creation of new wealth after the war." We have tried to imagine what this limitation could mean, and have quite failed. Granting that there should be "a conscription of wealth," it is in Mr. Law's opinion a mere matter of expediency, and one which concerns mainly "not the working classes, but the people who have money." That is to say, it is a question whether it will pay them best, and pay the country best, to have a general capital levy and reduce the National Debt as far as you can by that wholesale confiscation, or have it continued for 50 years as a constant burden of taxation. His own feeling, though he admits that he has not thought the question out, was that it would be better, both for the wealthy classes and the country, to submit to this levy on capital and so reduce forthwith the burden of the National Debt. That is his feeling, and the revelation of it is quite interesting, for he may be right. We hope he will think over this subject,

therefore, and tell us by and by how he would proceed to enforce this levy. Would it be by limiting everybody's spending power, say? Suppose an individual has £50,000 a year, would the Government for the time being say to this individual, "We can only allow you £5,000, the other £45,000 must go in reduction of the National Debt until it is wiped out"? But then we fear, were this applied all round, it would for a long time make but slender impression on the capital of that debt because so much of such income would be absorbed in interest. It might, therefore, be necessary to go further and say, "We shall only leave you property sufficient to give you a return of, say, £1,000, £2,000, £3,000 per annum," according to your position and functions as an individual or family; all the rest of your property we shall appropriate in bulk. That would involve the forcing into the market of wholly unusual and unmanageable masses of property to be divided up and sold. Would the new wealth beginning to come into existence when peace left the world free to work be sufficient to absorb all this property under the proposed limitation of income? That is a problem for the Government to tackle, but whether they can solve it or not is a matter upon which we shall express no opinion now. Evidently, however, the present Ministry is contemplating the payment of debt by the confiscation or appropriation of as much as it can grasp of the nation's realised or accumulated wealth. And that may mean much cheap land on the market by and by for one result.

An interesting suggestion has been put forward in an interim report by the sub-committee on Coal Conservation, of which Viscount Haldane is chairman. This is no less than a proposal to save, say, £100,000,000 a year by remodelling our electricity supply. Instead of having the generation of electricity scattered about all over the country haphazard in little power stations, the committee suggests that a great generating station should be erected in centres where coal is to be had at the door, as it were. It says that the amount of coal used in the United Kingdom for the production of power now is 80,000,000 tons a year, and that the coal costs £40,000,000 at the pit-head. Adopt the new system of centralised generating stations, and 45,000,000 tons of coal would provide all that the country required at a cost of £13,000,000. This direct saving, together with the saving of by-products now wasted by burning the coal in open grates and boiler furnaces, &c., would mean a national economy of £100,000,000 per annum. It is a tempting suggestion, and there is no reason why it should not be proceeded with, if the nation will take it in hand itself. The idea is not new. Many years ago private enterprise attempted to introduce a central power station in South Wales which was designed to create electric power in mass, and very cheap, by burning up practically all the rubbish of the coal pits. A similar enterprise was put in operation by the same people in Durham, and out of it, we believe, has come the development in the north of an exceedingly valuable and economical source of electricity in bulk. In South Wales the people who should have most profited by lending support to the company seem to have laid themselves out to kill it, in the hope, perhaps, of buying up the enterprise at scrap figures. Anyhow, its shareholders lost all their money, and received some of its preference shares in payment of its account. But if the Government really takes up and patronises a scheme of the kind, and if the users of electric power will loyally take it in hand, it should prosper, and gradually produce a radical change in the conditions under which most of our manufactures are now produced. The sub-committee suggests that the generating stations should be of not less than 20,000 h.p. each, and in more important industrial districts machines generating as much as 50,000 h.p. might be advantageously employed. Furthermore, if to the generators situated where coal is easily got the country were to add others dependent upon water power, in a comparatively brief term of years almost everything every-

where requiring motive power might be endowed therewith by electric current at a very low cost. For the power required by our railways we continue to think that water force should as far as possible be relied on, and coal used only when water was not obtainable. Then the working of our railways, unified and consolidated as it will have to be, might become easy and incomparably cheaper than it has ever been.

Are we to suppose that the Australians have become indifferent to the war, and no longer see eye to eye with us in its prosecution? By no means. The fact that in the end of last week the majority against conscription had risen to 180,000, viz., 870,000 for and 1,050,000 against, has really nothing to do with the attitude towards the war of the Australian people. This journal has never joined the agitation for conscription in that part of the British Empire, and for a very good reason. Australia has not population enough to be saddled with conscription except at the cost of crippling its productive capacity in all directions. This is probably at the root of the growing opposition to the grandiose Mr. Hughes. That gentleman made a great sensation over here, or was utilised to manufacture a sensation in order to hurt the Government by the wire-pullers of the lose-the-war Press, and he seems rather to have lost his head, or at least his bearings. So when he returned to Australia he began an agitation in favour of imposing conscription upon the people. He has persevered until defeated, but no real harm has been done except to himself and his partisans. All that is lost for the time being is the service of this brilliant rhetorician, and without disparaging him in the least, we believe this loss can be borne with equanimity. We have no doubt whatever that Australia will continue to send its men and its means to help us to end the war, and to the utmost of its capacity.

A most interesting description of Sir Joseph Ward's triumph in hustling money at 4½ per cent. out of wealthy New Zealanders is given in Thursday's *Times* by its Wellington, N.Z., correspondent. The story had best be given in his own words. After recounting the success of the first local loan, which produced £11,000,000 at 4½ per cent., or £3,000,000 more than was asked for, the correspondent goes on to tell how the second triumph was secured:—

On this occasion Sir Joseph Ward has not hesitated to go very much further along the same lines [*i.e.*, the lines of penal taxation]. In his Budget speech he announced that, with a war expenditure now estimated at about £1,900,000 a month, it would be necessary to ask authority for the borrowing of £24,000,000 during the current year. In view of the conditions of the money market he proposed to raise the whole of this amount locally. He asked for half of this amount at less than three weeks' notice, and was generally considered to be carrying the method of "hustle" too far, but his wisdom was amply justified by the result. When the applications closed on September 3, the £12,000,000 for which he had asked was over-subscribed to the extent of nearly £4,000,000. The total locally subscribed for war purposes in less than 13 months is thus about £27,000,000, and if the £2,000,000 raised in the Dominion for public works in 1915 be added the total is £29,000,000, or £29 per head.

"Pray, how did he manage to do it?" By penal taxation. If manhood could be conscripted to go and fight in Europe and Asia for the Empire, why not wealth? Why not, indeed? The masses were all with Sir Joseph. So he got the Parliament to consent to a plan by which every possessor of an income of £700 a year was made liable to contribute to the new loan a sum "equal to three times the amount of his combined income-tax and land tax last year." If the rich man failed to come up to the scratch he was to be further penalised with a tax equal to double the amount of his land and income-tax combined, and the country, rich and poor, is declared to be wholly with this bold finance Minister. When shall we have a man so masterful?

An interesting scheme for the furtherance of our foreign trade after the war is put forward by Mr. G. C. Mandleberg, of Pendleton, Manchester. Only

comparatively few manufacturing firms in this country could afford the expense of maintaining their own agents abroad, and even the largest could not be adequately represented everywhere. Smaller firms had to be content with occasional visits to their principal customers or on the good offices of commission agents, who might be more interested in pushing rival wares. In most cases, knowledge of local conditions and local requirements was extremely scant, and if modifications in standard patterns were suggested often enough the prospects of trade did not seem to warrant the cost of making the alteration. German "ambassadors of commerce," on the other hand, generally represented groups or "cartels," so that their expenses were distributed over a comparatively large area; they soon became familiar with every dialect of the country to which they were accredited, and quickly mastered the local technicalities which mean so much to purchasers as well as producers. That is probably the basis of Mr. Mandleberg's scheme. He suggests the formation of a British Manufacturers' Corporation, embracing, say, a thousand members, each subscribing £100 or £200 per annum. Such a fee would be trifling to any firm that hopes to do a foreign trade. This corporation would appoint what may be termed agents-in-charge, who would act in a purely advisory capacity, not as selling or commission agents. They would have to be well paid, and would be selected for their intimate knowledge of the district for which they would be responsible. There is a Britisher of that description already in every corner of the globe, and it would not be at all difficult to secure the services of the right men in important centres all over the world. The agent-in-charge would superintend selling arrangements for every firm in the organisation, would be in the best position to know the right persons to appoint to represent individual firms or groups where such were required, could report on the standing of purchasers, act under power of attorney where litigation in connection with bad debts, trade disputes, &c., is necessary, and generally report to the central committee on all commercial matters and prospects affecting his district. There is nothing in the least fantastic about this scheme. Manufacturers simply band themselves together as a mutual protection and aid society without risking any loss of individual initiative, while the advantages of some such organisation are too obvious to require insisting upon. We have no faith in Government coddling, and believe that traders get the best help by helping themselves, but it is quite certain that individual efforts will have to be co-ordinated in the future if the best results are to be obtained.

Conditions in Australia and New Zealand were more favourable for financial business during the year ended June last than in the previous period, and the New Zealand Loan and Mercantile Agency Company is able to report vastly improved results. Operations yielded a gross revenue of £617,100, an increase of £88,400, and expenses only increasing by £35,000, net profit, after providing for debenture interest and writing £20,000 more off premises account, comes out £33,350 to the good at £166,980. After providing for the preference dividend, setting aside £5,500 more to war and staff bonus fund, and allocating £25,000 to general reserve and £15,000 to dividend equalisation reserve account, as against £20,000 and nil respectively a year ago, the distribution on the ordinary stock is raised from 6 to 7 per cent., and £7,000 more at £96,000 carried forward. Several large movements have taken place in the balance-sheet. Investments at £602,400 are £196,066 up, cash at £621,500 exhibits an increase of £62,300, and current accounts total £100,600 more at £861,000. On the other hand, secured loans and other advances are down £67,300, advances on wool and produce account for £138,750 less at £238,000, and current credit accounts are £66,600 up. Pastoral and agricultural products generally throughout Australia are said to be good,

while the business outlook in New Zealand is on the whole encouraging.

The Power Gas Corporation is an enterprise holding the patents for the production of Mond gas with simultaneous recovery of sulphate of ammonia. It also manages the engineering business of Ashmore, Benson, Pease and Company, besides owning a large share interest in the South Staffordshire Mond Gas and other companies. Needless to say, the corporation finds conditions of working very difficult at the present time. There is a shortage of raw materials and labour for all purposes not directly connected with the manufacture of munitions, and the various exigencies of war-time have compelled a discontinuance of gas plant exports, except where in a few cases gas producers were urgently required by the Allies. The Stockton works have, however, been fully occupied on work of great immediate importance, and the turnover of Ashmore, Benson, Pease and Company, in general constructional engineering has grown to such an extent that it has become a self-supporting business, while the South Staffordshire Mond Gas Company, which has been lately able to secure higher prices for gas, is improving its position. For the financial year ended September 30 a profit of £21,900, subject to excess profits duty, if any, was made, an increase of £720, and after again making up the dividend to 6 per cent., and allocating slightly more to reserve, there remains £2,550 to go forward. In the balance-sheet there is apparently less outstanding in respect of contracts partly executed, but cash receipts have been good, and the financial position exhibits a considerable improvement. There should undoubtedly be a promising future for chemical fertilisers, but one wonders what effect the competition of the atmospheric product is likely to have in the future upon the production of sulphate of ammonia with which the corporation is so intimately concerned.

War taxation is a great burden on investment companies, and as the last financial year of the Western Canada Investment Company synchronised with considerable expense in connection with the reorganisation of the debenture issue and a higher rate of interest thereon, the nett revenue shows a reduction of £3,380 at £6,750. A little more was brought in, with the result that the decrease in the amount available is reduced to £2,700. The dividend is maintained at 5 per cent., which, under the circumstances, is satisfactory enough. After setting aside £1,000 less to reserve and writing £500 as against £1,000 off preliminary expenses, there remains £5,720 to go forward. In view of the fact that large sums would be falling due annually in the next few years, the directors undoubtedly adopted a wise precaution in rearranging the debenture issue; it has naturally entailed an increase in the annual charge, the rate, in effect, now averaging 5 per cent., but this is the unavoidable sequence of war conditions.

Excellent results were obtained by the Burma Railways Co., Ltd., in the year to March 31 last, and a point of exceptional interest is the fact that in spite of a large increase in traffics working expenses showed only a slight advance, while the ratio to receipts actually fell from 57.38 per cent. to 51.48 per cent. The directors, however, are careful to point out that, apart from the economy of working, this result was largely due to the impossibility of procuring materials for renewals under existing circumstances, and increased expenditure will therefore have to be faced when normal conditions are re-established. Converted into sterling, gross earnings amounted to £1,488,000, an increase of £156,000, of which £31,000 was due to coaching receipts and £121,000 to goods traffic. Rice and paddy contributed the bulk of the improvement in goods receipts, but there were also substantial increases in fruit, vegetables, pulse, hides, sugar, and firewood. Working expenses amounted to £766,000,

an increase of only £1,500, and the nett earnings were £154,000 higher at £722,000. Consequently the directors are able to pay what has come to be regarded as the regular dividend of 5 per cent. (2½ per cent. guaranteed), and to raise the bonus from 1 per cent. to 2 per cent., making a total return of 7 per cent. for the year. There then remains a surplus of £107,000, subject to income-tax as against £86,000 brought in. At all points the company appears to be making sound progress, and it has an assured future as the country it serves becomes more fully opened up. It may be of interest to mention that in connection with the war the company has supplied the Government with 115 miles of rails, 400,000 sleepers, 16 locomotives, 27 coaches, and 260 wagons, so that its ordinary business must have been conducted under considerable difficulties.

Some eight years have elapsed since the sensational collapse of the Law Guarantee Trust and Accident Co. caused a painful flutter in legal and financial circles. But the liquidation is not yet completed or the unsavoury incident might well have been forgotten long ago. Under the scheme the liquidators were allowed till next year to wind up the affairs of the company, but owing to the war it will be necessary to get an extension of time, and as this is all in the interests of the creditors there is not likely to be any opposition. Meantime, they are receiving 3 per cent. interest on their claims, and they are shortly to get a dividend of about 5s. in the £, so that they are coming out of the tangle much better than was at one time anticipated. There does not, however, appear to be much hope for the unfortunate shareholders. They had to meet calls amounting to £1,000,000, and the actual amount already collected—£873,000—is considerably larger than the liquidators estimated. Many of them can no doubt afford the loss without undue discomfort, but there are others on whom it must press very severely, and the moral seems to be that there are comparatively few shares with uncalled liability which are suitable investments for persons of moderate means.

Although war conditions have brought a partial compensating factor in the form of a substantial traffic in wood for fuel, the Cordoba Central Railway Co. has fared much worse than other foreign-owned railways in the Argentine. For in addition to cereal crop failures and damage in varying degree to the fruit and vegetable crops the sugar crop has suffered to such an extent from drought and frost that it is likely to prove to be a disappointing source of revenue for several years to come. The importance of this traffic will be realised when it is borne in mind that of a total gross take of £1,691,700 in 1914-15 no less than £385,400 was derived from the carriage of sugar products, sugar, and alcohol, apart from resultant up traffic, much of it of the higher class. The wood and charcoal traffic is not very profitable, as it bears a relatively low freight rate and involves a great increase in the ton-mileage, but it is a useful stop-gap. It is satisfactory, however, to note that the expenses per ton-mile were reduced 5.97 per cent. Considering the enhanced cost of stores and materials these results reflect great credit upon the management. The tonnage of goods traffic handled during the year was 150,000 smaller at 1,942,600, but it yielded £23,300 more revenue at £1,136,700, due to the increase of £128,000 in firewood and charcoal, more than offsetting decreases in other respects. Receipts from passenger traffic fell away £24,000 to £270,400, but this shrinkage was almost neutralised by increases in other items of revenue, with the result that total receipts at £1,565,300 come out £20,750 to the good. Working expenses unfortunately, however, absorb £49,000 more, so that nett income, after being augmented by an increase of £15,000 from miscellaneous items of revenue, comes out £13,000 below that of the previous year at £425,800. After meeting fixed charges there remains a nett profit of £76,400, from which is deducted the debit of £60,700 brought forward,

leaving £15,710 to go forward to the next accounts. The cereal crop outlook is said to be promising, and there seems quite a reasonable prospect of some improvement in the revenue position during the current year, but too much must not be expected. The scarcity of shipping is a difficulty of the first magnitude, and wheat is likely to have preference over maize, with the carriage of which the company is so largely concerned.

With the production of nitrate in Chile during the 12 months ended June last constituting a record, the tonnage carried over the Taltal Railway system was 37,300 less. This was due to the difficulty some of the producers had in disposing of their product through the Chilean Government to the United States of America in September last; but matters have now improved, and traffics for the five months to date exhibit an increase of £25,590 at £121,300. In the year under review the receipts from down traffic were £8,710 less, but fortunately up goods yielded £13,300 more and gross receipts come out £8,200 to the good at £234,100. Working expenses were £5,700 higher at £117,350, and with minor items nett revenue comes out at £153,220, an improvement of £3,280. After providing for debenture interest and setting aside £14,000 as against £20,000 to reserve and depreciation, the dividend is raised from 8 to 9 per cent., leaving £1,350 more at £28,370 to go forward. As regards the future, the general manager points out that the cost of all material has advanced enormously, and that there is a good deal of uncertainty as to whether the nitrate industry will be able to obtain all the fuel they require. One favourable circumstance the company is likely to have with it during the current year is a high gold exchange, which should go a long way towards counteracting increased expenses.

It is satisfactory to see that the directors of Richardsons, Westgarth and Co., Ltd., did not put any special pressure on the shareholders to accept the capital reduction scheme, which had the approval of such a high authority as Sir Wm. B. Peat. On the face of it the preference shareholders appeared to be very badly treated. They were asked to sacrifice 6s. per share of their capital, surrender their cumulative rights, and forego payment of any arrears until the ordinary shares receive 6 per cent. It is true that the ordinary holders were to have 13s. per share wiped off, but as they have the reversion to all surplus profits, it makes little practical difference whether the nominal value of their shares is £1 or 1s. We have always maintained that when a company gets into difficulties, the preference holders, as partners, must be prepared to make some sacrifice, just as debenture-holders and other creditors often have to do, but in this case we think they were asked to give up too much. At any rate, the directors, in face of the opposition to their scheme, adopted the right course in accepting the appointment of a small committee of both classes of shareholders to confer as to modifications which would be acceptable to all parties. We are glad to learn that the business has been making steady progress in recent years, and there is every reason to hope that it will yet establish itself on a sound and prosperous basis.

Shareholders in Minerals Separation, Ltd., have had to wait long and patiently for any return on their investment, but they have come home very handsomely at last. They receive for every share held the two trust certificates in the Minerals Separation North American Corporation, which are likely to become exceedingly valuable, and also a cash interim dividend of 50 per cent. in respect of the current year. That is a highly encouraging start. Hitherto the company has been terribly hampered by litigation in establishing its patents, first in one Continent and then in another, but with the decisions given in its favour first by the Privy Council and subsequently by the Supreme Court of the United States its position now appears to be unassailable. Moreover, it continues to make fresh discoveries

with regard to the economic treatment of refractory ores, and the chairman was able to announce at the recent meeting that they are now able to deal with a class of ore which completely baffled them a year ago. The science of metallurgy has made wonderful strides in the past few years, and it is very gratifying to learn that a British company has been leading the way all the time.

One or two interesting items of information leaked out at the formal meeting of the Pekin Syndicate, Ltd., last week. The chairman, Mr. T. Barson, has been detained in China on the corporation's business, and a full statement of the position will not be placed before the shareholders till his return, which, it is hoped, will be soon. Meantime, we are glad to learn that relations with the Chinese are now of a very friendly character; and instead of the company having, as in the past, to seek in vain for markets for its coal, the difficulty is more likely to be one of getting enough coal to supply the demand. In November, according to cabled advices, the total sales amounted to 160,000 tons, and if we recollect aright that represents a very large advance on previous achievements. The adjourned meeting promises to be an exceptionally interesting one.

The War—and Some Thoughts on the True Peace.

Europe is nearly half through the fourth year of this war which most of us thought when it began would be over in less than one year. This writer among the rest, being ignorant of German moral depravity, did not look at first for the fighting to last much more than a year. But he recognised its to-the-death character from the first, and from the beginning was strenuously opposed to any peace with the ruling castes in the two abandoned Empires. "There can be no mercy for the human race in a patched up peace," he wrote in February, 1915, and added, "here lies the great danger for the Allies." Every month that has passed since these words were written has accentuated this danger of a deceptive peace. It is the supreme danger confronting us this winter, and, if we are not vigilant, may by next spring develop influences powerful enough to compass our betrayal into what would amount to ruin and slavery. Look at the Caillaux intrigues now being dragged into the light of day in France. A leading French politician is alleged to have been advocating an alliance between Germany and France in order to crush Russia and England. Could anyone beforehand have guessed that such a cold-blooded betrayal was possible for a Frenchman? A Semitic international financier might be mixed up with such an agitation, and been ready to have egged on a Frenchman, because himself possessing no sense of nationality; for the conscience of nationality must in the nature of things be weak among the rich Jews. Questions vital to a nation's life are therefore apt to be ignored or misconceived by such at critical junctures under the menace of impending losses. High finance stands to lose more by this war, especially by its prolongation until the Central Empires are utterly ruined, than by all the worst wars the world has ever hitherto suffered from. Therefore combinations, alliances the most fantastic may find advocates, and the cry for peace is now making itself heard in all quarters and amongst unexpected classes of society everywhere, and as we are all war weary the danger is great that we may be hustled or betrayed into a ruinous peace.

Are there no men of the Caillaux stamp here? Surely; quite a multitude of them. Their motives may not all be ignoble; probably a portion of them esteem themselves to be true patriots, anxious only to end the slaughter; but all none the less are working for a peace that would defeat liberty everywhere, that would seal the doom of the British Empire and all it to-day stands for, and betray Belgium, Alsace-Lorraine, Poland, Russia, Rumania, Serbia, Greece, and the oppressed

victims of Turkish tyranny. Some are inspired by a sentimental love of the "old Germany" of their dreams and by many fantasies unconnected with the vital issues involved in this conflict, a few, perhaps, admirable, all more or less German in origin and motive. Others follow the flickering will-o'-the-wisp of Socialistic panaceas, others still demand peace soon merely because they are war weary. These last we may commiserate, but all must be told with no uncertain voice that there can be no peace until the enemy, the most dehumanised enemy civilisation and righteousness ever had to face, has been humbled in the dust and bereft of his murder tools. As impudently as ever, and as callously, the Prussian scourge and his Habsburg vassal proclaim their intention to steal all they can of other people's lands and goods, in order that they may dominate and attain to exclusive wealth. Now, as ever, they are perfectly oblivious to human rights and liberties, and the connecting link giving cohesion is the all-pervading financial Jew. They would hand over Belgium and Northern France to Germany so as to make sure of possessing advantageous seaports, valuable for the development of their overmastering trade, and because they contain abundance of coal and iron, guarantee of future trade dominance, and insuring as they think the mastery in future wars. They claim for the Germans Livonia and Courland from Russia as theirs by virtue of race affinity and ancient possession or overlordship. They readily assent to keeping Poland in servitude, and would finally wipe out Serbia, degrade Rumania, and allow the Teuton to possess the territories of the Turk in Europe and Asia. They are likewise ready to keep Italy dependent on Teutonic whims, and care not at all if the Germans through Austria keep the Adriatic a mere German lake. These extreme demands may never be put openly forward, but we may be sure that Germany will cling to every one of her loathsome ambitions to the last hour, and the pacifists among us do not seem to care a straw for liberty. Again and again Germany's emissaries have put forward the suggestion that Belgium might be given up in exchange for German colonies to be restored to her by the Allies of the Entente, and the effort will be just as tenaciously maintained to make the Baltic as exclusively Prussian as the Adriatic.

Occasionally, when the Hohenzollern gang of marauders, is disturbed by the non-success of its military plans, by the thrashing of its armies, or by discontents within, these schemes and lusts may be glossed over or hid away under sloppy talk about a peace of goodwill and mutual forgiveness, but on the slightest encouragement they blossom forth again, and are paraded or insinuated, unaltered in their naked repulsiveness. We ought to feel deeply obliged to Berlin for its openness at such moments, for thereby our agitators are held in check. We require frequent reminders of the true nature of German aspirations to keep us awake to our duty. And the arrogant insolence of the Hindenburgs, Ludendorffs, Tirpitzes, Hohenzollerns, &c., with their sycophant chorus of professors, theologians, and mere slave politicians, is almost as useful for that purpose as air raids and submarines. It keeps us from seeking to make a traitor's peace.

"But looking back now on all that has happened in the interval, would you have voted for war in August, 1914, with the whole-hearted resolution you did, could you have seen into the future and understood what the war would involve?" We have often put that question to ourselves, and always the answer has been, "Yes," for there was no alternative. Indeed, the longer the war continues, the more profound becomes our conviction that only by entering the lists side by side with France have we saved our empire, aye, and much more than the British Empire, the civilisation of the world. We have rescued liberty from its assassins. Great has been the sorrow, lamentable the loss of life, ruinous the costs of this war; but had we known beforehand all that lay before us we could have made no other choice than we did. Emphatically, in the darkest winter hour of the fourth year of this war, we can feel

that we have done well, and that world-redeeming will be our victory if we endure to the end. It is easy to cultivate gloom, the despondent mood that is prone to seize all minds, and can grow ever more misery-breeding on any sort of garbage for diet; and sometimes we are obsessed by the fear that the multi-tude of the despondent and doubting may become overwhelming in its blind force, and, as it were, rush our politicians into a disastrous peace; but always there comes this consoling thought to reassure. We fight in a noble cause, for freedom, for the deliverance of the oppressed, for the destruction of the most powerfully organised system of armed despotism mankind has ever elaborated, and, so fighting, we cannot be defeated. Nay, have we not already won? It is the foul adversary who has been, is being, and will be defeated on the field and in the fold. His discomfiture is not to be measured by battles lost or won—far more often lost than won—by the extent of territories squatted on. These are but incidentals, the swayings of the battle in a war of nations. And if the German has had beatings enough on land and sea to have convinced any sane being that his hunger for other people's territories is not a paying game in the most vulgar sense, and still shows himself as truculent, as full of threats and braggadocio as ever, it must be because his pride is of that colossal sort that goes before destruction. His attitude is cunningly assumed to impress the thoughtless, and powerfully sustains the belief among the superficial observers that, after all, the victory in the end will be with the Prussian Caliban. And thus we come to have blind leaders of the blind everywhere among us, ever pressing round us to whine, to beguile us if possible into a traitor peace. But all the savage brutes have done in war is as naught before the desolation of moral rout already enveloping them as with a Nessus' shirt.

Look away from the stricken field—a field, mind you, where our victories and those of our Allies far outshine those of the foe—and what do we see? We see our enemies sinking down and down into the bottomless pit of the condemned, until they have already taken the brand of outcasts among the nations. By provoking in ruffianly fashion war by conquest the Germans revealed first to the world their true character, and in the prosecution of their war they have so laboured without ceasing to deepen the impression made by the initial attack as to have filled the world with loathing and horror, and turned all countries claiming to be civilised into enemies. Such base Allies as remain on the side of the Prussians are mere slaves in fetters. From the China Sea all round the world to the Pacific shores of the American continents, the Germans have now isolated themselves, and inspire only hatred and fear. The longer they persevere in their diabolical methods of warfare the more profound and universal becomes the detestation in which they are held. Everywhere men and nations shun them and hold them in detestation.

Have you ever thought what a moral victory of this kind may mean to us of the *Entente*? Supposing the war were to end early in the New Year, how would the Germans stand in relation to the rest of the world? We know from their newspapers that the leading industrial and commercial citizens of Germany are busy with projects for resuming their trade on the old aggressive lines, to begin again and reconquer all the foreign markets they formerly raided or possessed. Evidently the German people has no suspicion of the depth of its degradation. But is there anywhere a market that would now be open to German wares as it was in July, 1914? Can Germans come here with their banks or resume business under English names, form English limited companies, German-owned, and go on in any direction as they did before the war? It is unthinkable. And equally is the door to French intercourse and trade shut against them. America would also, in spite of its large German population, be nowise keen to resume dealings on the old footing. The detestation of Prussianised Germany's evil conduct has never been better expressed than by Mr. Otto

H. Kahn, himself of German origin. And German finance and industry must know that were they to attempt to trade anywhere they would to-day be met with invincible ostracism.

Everywhere the moral defeat of the Prussian monster of blood and rapine is complete, and we do not think that people here quite realise yet what this discomfiture implies.

We see various proposals being put forward in this country to take advantage of Germany's isolation. "A League of Empire," for instance, is being advocated by, among others, the former stage-rebel of Ulster, Sir Edward Carson, and it is a suggestion quite in harmony with the provincial or parochial order of mind. Tariff-concocting leagues are also being formed or suggested; but surely the true method of securing for all future time the victory now given us by the Germans is by a brotherhood of nations, concrete expression of the equality of position and opportunity which we have pledged ourselves to secure for all nationalities, large and small. We shall therefore have to organise our trade as something of vital and equal interest to us all. What would be the use of talking of conserving the liberties of small nations if they are to be subjected to disabilities in trading that the larger ones would refuse to endure? We must reach a higher ideal, a nobler altruism, than we have ever hitherto done with regard to industry and commerce if our moral triumph is to endure. We must all work also from a new standpoint towards each other as citizens if we are to survive the losses of this war and to put and keep the offending German in his place. The pre-war individualism in civil life must give place to a comradeship and an unselfishness hitherto found only in the Utopias of benevolent dreamers.

Course of Retail Prices, 1914-17.

Food problems are certain to become of increasing importance to the general community during the next few months, and we should like to believe that they are now being thought out all round to logical conclusions by the responsible authorities. Hitherto it must be sorrowfully admitted that the methods adopted have been mostly of the slap-dash description, which sought to achieve some particular object in view without pausing to consider the consequences of all manner of side issues that were bound to become operative immediately the normal channels of trade and distribution were interfered with. We hope this chaotic state of affairs is nearing an end, but it is by no means certain. After all these months Lord Rhondda has discovered that queues are centres of discontent and disaffection, and he has taken active steps to do away with them. That is all to the good, but in at least one suburb where "Specials" were employed to disperse the queues they were simply converted into angry mobs, thereby turning a lesser evil into a greater. It would surely have been prudent before abolishing the perfectly orderly and wonderfully patient queue to see that more efficient machinery was ready to take its place. However, local food committees have now been delegated much wider powers in the way of commandeering and distributing among retailers throughout the district any large supply of such articles as butter and margarine that may be received by an individual firm. This is certainly a step in the right direction, and we hope a workable scheme will be speedily evolved; but one of the first effects is likely enough to be a serious curtailment of supplies unless measures are promptly taken by the local committees to procure them on their own account, and that may easily pave the way to other complications. However, we must make a beginning somewhere with these Socialistic experiments, and must not be too greatly discouraged if they do not solve all difficulties at the outset. Yet it would be a mistake to build exaggerated hopes on more and still more control, with all the elaborate machinery and wasted energy

which it involves. There is accumulating evidence that even in Germany the system has been an egregious failure, and the position in Paris is sarcastically summed up by the *Matin* with the remark that "the bread card problem is becoming as complicated as the Gordian Knot itself, and a table of logarithms will soon become indispensable for the humblest functionary."

Unfortunately, the Food Ministry has not been able to arrest to any appreciable extent the continuous advance in the prices of foodstuffs; indeed, its interference has had exactly the opposite effect in several cases. It is true that bread has been artificially reduced to 9d. for the quartern loaf, but the State has thereby incurred an unknown liability which the people will ultimately have to pay. Meat prices also have been fixed at a level substantially lower than prevailed a few months ago, with the result that supplies have been very much curtailed, and both breeders and butchers are going on strike without any regard to the futile order for a meatless day once a week. In some other cases where prices have been "regulated" the goods have practically disappeared from the market—in others, potatoes, for instance—they were fixed so high that producers had to beg for their reduction. All this sprawling in the dark is doubtless inevitable; but it is not particularly edifying, and it does little to relieve the household budget. We give below a table partly compiled from the *Labour Gazette* and partly from the answer to a question in Parliament, showing the course of retail prices month by month since the beginning of 1915:—

Month (beginning of).	A. 1915.	A. 1916.	A. 1917.	B. 1917.	C. 1917.	D. 1917.
	%	%	%	%	%	%
January	18	45	87	47	66	42
February	22	47	89	51	67	45
March	24	48	92	55	70	48
April	24	49	94	61	72	52
May	26	55	98	65	74	54
June	32	59	102	70	78	59
July	32½	61	104	72	79	60
August	34	60	102	67	79	56
September	35	65	106	67	83	60
October	40	68	97	56	78	53
November	41	78	106	59	84	56
December	44	84	105	—	—	—

The first three columns ("A") give the percentage increase in price of the principal foodstuffs as compared with the beginning of July, 1914. Separate commodities are "weighted," so as to allow for the relative importance of the different items, the relationship of which was fairly constant over long periods in normal times. Recently, however, and especially in the past year, it has varied considerably. For instance, potatoes were scarcely obtainable in the late spring and early summer, whereas they are now abundant; on the other hand, there was not then such a shortage of tea, eggs, bacon, margarine, &c., as now exists. It is obviously impracticable for the purpose of a continuous record of price movements to vary the weights adopted with every change in dietary, and while the figures are a correct measure of the general level of prices on the assumption that the pre-war quantities of the various articles were purchased, they must not be taken as a measure of the rise in the actual expenditure on food. An attempt is made in column "B" to adjust the figures for the past year. The percentages in this column are arrived at by comparison of the pre-war dietary with a hypothetical one, in which eggs are omitted, margarine is substituted for butter, and the consumption of sugar and fish is reduced by one-half. Column "C" gives the average increase of all items ordinarily entering into working-class expenditure, including food, clothing, rent, fuel, &c.; and column "D" gives figures corresponding with those in "C," after allowing for such a change in dietary as is reflected in column "B." We are not greatly impressed with these hypothetical figures, but they have a certain interest, and we put them on record accordingly.

In the latter part of 1914 the advance in food prices was not very serious. There was a sharp jump at the beginning of August, immediately on the declaration of war, but this was followed by a reaction, and in September the level was only 10 per cent. higher than in July. From that point onwards, however, the rise has been almost uninterrupted. On May 1, 1915, after nine months of war, the advance exceeded 25 per cent., on May 1, 1916, it was 55 per cent., and on August 1, 1917, prices were fully double those of the pre-war period. High-water mark was reached by September 1 with a rise of 106 per cent., but in that month the 9d. loaf came into force and there was a drop to 97 per cent., immediately followed by a smart rally to the top figure. It is certain that the returns for the month now closing will not show any improvement, but the official chronicler likes to point out that on December 1 the level of prices was substantially the same as on July 1, whereas in the corresponding five months of 1916 there was an increase of 23 per cent. Also it is noteworthy, he remarks, that the items which have shown a fall in price since last July "are those of particular importance in the dietary of the poorer classes—viz., bread and flour, potatoes, cheese, and margarine, as well as meat," but he omits to mention that the State subsidises the loaf and has guaranteed the growers £6 per ton for potatoes, while the market price is £3 10s. to £4.

Looking at the course of individual items, we find that the rise in British beef and mutton began in 1915 and was continuous until September last, when the action of the Food Controller resulted in a reduction of about 2½d. per lb. on the average. Bacon advanced about ½d. per lb. per month between April, 1915, and July, 1917, but it then rose 1½d. per month, and on December 1 the price was 1s. 3d. above the pre-war level. Fish has trebled in price, and eggs, which are subject to large seasonal variations, are twice as dear as they were three years ago. Milk averaged 3½d. per quart in 1915, and is now 8d., with supplies very much restricted, while butter in October was just about double the July, 1914, price. It is worth mentioning that before Danish butter was controlled the price rose to 4s. and upwards; now it is 2s. 4d. to 2s. 6d.—when you can get any. Some people are unreasonable enough to ask what is the use of controlling the price when supplies thereby practically cease to exist, but that is another question. "Government cheese" was introduced at the end of June, and British cheese subsequently came under control, with the usual happy result. The course of tea prices is decidedly instructive. Throughout 1916 the average was steady at about 9d. above the pre-war figure, including 7d. additional duty. Allowing for increased freight and insurance, the rise was microscopic, but in the past year there was a continuous advance, and in the past month or two supplies have often been unobtainable. That is, perhaps, the choicest feather in the cap of the Food Ministry. Compared with July, 1914, the price of December 1 showed an increase of 107 per cent., but granulated sugar was up 188 per cent., and bacon 134 per cent., so perhaps we have much to be thankful for. On the other hand, some of the less important articles of consumption have risen to a much greater extent than those already mentioned. Lentils, for instance, have advanced 230 per cent., peas 210 per cent., sago 190 per cent., tapioca 160 per cent., haricot beans and oatmeal each 140 per cent., and rice 100 per cent., these being amongst the principal items recommended at one time or another as substitutes for bread and potatoes. Condensed milk has risen 120 per cent., jam 110 per cent., and cocoa 95 per cent. Is there any valid reason for many of these enormous increases? In some cases none whatever, but the profiteer casts his net very wide.

Union of South Africa's Trade.—Imports for seven months to July showed a falling off of £2,844,000, equal to 13 per cent. In September alone the decrease amounted to £1,474,000, or over 30 per cent., but it must be remembered that present values represent no fair comparison with those existing last year, and do not indicate the real decrease in the volume of importations.

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The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Much to the surprise of the market yesterday, the Treasury lowered the rate for three and six months' Treasury bills from 4½ per cent., at which they have stood since July 3rd, to 4 per cent. As showing the extent of the control exercised by the Treasury over the Money market, it may be noted that discount rates for bank bills were immediately lowered to 4½-4¼ per cent. The clearing banks met in the afternoon to consider the question of reducing deposit rates, but it was decided to adjourn the meeting until Wednesday next, when it is expected the seven days' rate will be reduced from 4 to 3½ per cent. That the Treasury would reduce the rates for Treasury bills shortly had been fully expected, but it was thought that action would not be taken until the end of next week. The object of the reduction is to induce the tide of investment to flow more strongly in the direction of National War Bonds, and when the deposit rates are lowered that will certainly be the effect. Treasury bills now outstanding total over £1,057,000,000, a figure which is large enough, though smaller than it was a year ago.

Naturally the discount rates for commercial bills of all types went down sharply as a result of the lowering of the rates on Treasury bills. For a short time the market was quite at sea, and after the bankers had met they could only decide to postpone definite action. Discount rates came down a good ¼ per cent. all round, but the new rates were hardly tested by the amount of business offering. Will the Bank reduce its rate? It can hardly remain at 5 per cent. when the Government is borrowing at 4 per cent. for three months. The lowering of money and discount rates has not had time to influence foreign exchanges to any notable extent, and we doubt whether any particular movement will take place.

No guidance can be obtained from the Bank return, and yet in some respects it shows a considerable increase in strength. The stock of gold, for instance, has risen £765,000, although the reserve is actually £141,000 down. In other words, the note circulation is increased by that amount beyond the increase in the gold and is £906,000 larger than it was a week ago. The proportion of reserve to liabilities is therefore 1

down at 18½ per cent., not only because the reserve is lower, but because on balance the aggregate of deposits is slightly up, public deposits being £5,083,000 higher and other deposits £4,966,000 lower.

In the foreign exchange market the value of the lira has depreciated, owing to the loss of the height positions in the Piave battle, the rate rising 15 c. to 39 lr. 70 c. The rouble, however, has appreciated, the number of roubles exchangeable for £10 having fallen from 372½ to 360. The franc has also improved, the rate of exchange being 27 f. 21 c., as against 27 f. 24½ c. a week ago. The Scandinavian exchanges have been quieter, and rather irregular. Copenhagen has risen 5 points to 15.13½ kr., and Stockholm 43 points to 14.38 kr., but Christiania has fallen 10 to 14.30 kr.

The banking results to be announced next month are likely to differ very materially from those of recent years. The course of the Money market has been less profitable to the banks than in 1916; the Bank rate has been reduced from 6 to 5 per cent., but deposit rates have remained at 4 per cent., while the Bank of England special three-day loan rate has been reduced during the year from 4½ to 4 per cent. Moreover, the margin between call money and bill rates has not been so wide as in 1916. But the lower level of money has had the compensating advantage of avoiding further depreciation in investments, which since the Boer War has been the hardy and painful annual of banking finance. Consequently, what the banks have lost on the one hand they will have gained on the other. With the opportunity afforded them of employing their funds to the full, the results for the year should prove to be quite satisfactory on the whole.

At the meeting of the Austro-Hungarian State Bank, last week, it was revealed that the stock of gold was only £11,000,000—we assume, at least, that it is gold, but it may have been silver. On top of this was piled a note circulation which has now expanded to almost £737,000,000. The cash in hand is thus equal to very little more than 1½ per cent. of the liability on notes alone. It was, however, explained that if the foreign securities held by the Bank were included, the total reserve against the notes would be equal to 6 per cent. But what are these securities—Turkish, Bulgarian, German, or what? There is no explanation. This, let it be noted, is the Bank of a Power which still arrogantly claims to hold a dominant position in South-Eastern Europe, a Power whose other debts must now be somewhere between £3,000,000,000 and £5,000,000,000 sterling, and the bulk of whose subjects are perishing of want. Yet it talks of annexations and conquests on all sides except where its ambitions would clash with those of the Hohenzollerns. At the present moment the Habsburg Emperor is striving with all his remaining power once more to lay hold of a portion at least of the reborn Italy, and in this effort we hope he will persevere, because the more he does so, the more complete and irretrievable will be his ruin.

SILVER.

Bar silver has advanced to 43½d. per oz. According to Messrs. Mocatta's circular there have only been four working days in the week, but when business was possible the tendency continued to be towards higher quotations, and consequently the price named is ½d. better. Messrs. Montagu's circular states that the Ontario output of the metal for nine months of this year amounted to 15,236,000 ozs., which is a smaller figure than that of a year ago. The stock of silver in Bombay on the 18th inst. consisted of 3,700 bars; no change, and in Shanghai, the last figures given show 24,100,000 ozs. of sycee and \$13,400,000.

Applications for the Rs. 40,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,22,55,000. Of these Rs. 37,03,000 were allotted in deferred transfers, and Rs. 2,07,000 in immediate transfers. Tenders for bills and deferred transfers at rs. 4 29-32d. and for immediate transfers at rs. 5d. received about 17 per cent. Since April last Rs. 37,40,00,000 have been sold, realising £25,610,203. Next week 40 lakhs will again be offered.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, December 26, 1917.

ISSUE DEPARTMENT.

	£		£
Notes Issued	75,580,875	Government Debt ..	11,015,100
		Other Securities ..	7,434,000
		Gold Coin and Bullion ..	57,130,875
		Silver Bullion ..	—
	£75,580,875		£75,580,875

BANKING DEPARTMENT.

	£		£
Proprietors Capital ..	14,553,000	Government Securities ..	58,303,020
Res.	3,301,135	Other Securities ..	94,888,723
Public Deposits (including		Notes	29,036,010
Exchequer, Savings		Gold and Silver Coin ..	1,206,594
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	42,009,347		
Other Deposits	124,161,430		
Seven Day and other Bills	10,335		
	£184,035,247		£184,035,247

Dated December 27, 1917

J. G. NAIRNE, Chief Cashier.

BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. Dec. 27.		Dec. 19, 1917.	Dec. 26, 1917.	Increase.	Decrease.
£	Liabilities	£	£	£	£
3,310,501	Res.	3,301,135	3,301,135	—	83
52,116,381	Pub. Deposits ..	36,926,245	42,009,347	5,083,102	—
226,726,657	Other do. ..	129,127,809	124,161,430	—	4,966,379
21,952	7 Day Bills ..	10,410	10,335	—	75
	Assets.			Decrease.	Increase.
57,187,707	Gov. Securities ..	57,820,020	58,303,010	—	483,000
26,726,657	Other do. ..	95,113,836	94,888,723	225,112	—
3,079,380	Total Reserve ..	30,994,826	30,843,504	151,322	—
				5,449,537	5,449,537
				Increase	Decrease.
£	Note Circulation	£	£	£	£
39,695,535	Coin and Bullion ..	45,037,670	45,043,965	906,295	—
54,304,915	Proportion	57,572,496	58,137,469	764,973	—
18.5 p.c.	Bank Rate	18.6 p.c.	18.6 p.c.	—	—
6 "		5 "	5 "	—	—

PUBLIC INCOME AND EXPENDITURE.
(For 7 days ended Dec. 22.)

REVENUE.	EXPENDITURE.
£	£
Customs	1,876,000
Excise	1,446,000
Estate, &c., Duties ..	847,000
Stamps	85,000
Land and Tax and House Duty	20,000
Property and Income Tax	1,229,000
Excess Profits Tax ..	3,777,000
Land Values	—
Post Office	200,000
Crown Lands	—
Sundry Loans	302,741
Miscellaneous	1,528,426
Bulldozing advances repaid ..	40,000
For Treasury Bills for Supply	51,314,000
5% Exchequer Bonds, 1922 ..	—
6% Exchequer Bonds, 1920 ..	—
Nation 1 war Bonds ..	24,923,000
War Expenditure Certificates ..	1,300,000
War Savings Certificates ..	1,300,000
4% War Loan 1929-1942 ..	—
5% War Loan, 1929-1947 ..	—
Other Debts created under	—
War Loan Act, 1915, and	—
Finance Act, 1916 ..	17,533,712
Under Public Money Act, 1913	45,000
Under Post Office Rly. Act,	—
1913	—
Under Military Works Act,	—
1897-1903	—
Under Public Buildings ..	—
Under Housing Act ..	165,500
Repayment of Advance for	—
Interest on Exchequer	—
Bonds	—
China Indemnity	—
Cunard Loan repayment ..	—
Suez Canal Drawn Shares ..	—
Ways and Means Advances	9,000,000
Decrease in Exchequer	—
balances	691,793
	£116,323,875

* Excluding sales through banks which have not yet been brought to account

LONDON BANKERS' CLEARING

Date.	1917.	1916.	Increase.	Decrease.
January	£1,865,125,000	£1,459,596,000	405,529,000	—
February	1,779,554,000	1,109,049,000	670,505,000	—
March	1,498,825,000	1,085,508,000	407,317,000	—
April	1,403,882,000	1,090,356,000	313,526,000	—
May	1,778,706,000	1,445,416,000	333,290,000	—
June	1,486,612,000	1,147,630,000	338,982,000	—
July	1,454,056,000	1,239,193,000	215,763,000	—
August	1,627,367,000	1,364,782,000	262,585,000	—
September	1,348,417,000	1,136,590,000	211,727,000	—
October	1,677,531,000	1,619,967,000	57,564,000	—
November	1,479,867,000	1,280,701,000	199,166,000	—
December 5	414,498,000	363,003,000	51,495,000	—
" 12	384,992,000	319,639,000	65,353,000	—
" 19	39,639,000	323,036,000	67,603,000	—
" 26	249,677,000	198,760,000	50,917,000	—
Total ..	19,036,952,000	15,183,226,000	3,853,726,000	—

CURRENCY NOTES.

Return of Currency Notes for the week ended December 26, 1917.

	Issued.	Cancelled.	Outstanding.
£1 notes	£577,614	£1,237,583	£152,890,008
10s. notes	1,497,359	653,309	37,442,287
Note certificates ..	470,000	—	—
Previous total	781,420,44	557,567,921	20,052,221
	792,261,108	579,478,813	221,782,295

Ratio of gold held against notes, this week, 14.97 p.c.; last week 15.40 p.c.

FEDERAL RESERVE BANKS (U.S.) (dollar at 48s.).

	Nov. 16, 1917.	Nov. 9, 1917.	Nov. 17, 1916.
Gold coin and certificates ..	£105,584,000	£101,480,500	£58,688,200
Gold Settlement Fund ..	72,742,000	77,144,800	28,164,200
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks ..	188,826,000	189,125,400	86,852,400
Gold with Federal Res. Agent	125,981,200	123,250,800	47,691,600
Gold Redemption Fund ..	2,254,000	2,260,000	276,600
Total gold reserves ..	316,061,200	314,636,200	134,820,600
Legal tender notes, silver, &c.	10,505,000	10,441,600	3,116,000
Total reserves ..	327,566,200	325,117,800	137,936,600
Bills discounted—Members ..	97,570,000	102,030,800	3,400,800
Bills bought in open market ..	38,773,800	36,000,000	10,567,800
Total bills on hand ..	136,343,800	138,030,800	23,490,000
U.S. Gov. long-term sec. ..	1,800,400	10,745,600	7,823,000
U.S. Gov. short term sec. ..	37,580,800	8,473,400	2,233,400
Municipal warrants ..	254,600	—	3,719,400
Loans on gold coin and bullion ..	—	—	—
Total earning assets ..	184,979,600	157,007,000	3,471,400
Due from other Fed. Res. banks ..	3,567,600	1,545,000	11,954,600
Uncollected items ..	85,708,800	54,359,200	—
Total deductns. fm gross dep.	89,276,400	55,904,200	11,954,600
5% Red. Fund ag Fed. Res. banks	107,400	107,400	94,000
All other resources ..	747,200	59,360	1,224,200
Total resources ..	602,481,200	53,434,000	184,081,800
Capital paid in ..	13,373,200	13,000,000	11,140,800
Government deposits ..	43,777,400	11,839,600	5,074,200
Due to members Res. account	296,099,600	281,306,400	—
Due to non-mbrs—clearing ac.	4,185,000	6,773,200	—
Members' bank deposits—nett	—	—	124,450,800
Collection items ..	48,087,400	37,404,400	—
Total gross deposits ..	391,149,400	337,413,600	149,475,000
F.R. notes in actual circulat'n	194,517,000	186,502,400	47,731,000
F.R. bk nts in circn—nett liab.	1,600,000	1,600,000	206,000
All other liab. in for Gov. dts	8,600	849,000	118,000
Total liabilities ..	602,481,200	539,154,000	188,687,800
Gold res. ag nett deposit liab	62.2%	67.1%	73.9%
Gold & lawful money reserve	65.7%	70.3%	76.7%
against nett deposit liabilities	65.0%	67.3%	100.5%
Gold res. ag F.R. nts in a circ	—	—	—

NEW YORK ASSOCIATED BANKS (dollar at 48s.).

	Dec. 22, 1917.	Dec. 15, 1917.	Dec. 8, 1917.	Dec. 23, 1916.
Loans	£834,670,000	£927,708,000	£976,672,000	£669,728,000
Reserve held in own Vaults ..	3,980,000	3,458,000	4,020,000	83,554,000
Reserve held in Fed. Res. Bk.	101,572,000	115,000,000	113,614,000	34,640,000
Cash in own Vaults ..	21,714,000	22,098,000	22,006,000	—
Reserve held in Other Depos.	1,740,000	1,708,000	1,808,000	11,018,000
Net Demand Deposits ..	702,038,000	715,688,000	707,910,000	657,784,000
Net Time Deposits ..	37,593,000	38,068,000	39,276,000	33,466,000
Circulation	6,802,000	6,724,000	6,618,000	5,700,000
Excess Lawful Reserve ..	16,586,000	25,220,000	24,966,000	15,922,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 48s.).

	Dec. 22, 1917.	Dec. 15, 1917.	Dec. 8, 1917.	Dec. 23, 1916.
Loans	£167,508,000	£187,426,000	£191,540,000	£153,970,000
Specie	4,384,000	4,458,000	4,690,000	12,540,000
Deposits	168,078,000	167,774,000	162,714,000	161,122,000
Legal Tenders ..	14,865,000	14,956,000	14,808,000	2,162,000

BANK OF FRANCE (25 francs to the £).

	Dec. 27, 1917.	Dec. 20, 1917.	Dec. 13, 1917.	Dec. 26, 1916.
Gold in hand	£132,576,640	£132,469,600	£132,122,960	£203,056,600
Silver in hand	9,905,280	9,896,440	9,834,000	11,794,700
Bills discounted	30,478,450	32,550,720	32,025,960	24,781,000
Advances	48,470,960	47,404,480	46,159,120	52,195,160
Note circulation	823,471,960	894,150,800	912,346,080	667,152,720
Public deposits	10,074,360	6,204,640	1,564,360	600,360
Private deposits	116,549,640	115,769,160	115,120,160	99,468,960
Foreign Bills	25,920	100,600	105,520	222,880

Proportion between bullion and circulation 25.06 per cent., against 25.03 per cent. last week. Advances to the State £500,000,000 unbarred. The adjourned payments of drafts in Paris on account of the moratorium, £20,322,920, decrease £9,000, and at the branches £25,310,360, decrease £11,000.

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Dec. 7, 1917.	Nov. 30, 1917.	Nov. 23, 1917.	Dec. 7, 1916.
Total Coin & Bullion ..	£127,230,150	£126,968,100	£126,723,500	£126,754,300
Treasury Notes	53,517,400	49,998,850	49,994,150	13,203,750
Bills discounted	6,748,150	611,711,150	584,887,950	396,534,200
Advances	351,300	438,750	308,100	571,950
Note circulation	534,552,000	531,112,650	518,833,600	370,094,500
Deposits	301,843,300	302,700,000	287,277,600	171,183,250

Clearing House return during November £421,889,755, against £395,442,450 in October.

BANK OF NORWAY.

	Dec. 15, 1917.	Dec. 7, 1917.	Nov. 30, 1917.	Dec. 15, 1916.
Gold	£6,296,000	£6,332,000	£6,332,000	£6,838,000
Balance abroad and				
Foreign Bills	4,676,000	4,502,000	4,388,000	4,896,000
Gov't Securities	717,000	701,200	707,000	767,000
Discounts & Loans ..	20,686,000	20,437,000	20,235,000	6,754,000
Notes in Circulation ..	17,516,000	17,023,000	17,043,000	13,592,000
Deposits at notice ..	11,311,000	11,154,000	11,199,000	3,053,000

BANK OF SPAIN (25 pesetas to the £).

	Dec. 15, 1917	Dec. 7, 1917	Dec. 1, 1917	Dec. 16, 1916
Gold	78,657,315	78,581,715	78,555,505	49,154,813
Silver	28,600,281	28,595,183	28,248,587	29,775,532
Foreign Bills	3,598,457	3,575,522	3,612,507	3,809,185
Discount and Short Bills	29,217,251	29,237,951	29,116,525	26,135,793
Treasury Account, &c.	25,068,786	24,983,208	25,099,188	28,750,075
Notes in Circulation	110,137,266	110,244,682	109,669,878	92,034,632
Current Accounts, Deposits	37,324,615	37,499,879	37,668,680	29,078,629
Dividends, Interests, &c.	1,314,816	1,529,485	2,152,497	1,547,517
Government Securities	1,889,506	3,877,291	3,613,291	4,574,281

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Dec. 21, 1917.		Dec. 27, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam	Cable transfers	11.00	11.05	10.90	11.00
"	Three months' bills	11.15	11.25	11.05	11.15
Paris	Cable transfers	27.21	27.26	27.19	27.24
"	Three months' bills	27.60	27.65	27.60	27.65
Switzerland	Cable transfers	20.63	20.70	20.75	20.85
"	Three months' bills	20.95	21.05	21.10	21.20
Petrograd	Cable transfers	360	365	350	355
Genoa, &c.	Cable transfers	39.60	39.70	39.65	39.85
Spain	Cable transfers	19.65	19.75	19.58	19.68
"	Three months' bills	57	58	57	58
Lisbon and Oporto	Cable transfers	29	30	29	30
Copenhagen	Cable transfers	14.93	15.03	15.15	15.30
Christiania	Cable transfers	14.23	14.33	14.27	14.37
Stockholm	Cable transfers	13.93	13.98	14.12	14.22

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques	Francs to £1	25.22½	27.20	27.20
Amsterdam, cheques	Florins to £1	12.107	11.02½	10.96½
Italy, sight	Lire to £1	25.22½	39.70	39.77½
Madrid, sight	Pesetas to £1	25.22½	19.60	19.60
Lisbon, sight	Pence to milreis	53½d.	30d.	30½d.
Switzerland, sight	Francs to £1	25.22½	20.67½	20.72½
Christiania, sight	Kroner to £1	18.159	14.30	14.40
Stockholm, sight	Kroner to £1	18.159	14.12½	14.22½
Copenhagen, sight	Kroner to £1	18.159	15.05	15.22½
Petrograd, sight	Roubles to £1	94.57	366	362½
Alexandria, sight	Piastres to £1	97½	97½	97½
Bombay, T.T.	Sterling to rupee	1/4	1/4½	1/4½
Calcutta, T.T.	Sterling to rupee	1/4	1/4½	1/4½
Hong Kong, T.T.	Sterling to dollar	—	2/1½	3/1
Shanghai, T.T.	Sterling to tael	—	4/4	4/4
Singapore, T.T.	Sterling to dollar	—	2/4½	2/4½
Yokohama, T.T.	Sterling to yen	24.58d.	2/1½	2/1½
New York, cable	Dollars to £1	4.36½	4.76½	4.76½
Buenos Aires, T.T.	Pence to dollar	47.58d.	53½d.	53½d.
Valparaiso, 90 days	Pence to peso	—	14½d.	14½d.
Montevideo, T.T.	Pence to dollar	51d.	63d.	61d.
Rio de Janeiro, 90 days	Pence to milreis	16d.	13½d.	13½d.

OPEN MARKET DISCOUNT. Last week. This week

	Per cent.	Per cent.
Thirty and sixty day remitted	4½	4½
Three months	4½	4½
Four months	4½	4½
Six months	4½	4½
Three months fine inland bills	4½	4½
Four months	4½	4½
Six months	4½	4½

BANK AND DEPOSIT RATES. Last week. This week

	Per cent.	Per cent.
Bank of England minimum discount rate	5	5
" short loan rates	—	—
Bankers' rate on deposits	4	4
Bill brokers' deposit rate (call)	4	4
" 7 and 14 days' notice	4½	4½
Current rates for 7 day loans	4½	4½
" for call loans	4½	4½

The Week's Stock Markets.

Nothing sensational occurred in the Stock markets when they resumed business on Thursday morning after the exceptionally long recess of five days. Whether they would have gained anything by opening on Monday, and thereby spoiling a much-needed holiday for the majority of members and their clerks, may be an open question, but the trifling accumulation of orders that had to be dealt with rather suggests that the public were perfectly indifferent to the closing of the House. With only two days' dealings this week and another holiday on January 1, it is perhaps natural that both buyers and sellers should prefer to await the resumption of the regular flow of business; but it may be doubted if any transactions worth doing were lost because the market was closed on Christmas Eve. It is expected that an incentive to investment, especially in War Bonds, will be given by the decision to reduce the discount rate on Treasury bills from 4½ per cent. to 4 per cent., but there has not yet been time for any definite tendency to develop. Most sections have been so sluggish that no inferences of any value can be drawn from the movements recorded, but Home Rails have received better support, as they are "full" of the fat half-year's dividends, and they are so low that they do not fear a further fall.

	Last Week	This Week	Last Week	This Week
Consols	53½	54½	N.S.W. 4½ 5 yr. bds.	97 97
War Loan 3½	84½	84½	" 4½ 1922-7	89 89
" 4½	90½	90½	" 5½ 1921-3	95 95
" 5½ 1929-47	93½	93½	" 5½ 1920-2	98½ 98½
" 4½ 1919-42	100½	100½	New Zealand 4½ 1929	85 85
India 3½	54	54	Queensland 4½	80½ 80½
" 3½	62½	63	" 4½ 1920-5	92 92
Australian 5½ 1920-22	99½	99½	Union of S. Africa 4½	91 91
Canada 4½ 1940-60	81½	81½	1920-5	92 92
" 4½ 1920-5	92½	92½	Victoria 4½ 1920-5	92 92
N.S.W. 4½ 1933	81	81	Westn. Aus. 4½	79 79
Argentine 4½ 1900	65	65	French War Loan, 5½	76½ 76½
Belgian 3½	60	61	Japan 4½ (191), 1905	98½ 98½
Brazil, 1913	69	69	" 5½ 1907	90 90
" 5½ 1914	79	79	Mexican 5½ 1899	57½ 57½
Chinese 1896	92	92	Russia 4	41½ 41½
" 1912	83	83	" 4½ 1909	45½ 45½
Egypt Unified 4½	84	84	" 5½ 1906	52½ 52½
Caledonian defd.	87	87	London and N.W.	89½ 89½
Gt. Central pref.	129	122	London and S.W. defd.	83 83
"	64	64	Do red. pf. 1914	94 94
Gt. Eastern	34½	34½	Metropolitan	212 212
Gt. Northern defd.	35½	36	Do. 5½ pf.	77 77
Gt. Western	81	83½	Met. District	15½ 15½
Lanes. and Yorks.	63½	64	Midland defd.	55½ 55½
London Brighton defd.	58	58	Nth. British defd.	13½ 13½
London Chatham ord.	88	88	Nth.-Eastern	96 96
Canadian Pacific	159½	159½	Sth.-Eastern defd.	28½ 28½
E. Indian Guar. 4½ debts.	84	84	Chesapeake	50 50
Grand Trunk ord.	86	94	Erie	20½ 20½
Do. 1st pf.	49½	50	Southern	24 24
Do. 3rd pf.	194	193		
Antofagasta defd.	131	131	Cent. Argentine ord.	59½ 59
Brazil Common	5	5	Leopoldina	37½ 37
B. A. & Pacific	39	39	Mexican ord.	16½ 16½
B. A. Gt. Southern	72½	72½	San Paulo (Brazilian)	183 182
B. A. Western	71	70½	United of Havana	74½ 74
Anglo-South American	78	78	London & S.W.	13½ 13½
Bank of Australasia	114	114	London City & Midland	7½ 7½
Bank of N.S. Wales	35½	35½	London County & Westm.	15 15
Barclay & Co. "A"	113	113	London Joint Stock	24½ 24½
Do. "B"	113	113	Nat. Prov. of Eng. (£100 pd)	27 27
Capital & Counties	22½	22½	Do. (£12 pd)	30½ 31
Chartered of India	68	68	Parr's	29 29
Hongkong & Shanghai	84	84	Standard of S.A.	1 1
Lloyds	25	25	Union Discount	102 102
London & Provincial	174	174	Union & Smiths	27½ 27½
London & Brazilian	23	23		
Armstrong, Whitworth	41/6	41/6	Kynochs	36½ 37/6
Birmingham Small Arms	51/3	51/3	Mond Nickel ord.	34 34
Cammell-Laird	68	68	South Durham Steel	38½ 38
Cargo Fleet	23/1	23/1	Thornycroft	38/6 40
Dorman, Long	47/6	47/6	Vickers	42/6 42/6
Associated Cement	38	38	Fine Cotton Spinners	32/6 32/6
Borax defd.	37/1	37/1	Forestal Land	48/6 48/6
Bovril	20/1	20/1	Furness, Withy	56/9 56/9
Brazil Traction	45½	45½	Harrods Stores	28 28
British Amer. Tobacco pf.	18/6	18/6	Hudson's Bay	78½ 78½
British Aluminium	32/1	32/1	Imperial Tobacco "C" pf	33 33
British Oil & Cake	32/1	31/9	Lever Bros. "C" pf.	20/1 20/1
Brunner, Mond	48	48	Lyons, J.	31½ 31½
Castner-Kellner	38½	38½	Marconi	37½ 37½
Coats	6½	6½	Maypole Dairy defd.	19/6 19/9
Courtaulds	64	64	National Steam Car	20/1 18½
Cunard	43½	43½	Pears, A. & F.	14½ 14½
Dennis Bros.	35/6	35/6	P. & O. defd.	32½ 32½
Eastern Telegraph	150½	151½	Royal Mail	121½ 121½
Eastmans	10/1	10/1	Underground Inc. Bds.	81 81
English Sewing Cotton	56/1	56/1		
Anglo-Egyptian "B"	26/1	27/3	North Caucasian	8½ 8½
Baku (10s.)	1/9	1/9	Roumanian Cons.	91 91
Burmah	78	78	Royal Dutch (100 gulden)	51 51
Lobitos	24	24	Shell	5½ 5½
Maikop Pipeline	3/1	3/1	Spies (10/-)	7/3 7/3
Mexican Eagle pf.	64/6	65/1	Ural Caspian	48 48
Allagar 2/-	3/3	3/3	Perak 2/-	7/6 7/6
Anglo-Java Rub. 2/-	6/9	7/1	Port Dickson 2/-	45/1 45/1
Anglo-Malay 2/-	14/6	14/7½	Rub. Estates Johore £1	45/1 45/1
Ayer Kuning £1	51/1	50/6	Rub. Estates Krian 2/-	41/1 41/1
Batang Malaka 2/-	5/1	5/1	Rubber Trust £1	20/3 20/3
Bekoh 2/-	47½	47½	Sampang (Java) 2/-	2/6 2/6
Brit. N. Borneo Trust £1	16/1	16/1	Sapumakande £1	23/9 23/9
Bukit Cloh 2/-	51½	51½	Seaport £1	28½ 28½
Bukit Kajang £1	76/6	76/6	Selangor	35/1 34/6
Bukit Mertajam 2/-	47½	47½	Sengat 2/-	34½ 34½
Bukit Sembawang 2/-	3/3	3/4	Seremban £1	44/1 44/1
Carey United £1	46/3	46/3	Shelford £1	40/1 40/1
Ceylon Para 2/-	10/1	10/1	Sialang £1	69½ 70½
Chersonese	3/4	3/4	Singapore Para 2/-	44½ 44½
Chevit 2/-	6/1	6/3	Singapore United 2/-	34 34
Dalkeith 2/-	3/1	3/1	Soember Aje 2/-	2/9 2/9
Eastern Invest. Trust £1	27/3	27/3	Stagbrook £1	33/6 33/6
Grand Central £1	27/6	27/6	Straits Bertam 2/-	6/6 6/7
Gula Kalumpung £1	35/3	35/3	Sumatra Para 2/-	9/1½ 9/1½
Highlands £1	61/1	62/1	Sungei Bahr £1	40/1 40/1
Java Investment £1	28/6	29/1	Sungei Kapar 2/-	11/3 11/3
Java Para £1	32/3	32/1	Sungei Kruit £1	56/1 56/1
Johore Rubber Lands £1	33/9	34/6	Taipung 2/-	4/6 4/6
Kamunin 2/-	41/4	41/4	Tali Ayer £1	37/6 37/6
Kinta Kellas 2/-	48/4	4/6	Tanjong £1	87/1 87/1
Kuala Kubu 2/-	3/3	3/3	Tanjong Malim £1	34/3 34/3
Labu 2/-	97/4	97/4	Tebrau £1	60/1 60/1
Langen Java £1	42/1	42/1	Telorejo £1	46/1 48/3
Linggi 2/-	29/1	29/6	Tempeh 2/-	2/6 2/7
London Asiatic 2/-	81/10	9/11	United Serdang 2/-	11/3 11/6
Malacca £1	53	53	United Sumatra 2/-	8/9 8/9
Malayalam £1	39/6	40/9	Val d'Or 2/-	4/1 4/1
Merlimau 2/-	51/2	51/2	Vallambrosa 2/-	24 24
Padang Jawa 2/-	3/6	3/6	Way Halim t/8 pd.	2/6 2/6
Pataling 2/-	42/6	43/1		
Abbottiakoon (10/-)	41½	41½	Gt. Boulder (8/-)	13/9 13/9
Beechuanaland Exp.	71½	71	Kyshum	18 18
Brakpan	57½	58	Mashonaland Agency	71 71
Broken Hill Prop. (8/-)	52/6	52/9	Meyer & Charlton	57½ 57½
Cam & Motor	10/6	11/1	Modder "B"	8½ 8½
Central Mining (£12)	6½	6½	Do. Deep	78 78
Chartered	14/1	14/3	Mysore	3 3
City Deep	32	32	Rand Mines (5/-)	28½ 28½
Cons. Gold Fields	14½	14½	Rio Tinto (£5)	63½ 63½
Cons. Langlaagte	21	21	Russo-Asiatic	37½ 37½
Crown Mines (10/-)	24	24	Spring Mines	36 36
De Beers dtd. (£2 10s.)	122	13	Tanganyika	37½ 37½
East Rand	5/9	5/9	Tanayik	18 18
Geduld	14	14	Van Ryn Deep	37½ 37½
Gov. Areas Mod	37½	38		

With the Stock Exchange closed for the exceptional period of five consecutive days, the accumulation of orders when business was resumed on Thursday morning was extremely disappointing. The number of markings was only 2,600 odd, and that in recent times would have been regarded as the nadir of stagnation for a single day's work. Of course, the holiday period is always more or less inactive, but the stagnation represented by these figures is greater than was generally anticipated. Nothing of importance in the meantime had occurred to stimulate business, but on the other hand there was nothing of a discouraging character to create any selling pressure. Gilt-edged securities were mostly a fraction higher owing to the decision to reduce the discount rate for Treasury bills, but Consols and War Loans were a trifle lower than at the end of last week. On the other hand, Irish Land, London County (Council), India stocks, and a few others, gained substantial fractions. Colonial issues were scarcely mentioned, and not a single movement occurred among any of the leading issues. The Foreign Railway market also was very quiet, and except for one or two gains among Brazilian stocks, everything was left undisturbed.

Home Railways came into more prominence because of the approach of the dividend period and the fact that prices are at an extremely low level. Labour difficulties and other adverse conditions naturally tend to make buyers cautious, but the better-class stocks ought to be worth present prices whatever should eventuate after the war. Gains of $\frac{1}{4}$ to $\frac{1}{2}$ were general throughout the list, and dealings were a little better than had been experienced lately. Interest in American Railroads is at such a low ebb that the decision of the Washington Government to take over control during the war had little appreciable effect. Canadian Pacific eased off a little, but Grand Trunks were conspicuously strong on the excellent traffic increase, and the guaranteed and second preference each advanced as much as a point. Mexican Railway seconds lost a point, and movements among the Argentine group were rather irregular, but mostly in the wrong direction.

Bank shares received very little attention, and except for a small advance in London Joint Stock on the aftermath of amalgamation rumours, which have been denied, nothing occurred to disturb the list. Among Breweries, the only movement that calls for mention is an extremely sharp spurt of $\frac{1}{2}$ in Watney, Combe deferred, which brought the price up to the high level of 84. All Breweries appear to be doing extremely well, but perhaps the time is near when caution would be advisable. Iron and Steel shares showed a good deal of strength, Bengal Iron, John Brown, Kynoch, and Thornycroft being particularly conspicuous, but Richardsons, Westgarth gave way a trifle on the dispute with regard to the reorganisation scheme. Among Land shares, Nigers gained a fraction and Duff Developments also received some support, but the Nitrate section was rather flat, and Lagunas fell back a trifle. Shipping shares were in some demand, and P. and O. gained a point, but Prince Line eased off a little on profit-taking. Anglo-American Telegraph preference lost a point, and Spanish Marconi gave way, but the rest of the list was steady. Nothing happened in the Textile section, and among Tramways, &c., the only movement was a fall of 1s. in the National Steam Cars on the disappointing report. Miscellaneous Industrials were almost entirely neglected, but the few movements that occurred were favourable.

Oil shares, generally speaking, have not had anything to encourage them recently, and, indeed, the companies in which the public here are mainly interested, such as Russians and Rumanians, give no scope for optimistic views in the near future, while the first rank concerns such as Burmahs, Mexican Eagles, and "Shells" have reached prices at which they seem to be fully valued for the time being. Business in Rubber shares was fairly good, but not what might have been expected after such a long interval. Prices as a rule showed an upward tendency, and there was a good inquiry for a few of the leading shares and those which have issued favourable reports recently. At the same time, the advance in the price of the commodity helped to impart a cheerful tone to the share market which required some such stimulus to keep it going, but the sum total of transactions did not amount to more than an average half-day's work.

LONDON PRODUCE MARKETS.

There was no new noteworthy feature to note in the various markets during the week, which remained more or less under holiday influence.

SUGAR.—No change was made in quotations this week.

COFFEE.—There is a moderate inquiry for all home-trade kinds at a steady range of values, but for Santos grades the market is still weak.

COCOA AND TEA.—Markets remained virtually closed during the week.

SPICE.—Pepper quiet at about late rates. Fair black Singapore, spot, quoted 1s. 2½d.; and Muntok, 1s. 8d. Fair Zanzibar cloves, spot, ruled slow at 1s. 9d. Tapioca and sago quiet, unaltered.

HEMP.—East Indian and also Chinese remain firm, with a steady inquiry.

SHELLAC.—Market steady, quiet. Fair free T.N. quoted 36os.

RUBBER.—General trade quiet, but market firm. Plantation, spot, crepe, sold, 2s. 5½d.; January-March, 2s. 6½d.; April-June, 2s. 7½d. Ribbed smoked sheet, spot, sold, 2s. 5½d. Fine hard Para, spot, 2s. 8½d.; soft fine, 2s. 4d.

CORN (Mark Lane).—The market displayed a holiday appearance, but steady conditions prevailed. Quotations:—Wheat: English whites and reds, 74s. 6d. Of imported descriptions, No. 1

Northern Manitoba, 79s. 9d.; No. 2, 78s. 3d.; No. 3, 76s. 6d.; Australian, 81s. 6d. to 82s.; Indian, 81s. 6d. to 82s. 6d., as to grade; La Plata, 80s.; all ex quay per 496 lbs. Flour: English country straight runs, 44s. 3d. per sack, ex mill; Australian, 82s. to 82s. 6d. per 280 lbs. Barley: English, 62s. 9d.; Californian, 87s. to 88s. per 448 lbs. Oats: English, 45s. 3d. per 336 lbs. No. 2 London controlled, 60s. 6d. per 320 lbs. Maize: Mostly out of offer.

COTTON (from our Manchester correspondent).—This has been a holiday week in the market, and buyers and sellers have been in no mood to enter into negotiations of importance. The general outlook does not show very much change. Raw cotton news has been bullish, and prices in yarn and cloth have tended to harden. The inquiry in piece goods for our outlets abroad has been of

CURRENT PRICES OF CHIEF ARTICLES. WEEK ENDING DECEMBER 28, 1917.

	Last Week.	This Week.		Last Week.	This Week.
Sugar —per cwt., duty 14½, 98%	£ s. d.	£ s. d.	Wool —per lb.	£ s. d.	£ s. d.
Polarisation			Australian	nom.	nom.
Tate's Cubes ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Cr'ssbr'd	nom.	nom.
Granulated ..	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Crossbred	nom.	nom.
Foreign granulated			New Zealand		
first marks			(scoured) Merino	nom.	nom.
f.o.b., spot	nom.	nom.	Greasy Crossbred	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Cape snow white	nom.	nom.
French Cubes	nom.	nom.	Indiarubber p. lb.		
prompt			Plantation, Spot		
Crystallised, West			Crepe ..	0 2 5½	0 2 6
India ..	2 6 9	2 6 9	Coal —per ton		
Best, 88% f.o.b.	nom.	nom.	Durham, best ..	nom.	nom.
Tea —per lb., duty 1½	s. d. s. d.	s. d. s. d.	Seconds ..	nom.	nom.
Indian Pekoe ..	1 0-1 6	1 0-1 6	East Hartlepool ..	nom.	nom.
Broken ..	1 0-2 2	1 0-2 2	Seconds ..	nom.	nom.
Orange ..	1 0-2 2	1 0-2 2	Steamers, best ..	32 6	32 6
Broken ..	1 3-2 2½	1 3-2 2½	Seconds ..	29 6	29 6
Pekoe Souchong	11-1 6	11-1 6	Lead —per ton.	£ s. d.	£ s. d.
Ceylon Pekoe ..	1 0-1 6	1 0-1 6	English Pig ..	nom.	nom.
Broken ..	1 0-1 6	1 0-1 6	Foreign soft ..	£30½-£29½	£30½-£29½
Orange ..	1 0-1 3	1 0-1 3	Quicksilver —per		
Broken ..	1 3-2 4½	1 3-2 4½	bottle first hand	nom.	nom.
Pekoe Souchong	11½-1 0	11½-1 0	Tin —per ton		
Cocoa —per cwt.	s. d. s. d.	s. d. s. d.	English Ingots ..	£310	£296-300
Trinidad—per cwt.	89 0-99 0	87 0-99 0	Do. bars ..	£311	£297-301
Grenada ..	85 0-98 0	85 0-98 0	Standard cash ..	£308 10½	£294
West Africa ..	68 0-77 0	68 0-77 0	Fin Plates, per box	nom.	nom.
Ceylon Plantation	77 0-94 0	77 0-94 0	Copper —per ton.		
Guayaquil Arriba ..	105/-109/-	105/-109/-	English, Tough		
Coffee —per cwt.			per ton ..	nom.	nom.
duty 42½ per cwt.			Best Selected ..	£119-£123	£119-£123
East India ..	97 0-116 0	97 0-116 0	Sheets ..	£147	£147
Jamaica ..	77 0-120 0	77 0-120 0	Standard ..	£110-110½	£110-110½
Costa Rica ..	97 0-116 0	97 0-116 0	Jute —per ton.		
Provisions —			Native firsts for		
Butter , per cwt.			shipment	nom.	nom.
Australian finest ..	252/-	252/-	Oils —		
Argentine ..	252/-	252/-	Linseed, per ton ..	£58-£63	£58-£63
Irish Creameries ..	252/-	252/-	Rape, refined ..	£71	£71
Dutch ditto ..	252/-	252/-	" crude ..	£66	£66
Russian finest ..	nom.	nom.	Cott'n Seed, crude	£60	£60
Paris baskets ..	252/-	252/-	Ditto, refined ..	£67-£95	£67-£95
Danish finest ..	nom.	nom.	Petroleum Oil, per		
Brittany rolls ..	nom.	nom.	8 lbs.	17½	17½
doz. lb. ..	nom.	nom.	Water White ..	18½	18½
Bacon —per cwt.			Oil Seeds, Linseed		
Irish ..	172/-	172/-	Calcutta—per ton		
Continental ..	174/-	174/-	Spot	29 15 0	29 15 0
Canadian ..	172/-	172/-	Rape ..	£29-10½-30	£29-10½-30
American ..	172/-180/-	172/-180/-	Iron —per ton		
Hams —per cwt.			Cleveland Cash ..	nom.	nom.
Irish ..	203/-	203/-	Tobacco —duty,		
Canadian ..	162/-165/-	162/-165/-	unmanufactured		
American ..	125/-165/-	125/-165/-	7½ to 8½ per lb.		
Cheese —per cwt.			Maryland & Ohio		
Dutch ..	nom.	nom.	per lb. bond ..	nom.	nom.
Canadian ..	nom.	nom.	Virginia leaf ..	0 8-2 1	0 8-2 1
English Cheddar	142/-	142/-	Kentucky leaf ..	0 7-0 11	0 7-0 11
White loaf ..	nom.	nom.	Latakia ..	2 0-5 0	2 0-5 0
New Zealand ..	nom.	nom.	Havana ..	1 6 6 6	1 6 6 6
Rice —per cwt.	s. d.	s. d.	Manila ..	nom.	nom.
Japan ..	nom.	nom.	Cigars, duty 10½		
Rangoon 2 stars ..	26 3	26 3	per lb. ..	2/ upds.	2/ upds.
Eggs —per 120.			Timber —Wood.		
English ..	43 0-45 0	39 0-43 0	Pitch Pine ..	300/-400	300/-400
Irish ..	35 0-39 0	38 0-40 0	Indian Teak ..	380/-700	380/-700
Danish ..	38 0-41 0	39 0-41 0	Turpentine —		
Spelter —			American Spot ..	119/6	128/-
G.O.B. as to position			Copra —per ton		
..	£54-£50	£54-£50	Malabar ..	46 0 0	46 0 0
Flour —per sack.			Ceylon ..	46 0 0	46 0 0
Country Straight			F.M.S. Singapore	45 20 0	45 10 0
Runs ex Mill ..	44/3	44/3	F.M. Straits ..	45 10 0	45 10 0

small extent, and buyers now seem determined to move slowly, although there is little likelihood of lower values in the near future. Offers for India and China have been few and far between, and the offtake for the minor outlets East and West has been unimportant. An extensive business was done at the end of last week for the British and French Governments in heavy goods, and makers of such fabrics are now fully sold up to the end of June. American yarns for home use have been rather dearer to buy, but manufacturers have been slow to respond to the higher rates, and only a retail trade has been reported. Egyptian spinners have been strongly held, with a miscellaneous business in both carded and combed descriptions.

By-the-Way War Notes.

Newspaper cables from America tell us that William Hohenzollern's latest announcement about his partnership with the Almighty has been the leading subject of the Christmas sermons there this year. The astounding blasphemy of the madman seems to have amazed American people and their Christian teachers. We here have long ceased to be shocked by any words this monster may utter. He is, by his own appointment, the "All-Highest" on earth, and by endorsement of the grovelling people he is hurrying to destruction. What could appear more logical—to an insane creature like this—than that he should claim the "Lord of Creation" as his "unconditional and avowed Ally"? His own conceit told him that, and we quite expect him to announce any morning that his self-selected "partner" in crime has bestowed on him the gift of immortality. "I, your All-Highest, by the gracious favour of my partner in the heavens, am endowed with eternal life. For ever henceforth, therefore, will I live to watch over your widows and orphans and to distribute Iron Crosses to those who remain alive when victory has crowned our efforts. Let Krupp's ever flourish." It would be rather a telling bit of stage-gag that, would it not? We hope the malign being will at least live long enough to be brought to trial and punished for his crimes.

What interests us most in reference to crude explosions of vulgar conceit such as this is, not the utterer thereof, but the effect on his victims. Can it be that after more than 40 months of most murderous war the inhabitants of Germany believe still in the Kaiser and in the "profits" likely to accrue to them as fruit of marauding on the greatest scale ever seen? Do the Germans still think that they can bring peace back to the world by "battering in with the iron fist and the shining sword the doors of those who will not have [my] peace"? We fear the answer must be: "Probably the majority of them still do, else that cunning lunatic, the 'All-Highest,' would not have struck the attitude and used the phrases he did in his Christmas harangue." For he is, in his mad way, astute enough, and in his word explosions is always alert to keep the main chance before his slaves. What other was this melodramatic jangle about the "iron fist" and the "shining sword" than an endorsement of demand made the other day by the Semito-German representative of the German iron interests? They met, and gave forth the intimation that no peace which surrendered Alsace and Lorraine, or which hands back Briey and Longwy, parts of France rich in coal and iron, cunningly pounced upon by the Prussians at the beginning of their war for plunder, would be tolerated by them? The Kaiser's tawdry heroics was merely his way of saying, "All right, gentlemen, I twig. We must stick to what we've stolen; go ahead with the war with the utmost fury, and trust to luck." "The enemy has achieved nothing," the man boasted to his troops. The German "defensive battle" of 1917 had been "without parallel"—which is probably true, although it is a lie to say that this battle was fought by the Germans with "only a fraction" of their army. But exaggeration is necessary to keep up the spirits of those left alive within "the Fatherland," and naturally the "All-Highest" has nought to say about the millions of his slain in these battles. Leave him to clatter and rattle on to his destined end. Do the German people wish to follow? We must assume that they do. There is no spirit of manly revolt behind even a Leipzig election.

This week the toughest fighting by much has been in Italy, and we have good reason to be pleased with the results. Thus far the Austro-German troops have been foiled in all their attempts to penetrate into the plains, and if the Allied armies continue to help and sustain Italy's heroes until winter really spreads her mantle over the mountains and passes all will be well. As they perish among the drifts and avalanches, the gun-fodder bipeds, victims of the Habsburg and Hohenzollern impostures, will perhaps have time to

work out their idea about the nature of William the demented's partnership with the Almighty.

On all other theatres of war the murdering has been comparatively slow and unpicturesque this Christmas week. Only the air fleets of the Allies have been obviously busy in the west—as in Italy, Palestine, and Mesopotamia, too—and done some very effective work, bombing Mannheim amongst other feats. The depôts of the enemy behind the front in Belgium and French Flanders have also been well attended to, and with such success that we are disposed to attribute our immunity from German aircraft at Christmas to the punishment the French and ourselves have been administering to their bases. The more active our aeroplanes can be during the weeks when great fights between the armies must be suspended the better for the success of our assaults in the spring.

It looks as if German diplomacy—the diplomacy which offers drugged jujubes with a mailed fist to hypnotised victims—had rather come a cropper at Brest-Litovsk. Those Bolsheviks cannot all be sheer dreamers with a stiffening of scum and knaves among them. We never thought they were, for the leaders among them seem to be in the main Russians. Their delegates, dream-smitten, met the Germans, therefore, only to discover that nothing in common lay between them. The Teutonic thieves want to keep as much of Russia as they have overrun, to retain Poland in slavery, to be masters of the Black Sea and in the Balkans, to win the war by the guile of their diplomacy, in short, having ruined themselves and failed to do so by slaughter. On their side, the Russians repudiate all forcible acquisitions of territory, and claim liberty for all communities and races to choose their own governors and forms of Government. And, of course, the Bolsheviks say "no indemnities" must be exacted, the foolish visionaries that they are.

So negotiations have been "suspended," for a month it is said, and the wily Kuhlmann and his troop must feel small at such a rebuff administered by novices they most probably expected to mould to their will like so much potter's clay, or like our Ulster "rebels." And the worst of it is that the partial disclosure of the German demands has seemingly roused anew the fighting spirit in Russia, so much so that even the extremists in Petrograd have begun to call up troops and to hurry them to the front. They are too late, and their failure to obtain a tolerable peace, when added to their ability to stop pillage and assassination within the country, or to provide food and work for the people, will probably soon bring their dream of happiness through universal anarchy—with sugar in its tea—to an end. For in Southern Russia, and nearly everywhere in the west, in Siberia, and in the Caucasus, the Bolshevik authority is ignored or repudiated. Ukrainia has never disarmed, and is making common cause with Roumania. It would afford us no small satisfaction, and some amusement, were the consequence of Berlin's wonderful strokes of diplomacy and corruption in Russia to bring new Slav armies into the field against the two Kaisers, Bulgaria, and the Turk next spring. The God's partner and his vassal would then have the pleasure of scurrying back east to defend their "conquests" just when the American troops were on the spot and ready to back up our renewed lines-smashing feat in the west. And in the meantime the armies sent to conquer Italy might have perished. There are, therefore, favourable possibilities—at least as many as unfavourable—in the womb of the future. Oh, pessimist; and, if you are wise, you will not let the Hohenzollern criminal lunatic's sketch of the battle position weigh your courage down too much.

Anyhow, the German people show no sure sign that their war purposes are abandoned—not one of them. So we must go on killing and starving them until their minds open to sanity. It may be displaying favourable signs by next April or May, provided the winter before us is hard, and our blockade

continuously effective. The military faction has evidently been counting on large seizures of grain in Russia, but there is none to be had, or next to none. So the rage-consumed ruffians now in their Press proclaim, "We are not hungry."

Last week's destruction of British shipping by the enemy's submarines was a trifle less than in either of the two previous weeks in this month, only ten large and one smaller vessel having been sunk, allowing for one large ship sunk the week before but not reported in time. One fishing-vessel also was sunk, making the dozen. Of vessels unsuccessfully attacked the number returned is also twelve, but that includes one attacked in each of the two previous weeks, or two in all, not before reported. That leaves ten as the number for the past week alone, and it is, in a way, cheering, or indicative, probably, of increased expertness in defence, although in another way it testifies to the undiminished attacking power of the enemy. Altogether, then, only twelve of our ships of all sizes were sunk last week, compared with sixteen the previous week and twenty-one in the week ended December 8. The arrivals numbered 2,311 and the departures 2,460, or 4,771 in all. The previous week's total was 4,960, and that of the first week in December 4,810. The Germans are flinging away lives and material for a poor return, however you estimate it; but at least they are doing their best, and doing it well, to rid the world of their dishonest competition in industry and trade when the war is over.

American Business Notes.

A summary of the peace terms thrust forward as a feeler by the Kaiser's emissaries in America was published in the States last Monday. It is worth preserving:—

A plebiscite to decide the disposition of Alsace-Lorraine; England to pay Germany for her African Colonies, and the money to be used for the restoration of Belgium, Northern France, Serbia, and Rumania; Russian territory conquered by Germany to be an independent State under a German Protectorate; Poland to be an independent State under Austrian suzerainty; disarmament, freedom of the seas, and commerce to be left to the Peace Conference; Rumania, Serbia, and Montenegro to retain their original boundaries, right of access to the sea being granted to Serbia; Turkey to remain intact both in Europe and Asia.

Needless to say, there is no probability of proposals of this description being accepted by the Allies, and the United States would be the last country to take them into serious consideration. Indeed, the strength of our position is much increased by the certainty that the peace acceptable to the North American Republic must be a democratic peace. From the first we have contended that it would be impossible for a free nation to enter into treaties with despots. Alike in the nature of their authority and in their faithlessness, despots cannot be trusted. Consequently, it is vain for the Berlin nest of vipers to send out feelers of this kind in order to try and entrap us into a discussion of peace terms. The very first of these hints—a "plebiscite" in Alsace-Lorraine to determine whether it shall rejoin its beloved France or remain with Germany—is a mockery. No plebiscite is needed to make known the mind of the enslaved provinces, but were one assented to by the Powers, we may be perfectly certain that the vote would be arranged to suit Prussian designs. The proposal that England should buy Germany's African colonies, the money to be used in repairing the damage done in Belgium, Northern France, Serbia, and Rumania, would almost touch the sublime in its insolence were it not so caddish in its contempt for facts. But why waste space discussing such fancy work, such efforts to cheat and betray as these? They serve only to show that even though Germany may know its defeat to be complete and irremediable, the pride-inflated minds of the rulers of Prussia cannot yet bring themselves to accept the consequences of their own treacherous behaviour.

Insurance News.

It is understood that the negotiations for fusion between the London Assurance and the British Law Fire Insurance Company, to which reference has already been made in these columns, are proceeding satisfactorily, and an official announcement may be expected shortly. The directors of the two companies will no doubt do their utmost in order that the respective shareholders shall receive full information at the earliest possible moment. The British Law Fire has a very fine type of business, which enables it to show a loss ratio which compares highly favourably with other leading fire offices. The bulk of the company's business—in fact, 84 per cent. of its total nett premiums—is derived from fire, as it was only as recently as 1907 that general accident and employers' liability was added to its programme. The London Assurance ranks as one of the leading composite offices, and, besides fire and general accident, does a big life and marine business.

It is satisfactory to note that the Danish War Insurance Bureau is able to announce the lowering of premium rates for the transport of goods by steamer from Denmark to England and *vice versa*, from 7 per cent. to 5 per cent., the new rates now being operative.

Interesting figures are to hand from New York regarding the expansion of the marine insurance business in the United States. For 1916 the combined inland and ocean premiums written amounted to £14,133,000, as compared with £6,423,000 in 1914. It is estimated that fully one-third of the total was written abroad on American business by British and other foreign companies. The increase figures represented the enhanced values of rates of American business carried during the war.

Answers to Correspondents.

M. J. R.—The old loan, it gives a higher return.

Deane.—There is no reason to sell so far as we know. The property is doing well, but there are, of course, risks of labour troubles.

H. G. A.—No, neither of them.

W. J. S.—It is quite a fair purchase, as the total debt is not heavy, and the city prosperous and likely to continue so.

F. C. L.—(1) Has fair prospects, and the shares are now more moderate in price, but we do not think there will be any rapid rise. If you buy you must be prepared to wait. (2) Present prospects indicate a longer wait, and there seems no hurry to buy.

J. C. W.—(1) They have already risen considerably and now look dear. (2) Quite high enough, and might be sold.

H. B. (Ans. by Wire).—Have no information to form opinion. Cannot trace any market. Recommend great caution.

R. F. M.—(1) No dividend has yet been declared on these. There appears to have been a little demand here for the shares, and as none can be shipped the market is rather artificial. For the moment the shares look high enough. The Canadian Bank of Commerce act for the bond issue, and you might get information there, otherwise your only source is the company. We are replying through our columns as it is less expensive. (2) These keep comparatively steady, but similar conditions apply, although the company is reported to be doing well. (3) These had a sharp fall on the other side, and an attempt to sell here brought down the price, although the earnings are quite good. It is paying its dividends regularly. You are no doubt aware that the bond issues of (1) and (2) have been requisitioned, and (3) purchased by the Government.

REPUBLIC OF NICARAGUA STERLING LOAN OF 1909.

The Council of Foreign Bondholders give notice that they will be prepared on and after the 1st proximo to receive Coupons Nos. 16 and 17, due 1st July, 1917 and 1st January, 1918, of "stamped" Bonds of the above Loan for the purpose of paying (less tax) 25 per cent. of the face value of these coupons in cash, and interest at 6 per cent. per annum for 6 months on 75 per cent. of coupon No. 16.

A ticket will be given to depositors of coupons entitling the holders to receive 75 per cent. of the above named coupons in Funding Certificates as soon as the same are ready for issue—notice of which will be given in due course.

Coupons from abroad must be deposited through a London Agent.

Forms for listing can be obtained on application to the Council on and after 1st January.

JAMES P. COOPER,
Secretary.

17, Moorgate St.,
London, E.C. 2.

December 27th, 1917.

Letters to the Editor.

CROWN COLONIES AND INCREASED PRODUCTION.

SIR,—Early in the present year a body called the Empire Resources Development Committee was formed in London. Its chairman was the late Right Hon. Sir Starr Jameson, Bart., C.B., chairman of the British South Africa Co. Its hon. secretary is Mr. H. Wilson Fox, M.P., one of the directors of that company. The other members include gentlemen prominent in political, financial, or social life. Four are members of the British Government.

It is not easy to state the proposals of the Committee in exact terms. They have varied from time to time. In all of them, however, so far as we have been able to discover from speeches by members of the Committee and literature issuing from its publicity department, two features are included. The first is that the British Government should set up in the Crown Colonies a body of *concessionnaires*, business men paid partly by commission and enjoying a privileged position before the law, who should carry on industries in those colonies on condition of returning a percentage of the profits, not to the Government of the colony and for the benefit of the colony, but to the British Government, in reduction of the war debt. The second is that a beginning should be made with this policy in West Africa. As persons intimately connected with the last-named country, we venture to address you on these proposals. There seems the more reason for this, inasmuch as no member of the Committee, so far as we can learn, has personal experience of, while few, if any, are even indirectly connected with West Africa.

There is nothing in the present condition or prospects of British African colonies to justify this new policy, which is simply a return to the old "plantation" system, in which dependencies were looked upon as estates to be exploited for the benefit of the more vigorous governing country. In the past the attempt to secure profit for the State at the expense of weaker races has everywhere failed, and in the present advanced state of intelligence in our African colonies would inevitably produce discontent.

The policy is also at variance with the history of our own moral development, which involves the ultimate relation of Africans to the white races; it lowers our standard of justice, and is a negation of the established principle of "Equality of opportunity."

The system of government which has grown up in West Africa under the administration of the Colonial Office has had certain broad results. The greatest is profound political peace, which continues even in such a testing time as this. Subsidiary results are steady increases in exports and imports, with consequent benefits to British manufacturers. The native producers, thanks to increasing wants met by increasing production, thanks also to the patient efforts of the Colonial Governments, especially the various agricultural departments, are continually increasing the quantity and improving the quality of their output. As proof of this we may quote the recent statement of the Administrator of the British Zone of Occupation in Togoland, that during the first year of our occupation the land put under cultivation was greater by one-third than that in the last complete year of German rule; the statement by Sir Hugh Clifford, K.C.M.G., Governor of the Gold Coast, that "cocoa cultivation in the Gold Coast and in Ashanti"—now the world's chief producing area of cocoa—"is a purely native industry"; and the statement by the Colonial Secretary, the Right Hon. Walter Long, in the House of Commons last month, that in West Africa "the supply of palm kernels and the palm oil brought forward by the natives during the war is considerably greater than the amount for which it has hitherto been possible to provide freight."

The central principles of the policy which has had these results are absence of forced labour, observance of the natives' land laws and customs, and freedom of trade.

It is obvious that these elementary, vital principles

would be profoundly modified, if not reversed, if the policy of the Empire Resources Development Committee were to be applied. Land being held by the tribe in common in West Africa, it follows that, in practice, bodies enjoying special Governmental privileges cannot be set up without involving interference with the natives' land and labour. The *concessionnaires* would be identified with the Government in the native mind. It is significant in this connection to notice that the unfortunate fact that four members of the British Government are on the committee is taken by the native Press of West Africa—every organ of which condemns the proposals as an utterly indefensible attack upon private right—as an indication that the policy of the Committee is the policy of the British Government. We believe that such an impression is as groundless in fact as it is injurious to the fair fame of Great Britain; and we readily bear testimony to the fact that whenever a Minister representing the Colonial Office has referred to the Committee's proposals, his language, like Mr. Long's above quoted, has been unfavourable to the Committee's project.

There is a further reason for calling attention to this matter at the present time. If the forces and civilian populations of the Allied nations are to be properly fed during a prolonged war, it is urgently necessary that the important foodstuffs coming from West Africa should be largely increased. From this point of view nothing could be more harmful to Imperial and Allied interests than a propaganda which shakes the confidence of the producers in the root principles of British administration.

Our French Ally, faced in French West Africa with a precisely similar situation, has dealt with it on lines the opposite of those suggested by the Empire Resources Development Committee. A circular just issued by his Excellency the Governor-General sets forth that:—"In order to meet the Mother Country's urgent needs, the Ministry of Supplies purchases the whole of the crops of French West Africa. The Minister of the Colonies on his part undertakes to stimulate and intensify production wherever possible; and this he proposes to do by paying the producers 'largely and loyally,' the object being to 'produce, and produce largely,' and it therefore is necessary to 'interest the producer,' by frequent visits of political officers to the producing areas, by encouragement of merchants, and by absolute non-interference in buying or selling by the Government directly."

It is our conviction that adoption of a like policy in British West Africa will lead to the best possible results.

W. NICHOLL, Chairman.

E. V. CROOKS, Secretary.

The Association of West African Merchants,
14, Castle Street, Liverpool, December, 1917.

The Week in Mines.

The intervention of the holidays has, of course, restricted opportunities of business to a day or two, but there have been a few interesting movements. In the South African market interest was largely centred on the dividend declarations, which are being made later than usual this year. The announcement of a maiden dividend of 12½ per cent. by the Government Areas (Modderfontein) had been fully expected, but the shares followed it by rising to 3 19-32, and Van Ryn Deeps also rose to 3 19-32 on the "record" dividend of 22½ per cent. Modder Deeps, which are paying 45 per cent., which is also the highest rate yet paid, were unaffected by the declaration, while Knights at 1 27-32 received the further cut in the dividend to 15 per cent. with philosophical calm. Gold Trusts have developed strength and are 2s. 3d. higher at 22s. 9d., and Gold Mines Investments at 15s. 3d. have been supported. Among Rhodesian shares, Giants rose 2s. to 9s. 6d. on the interim dividend of 9d. per share, but subsequently relapsed to 8s. 6d. Tanganyikas have been supported at 3½.

COPPER AND MISCELLANEOUS.

Australian copper shares have been in request, notably Hampdens at 30s. 6d., and Mount Morgans at 33s. 6d. Tin shares have been in request on the high level of the metal. Renongs are up to 2½, and Mawchis at 1½ are also slightly higher. Broken Hills have moved irregularly, but Sulphides were supported on the statements made at the meeting, in which the strong financial position of the company was emphasised. In other departments business has been very quiet, with movements in prices quite unimportant.

MINING NEWS.

RUSSIAN MINING CORPORATION.—The report for the year to March 31 states that the whole position of affairs has been changed since then. The most important event has been the sale of the Altai Concessions to the Russian company organised in Petrograd for their purchase. The outlay in connection with these concessions amounted to £103,829, a nett increase of £14,303. The debit balance in profit and loss account has been increased from £3,360 to £31,791. For the sale of the Altai Concessions to the Altai Mines the corporation received 36,400 shares of 100 roubles each; of these, 16,000 have been sold for 1,520,000 roubles, which stands to the credit of the corporation in the Russian and English Bank.

GIANT MINES.—The report for the year ended June 30 states that for the period to the end of April last, when the property was closed down, a working loss of £2,274 was made, but allowing for income from investments, &c., there was a profit of £4,095, against £18,207. Income-tax absorbs £6,071, leaving £1,557, against £2,933, to be carried forward. Efforts are being made to let the property on tribute. Sales of plant and machinery have reached £30,000, and the investments of the company, including loans against security, amount to about £135,000, representing about 13s. 6d. per share. The investments ensure a steady income, and it is proposed to pay on January 21 an interim dividend of 9d. per share. The financial position will enable the company to undertake fresh business as opportunity offers.

Tea, Oil and Rubber.

After all we have been told, with semi-official authority, about the prospects of a rubber famine the year after next, and the consequent certainty of a big advance in the price of the commodity meantime, it is rather pathetically amusing to watch the efforts that are still being made to arrive at some basis for the restriction of output. Frankly, we cannot follow the line of argument at all. It is suggested (semi-officially) that young companies should reduce their output by 20 per cent.; the trees would benefit from the rest, shipping space would be economised, there would be a great saving in expenses, the price of the raw material would rise to 3s. (how very modest!), and nett profits might increase by 30 per cent. Was ever such an alluring prospect so easy of attainment? We cannot recall anything quite so attractive being put forward in the case of any other industry. It looks so simple. The old "ca' canny" policy of the trade unionist is a fool to it. After examining many scores of rubber company reports, we have frequently been struck with the fact that the increase in output was very much less than might have been expected under normal conditions. Without unduly emphasising the point, we supposed that the excess profits tax had a good deal to do with this phenomenon, and there cannot be the slightest doubt that the trees, at certain stages, are all the better for resting. No one can possibly object to that; it is dictated by careful management and sound business principles. But when on top of this there is an agitation to supersede the discretion of the local manager as to the most economical working of his estate by a purely arbitrary curtailment of production, we cannot believe that the leaders of the industry will consent to any such course for the sake of a merely temporary advantage which would inevitably bring incalculable troubles in its train. No doubt people who never know when to stop preaching higher prices would like to see some spectacular scheme to help them out of their present difficulty, but if the Rubber Growers' Association is foolish enough to fall a victim to the snare, we should have to warn investors to sell, sell, sell everything.

TANDJONG RUBBER CO., LTD.—Year to June 30. Issued capital, £150,000, in £1 shares. Estate account, £200,490. Reserves, £103,680.

	1915.	1916.	1917.
Nett profit.....	£39,720	£87,065	£94,700
Dividend	20 p.c.	30 p.c.	25 p.c.
Carried forward	£7,100	£39,160	£57,750
Output.....lbs.	817,490	1,206,950	1,384,550
Average price	2s. 1.84d.	2s. 5.63d.	2s. 6.98d.
All-in cost	1s. 2.28d.	1s. 0.04d.	1s. 3.18d.
Planted area	5,116	5,366	5,616
Yield per acre	160	225	246

Over 1,100 acres have been planted since 1913, and are therefore not yet in bearing, so the average yield may be regarded as very satisfactory. Last year's output was about 70,000 lbs. below the estimate owing to unsatisfactory weather, but for the current year the yield is estimated at 1,595,000 lbs. The reduction in

the dividend is entirely due to the incidence of the excess profits duty. For the two years to June, 1916, this tax amounted to £38,400, and for the past year it is estimated at £50,000, or 33½ per cent. on the capital. It is provided for by the large carry forward, but it is a terribly heavy impost, and emphasises the necessity for some modification of the tax in favour of young plantation companies. In every other respect the position of the company is perfectly satisfactory.

BUKIT KAJANG RUBBER ESTATES, LTD.—Year to June 30. Issued capital, £100,000, in £1 shares. Estate account, £96,215. Reserve, £17,000.

	1915.	1916.	1917.
Nett profit.....	£30,220	£62,446	£77,165
Dividend	22½ p.c.	35 p.c.	35 p.c.
Carried forward.....	£5,450	£29,551	£41,340
Output.....lbs.	580,550	740,000	942,650
Average price	2s. 1.92d.	2s. 6.53d.	2s. 5.88d.
Planted area.....acres	2,884	2,820	2,980
Yield per acre	200	262	316

Excess profits duty last year amounted to £24,500, and the present carry forward is subject to the tax. £3,000 is added to the reserve. The company for some unaccountable reason has ceased to publish all-in cost, which seems a rather foolish policy. Otherwise the company appears to be doing well. For the current year the output is estimated at 940,000, and the trees are to be rested a little.

BANTAM (JAVA) RUBBER ESTATES, LIMITED.—Year to June 30. Issued capital £150,000, in £1 shares. Estate account, £139,820. Reserve, £3,000.

	1915.	1916.	1917.
Net profit	£20,940	£55,260	£49,900
Dividend	12½ p.c.	20 p.c.	15 p.c.
Carried forward	£4,950	£26,000	£33,160
Output.....lbs.	441,760	706,320	860,430
Average price, rubber	2s. 3.17d.	2s. 7.50d.	2s. 7.50d.
All-in cost.....	1s. 3.32d.	1s. 1.75d.	1s. 1.65d.
Planted area	2,272	2,272	2,272
Yield per acre	195	310	380

Output for the current year is estimated at 915,000 lbs. £16,000 has been paid on account of excess profits duty, and the carry forward is subject to adjustment of this tax for the past two years. The directors have prudently reduced the dividend in view of the uncertain outlook, but they have made liberal provision for depreciation, and the company is in a strong financial position.

What Balance Sheets Tell.

BRITISH EMPIRE LAND, MORTGAGE AND LOAN CO., LTD.

Revenue continues to shrink, and as expenditure does not fall proportionately the debit balance after providing for debenture interest increases. For the financial year ended September 30 last income fell short of the amount required for expenses and interest by £570, and this together with loss on book values of property realised, £2,370, and several other small sundry items is transferred to realisation account, the aggregate amount of which, £30,520, is deducted from the first item in the balance-sheet, reducing it to £59,120. This credit, it is said, will be applied in meeting the expenses of realisation and such losses as may arise on individual investments. It is anticipated that it will suffice to leave the ordinary and founders' share capital represented by at least the three assets forming the first item in the balance-sheet.

THE LONDON CITY AND MIDLAND BANK LIMITED

will supply all information respecting

NATIONAL WAR BONDS

and invites investors to make their applications for the same at any of its offices throughout the United Kingdom

HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C. 2.

ARMY AND NAVY INVESTMENT TRUST CO., LTD.

A further shrinkage took place in the revenue of this investment trust company during the financial year ended November 30 last, gross profits at £44,135 exhibiting a decline of £3,250. Expenses and debenture interest took slightly less, but the amount available shows a decrease of £2,850 at £28,850. The dividend is again made up to 8½ per cent., but this time £600 more is allocated to reserve. There then remains £8,300 to go forward. No changes of importance have taken place in the balance-sheet. The securities have been taken at cost price less the amounts written off. Following the course adopted last year, the directors have not made any valuation as reliable quotations for many securities are not obtainable.

GOVERNMENT AND GENERAL INVESTMENT CO., LTD.

For the financial year ended November 30 last an appreciable improvement took place in the revenue position of this investment company. Gross profit was only £600 more at £20,080, but interest required £1,200 less, so that the amount available is up £1,760 at £12,900. After providing for the preferred stock dividend, which called for £3,735, devoting £2,520 as before to participation certificates service fund, and carrying £2,120 as against £95 to undivided profits account, the dividend on the deferred stock is again made up to 8 per cent. The balance-sheet shows a further £8,700 out on loan, a reduction of £5,040 in cash, and an increase of £3,800 in the credit item, loans and deposits. There are now £39,605 participating certificates outstanding.

IDRIS AND CO., LTD.

In these times when the business of mineral water manufacture is attended with so many difficulties the making of profits is no easy matter, and it is therefore all the more encouraging to note that this company is able to report substantially augmented revenue for the financial year ended October last. Profit has gone up £2,195 to £4,273, and the company is able to recommend dividends on the "A" preference shares, 3 per cent. being distributed as against nothing a year ago. After making this disbursement, which calls for £3,300, there remains £970 more at £4,720 to go forward. In the balance-sheet goodwill has been reduced from £12,750 to £5,000, the amount written off, £7,750, having been debited to reserve account, which now amounts to £12,185. Trading assets, apart from stock, £55,360, total apparently £64,000, while current liabilities and dividend disbursements aggregate £13,640.

PAN DE AZUCAR NITRATE CO., LTD.

A very substantial increase took place in the profits of this Chilean undertaking during the financial year ended June last, but the company has had to borrow largely from its bankers to complete the purchase of the new grounds acquired, and the directors are not unwisely applying the profit to redeem this advance. The nett production of the year amounted to 477,740 qtls. against 301,350 qtls., and the profit comes out at £19,030 as compared with £9,750. Income-tax and expenses absorb some £1,000 more, and an additional £3,150 is written off depreciation, leaving £13,260 in contrast to £6,740 available. The newly acquired property is estimated to contain £3,498,570 Spanish quintals of nitrate, and has cost the company £26,570. Including stock of nitrate, &c., £43,820, trading assets aggregate £122,760, while liabilities total £99,670. Grounds, buildings, and plant are £18,000 up at £125,000.

PEEK BROS. AND WINCH, LTD.

Quite a wonderful change has come over the fortunes of this old-established firm, which has had such a disastrous career since it turned itself into a joint-stock company with a terribly inflated capital of £800,000, and goodwill still figuring in the balance-sheet at no less than £356,000 after 22 years' existence in its present form. After crediting £24,550 (new) to contingencies reserve, the profits for the year amounted to £58,430, an increase of £32,000, and £3,000 more was brought in. But the directors think that the present is a favourable opportunity to make some arrangement with regard to the arrears of preference dividend, which now amount to 27½ per cent., and no distribution is at present recommended, the whole balance of £62,900 being carried forward. No dividend has been paid on the ordinary shares since 1902-3, when a miserable 2 per cent. was squeezed out. As it is not proposed to reduce the capital, we can only suppose that the preference holders (who put up the cash capital) are to be asked to make sacrifices, but it looks as though the scheme will require rather careful scrutiny.

INDIA-RUBBER, GUTTA-PERCHA, AND TELEGRAPH WORKS CO., LTD.

In the year to September 30 the gross profits, after making provision for doubtful debts, excess duty, and war contingencies reserve, amounted to £350,860. Excess duty, &c., is a new deduction, but, apart from this, the results show an increase of £62,000 over the previous twelve months, following a gain of £82,000 a year ago, so that the progress has been substantial even in these times of abounding prosperity. Expenses, however, were £27,000 higher, and income-tax took £12,000 more, with the result that the nett profit comes out at £162,150, an increase of £28,000, in addition to which £22,000 more was brought in. The directors are content to leave the dividend at 10 per cent., and after again placing £50,000 to reserve (raising it to £450,000), £30,000 is allocated to a staff fund, and the carry forward is increased by £20,000 to £59,860. Including war contingencies reserve, sundry creditors are up £170,000 at £455,000, stocks have increased £76,000 to £507,000, shares £95,000 to £195,000, and cash balances, &c., at branches £102,000 to £765,000. The financial position leaves nothing to be desired.

COMPANY MEETINGS.**THE NATIONAL BANK OF SCOTLAND, LIMITED.**

The annual general meeting of the proprietors of the National Bank of Scotland, Ltd., was held on Thursday, December 20, in the bank's head office, the Duke of Montrose, K.T., governor of the bank, presiding.

In moving the adoption of the report, his Grace referred to the issue of the great War Loan in January last, of which over £16,000,000 was applied for through the bank, about £6,000,000 of that amount having been temporarily advanced to applicants on special terms. He mentioned that the deposits had increased during the year by £5,000,000, and had reached the high figure of £29,000,000, notwithstanding the large sums withdrawn from time to time for investment in war loans and short-dated Government securities. For the year preceding the outbreak of war the average amount of the bank's notes in circulation was £841,000; for the past year it was £2,028,000. The increase in the bank's business was reflected in the higher profit earned, which was £31,000 more than in the previous 12 months, after meeting a considerable increase in income-tax and other charges. All depreciation on the bank's investments had been met, and £100,000 had been placed to the reserve fund, which stood at £800,000, apart from the sum required for the dividend of 16 per cent. now declared, and £62,961 carried forward. Owing to the continued abnormal conditions consequent on the war, the directors, in February last, again paid a bonus on the salaries of those exclusively in the bank's service whose emoluments did not exceed £500 a year. Since the outbreak of war over 400 members of the bank's staff had been released for military service. Of these, 46 laid down their lives for their country. The following honours had been awarded:—Five Military Crosses, one Military Medal, and one Distinguished Conduct Medal. The places of all now serving were being kept open, and they were being paid on a generous scale. The report was adopted.

FORUM RIVER (NIGERIA) TIN CO.

The fifth ordinary general meeting of the Forum River (Nigeria) Tin Co., Ltd., was held on December 21 at Winchester House, E.C., Mr. James Gardiner (chairman of the company) presiding.

The Chairman said the past year had been a record one for the company, the output being in excess of any preceding year and the nett profits being substantially higher. The board were confident that shareholders would support the conservative financial policy recommended in the allocation of the profits. The board were of opinion that the time had come to create a reserve fund for future contingencies, by placing £5,000 to its credit. That enabled them to recommend a 15 per cent. dividend, which would still leave over £5,000 to be carried forward, out of which only excess profits duty would have to be provided, and that amount was not likely to exceed £3,000. They would doubtless have noticed that the cost of production showed an increase, but that was only to be expected in view of the increased cost of all material, but the increase in the cost of production was more than compensated for by the increased price realised, which showed a substantial improvement on the price realised during the preceding year. Shareholders doubtless knew that as the result of action taken by the Nigerian Chamber of Mines in reference to the excess profits duty, the statutory percentage had been increased from 6 per cent. to 13 per cent., and, in addition, under a more recent Act, any new money put into the business would carry an additional 3 per cent. He was glad that the board of referees had recognised the principle that the alluvial tin mining industry in such a country as Nigeria was entitled, as a matter of bare justice, to a substantial increase on the statutory percentage, but he ventured to think that the 13 per cent. now allowed could not be justified as a maximum. While it had not been possible during the year under review to launch out into extensive development work, Mr. Hooke, their recently-appointed general manager, jointly with themselves and the Bisichi Tin Co. (Nigeria), had succeeded in acquiring another property for the joint account of the two companies, some three and three-quarter square miles in extent. The prospects of this new area were, they were informed, favourable, and in the near future they might reasonably expect revenue from this source. Last year he had stated that, after four years of operations, they had a quantity of ore then proved to a far greater extent than the amount estimated by the engineers in their original reports. He might safely amplify that statement today, and say that after five years of operations they still had ore proved greater in extent than the original estimates. He could not refrain from reminding them of a further hope that he expressed last year, which was now fulfilled, that was with regard to the dividend. When he explained last year the reasons which prevented them declaring a 15 per cent. dividend he had stated that he was sanguine enough to hope that the dividend was only delayed. He was glad that the delay had

only been one of twelve months. In conclusion, he might inform them that it was the board's intention to pay an interim dividend early in the new year.

Mr. W. S. Coutts having seconded the motion, it was carried unanimously.

AMALGAMATED PRESS.

The ordinary general meeting of the Amalgamated Press, Ltd., was held on December 21, at the Memorial Hall, E.C., Mr. George A. Sutton (chairman of the company) presiding.

The Chairman said: If these were normal times in which we were meeting, this year the Amalgamated Press would have cause for congratulation. Considering the difficulties with which all businesses are beset to-day, there is still greater reason for satisfaction with our past year's work. We can well be proud of the fact that this company attained its majority last month, having been formed in 1896. Its record is well known to you. It is a long serial story of progress. We have never looked back, and although we wisely avoid the risks of prophecy at our meetings, I may, at least, say that I believe, when the world is once more at peace, the future of this company will prove even more brilliant than its past. The company's financial position to-day is stronger than ever. After writing off depreciation of plant and buildings, the profits amount to £324,870 12s. 10d. I am happy to say that the circulations of our publications during the past year have been more than maintained. This is a striking testimony to their stability and enduring popularity. The old criticism that our periodicals were ephemeral in character has been entirely obliterated by the fact that after three and a-half years of war conditions they are as strong and flourishing as ever. Owing to the increased cost of paper, materials, and labour, we have had to advance the prices of a number of our magazines and journals, and it is quite possible that the pressure of these conditions may compel us to make other increases. Now I would like to refer for a moment to the popularity of our publications among the forces. *Answers* in particular has always had a great many friends in both Services, and the increasing demand for that old favourite abroad shows that it still enjoys its long-established prestige. It remains in the vanguard of popular periodicals. Its intimate touch with its readers is well illustrated by the fact that during the past year some 12 or 13 thousand letters with inquiries or messages have been received and answered by its correspondence department. A few of the places whence these letters came may be named at random from recent correspondence. These are Killarney (Manitoba), Peshawar (India), Alexandria (Egypt), Gwelo (Rhodesia), Tokio, Peru, Rio de Janeiro, Sierra Leone, and Kimberley. The correspondence from the United States is surprisingly widespread. A soldier in India wrote that he had even found a copy of *Answers* in a crevice on Mount Everest! Day by day scores of soldiers' letters are received asking for advice or making appreciative comment. All this is quite apart from the letters that reach Mr. J. M. Hogge, M.P., the soldiers' friend and the organiser of *Answers'* Pension Bureau, which he so ably conducts. Since October, 1916, a total of more than 35,000 cases have been dealt with. In a very large number of instances *Answers* has succeeded in obtaining or increasing pensions for broken men and their dependents. The average number of letters received by our pensions bureau during the past three months exceeds 700 a week. And here I would like to ask all our shareholders and readers to help to brighten the lives of those at the front by sending out as many copies of our journals as they can afford. During a recent visit to the Western front I was impressed by the apparently inexhaustible demand of our fighting forces for "something to read." It is a simple action, and a small thing that is asked of you. All that need be done is to hand the magazines and periodicals, without any wrapper, to the officials of any post office, and they will do the rest. A word may be permitted about the service of useful publicity which our war publications and periodicals generally have rendered. By every legitimate means they have sought to diffuse correct and patriotic views and helpful information on the progress of this great struggle for liberty and right. You will be interested to hear, I am sure, that since our last meeting a further 272 employees have joined his Majesty's Forces, making a total of 1,154 since the beginning of the war. The amount paid out in allowances to the men and their dependants now totals nearly £47,000. Our colleague, Lieut.-Col. Mildren, who went to France in March, 1915, and has been there continually ever since, has seen much hard fighting, and is now the possessor of the Distinguished Service Order, in addition to the Order of St. Michael and St. George. Another member of the board, Mr. Tod Anderson, is also on active service in France. Several members of the staff have gained distinction in the war. One has won the Military Medal and the Military Cross, another the Albert Medal and the Military Cross, and three Military Crosses, two Distinguished Conduct Medals, three Military Medals, and one or two foreign decorations have been conferred upon other employees of the firm. Not a bad record, I venture to think; indeed, it is something of which we have reason to be proud. But there is also a touch of sadness in our survey of the past year so far as the members of the staff who left us to serve their King and country are concerned. Several of our brave young men, who went away with bright and promising careers before them, will never come back. I should like to express publicly, as we have done privately, the sympathy of the directors of the company with the relatives of those who have given their lives for their country. The difficulty of temporarily replacing the

men who have joined up has, of course, thrown a severe strain upon those members of the staff remaining, and once again I wish to refer to the great help and assistance we have received from the lady members. They have "carried on" under very difficult conditions, and risen nobly to the occasion. So far as our office is concerned, we have had the most enthusiastic service and co-operation. In view of the difficulty of maintaining our staff just now, I take the opportunity of saying that I shall at any time be glad to receive applications from competent men and women anxious to join the Amalgamated Press, and equally to receive ideas or suggestions from those who are desirous of working for us. I propose: "That the report of the directors, produced, together with the annexed statement of the company's accounts to October 31, 1917, be received, approved and adopted, and that a final dividend of 5s per share be now declared on the ordinary shares."

Mr. Arthur E. Linforth (vice-chairman) seconded the resolution, which was carried unanimously.

BANTAM (JAVA) RUBBER ESTATES.

OUTPUT TO BE REDUCED.—ESTIMATES EXCEEDED.

The seventh ordinary general meeting of the shareholders of the Bantam (Java) Rubber Estates, Ltd., was held on Friday at the London Chamber of Commerce, Oxford Court, Cannon Street, E.C., Mr. H. de C. Hamilton (the chairman of the company) presiding.

The Secretary (Mr. Donald Laing) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—With your permission I will as usual take the report and balance-sheet as read. The amount of profit shown, I think you will all agree, is quite satisfactory, but after carefully considering the matter, your directors have been compelled to recommend a smaller dividend than last year. The amount of £33,162 8s. 7d. carried forward may appear to you unnecessarily large, but as things stand at the moment we have to make provision for the payment of about £34,000 for excess profits tax. Against this we have some £10,000 in hand, viz., £3,000 in suspense account under the heading of sundry creditors, and £7,000 surplus realised on the rubber in stock, the amount realised over and above the valuation in the balance-sheet, leaving £24,000 to come out of the amount carried forward, which will reduce it to about £9,000. Out of this we have to make provision for heavy legal expenses in connection with the action against our late agents in Batavia, and we have not as yet been able to allocate anything to reserve account, which we hope to do as soon as the exact amount of excess profit to be paid is finally decided on. If any relief is given to the young rubber-producing estates under the fresh application to the Board of Referees, this company would no doubt benefit considerably.

CONDITION OF THE PROPERTIES.

As to the properties, the acreage remains practically the same, but lately a small acreage has been opened by the way of straightening out boundaries. The weeding is reported to be well in hand, and now gives but little trouble. Diseases appear to be rather prevalent in some shape or form, but are reported to be well in hand; there has been no serious outbreak, and the manager appears to be alive to the necessity of prompt and systematic treatment. Thinning out the trees and letting in plenty of light and air is the best preventive against disease, and this work has been carried on persistently throughout the year, and where completed there are about 80 trees to the acre left, which will be still further reduced as time goes on. The labour force now gives no trouble, and is, generally speaking, sufficient for all requirements. The estimate of 770,000 lbs. was exceeded by 90,424 lbs., which, as far as it goes, is good, but the time has come when it is not desirable to aim at getting the maximum amount of crop possible.

THE MANAGER'S ESTIMATE.

The manager's estimate for this year is 915,000 lbs. This is not likely to be realised, as instructions have already been sent out to tap on one cut only instead of two, which will reduce the output somewhat for some months, and owing to the accumulation of stocks and the shortage of freight we may find it desirable to reduce the output still further, which will probably cut down the estimate by 20 per cent., as it is not good having a larger stock of rubber on hand than we can easily dispose of. You will notice that the average price realised was 2s. 7½d. per lb.—a very good showing—and that the all-in cost works out slightly less than the previous year, in spite of the heavy charges for freight, insurance, &c., now ruling. I am afraid this year's crop will not average out nearly so well, but decreased profits affect the excess profits tax more than it does the shareholders. The supervision of the estates remains in the same hands, and the thanks of the shareholders are due to the managers and their staff for the able way in which they have carried out their duties.

Mr. A. H. Dunsmure seconded the motion, which was carried unanimously.

A dividend of 15 per cent. for the year was then proposed, seconded by Mr. W. O. Burt, and carried unanimously.

The re-election of Mr. A. H. Dunsmure as a director and of Messrs. Singleton, Fabian and Co. as auditors, was also confirmed, and after voting £200 to war charities the meeting closed with the usual vote of thanks to the chairman.

INDIAN RAILWAYS.

NAME.	Week ending	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
		Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.
		Rs.	Rs.		Rs.	Rs.	
Assam Bengal	Nov. 3	1,23,535	28,726	1	5,91,759	1,07,494	1
Barsi	" 10	18,700	49,300	1	5,91,759	1,07,494	1
Bengal & N.W.	" 10	3,38,686	46,046	1	5,91,759	1,07,494	1
Bengal Nagpur	" 10	8,52,000	1,75,000	1	5,91,759	1,07,494	1
Bombay, Baroda	Dec. 15	15,04,000	1,15,000	1	5,91,759	1,07,494	1
Burma	Nov. 3	3,68,000	1,15,000	1	5,91,759	1,07,494	1
Delhi Umballa	Dec. 15	67,800	1,785	1	5,91,759	1,07,494	1
East Indian	" 15	23,33,000	82,000	1	5,91,759	1,07,494	1
Gt. Indian Penin.	" 8	25,76,500	2,80,600	1	5,91,759	1,07,494	1
Lucknow-Bareilly	Nov. 3	35,758	850	1	5,91,759	1,07,494	1
Madras and S.	" 10	9,50,000	1,65,424	1	5,91,759	1,07,494	1
Mahratta	Oct. 27	1,14,300	15,874	1	5,91,759	1,07,494	1
Nizam's Gd. (Broad)	Sept. 30	51,933	5,072	1	5,91,759	1,07,494	1
Rohilkund and	" 10	38,799	4,247	1	5,91,759	1,07,494	1
Kumaon	" 10	6,75,575	73,277	1	5,91,759	1,07,494	1
South Indian	" 10	27,34,314	2,90,233	1	5,91,759	1,07,494	1

TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.
		£	£		£	£	
Bristol	Dec. 21	12,400	1,135	1	562,527	47,342	1
Dublin United	" 7	6,826	750	1	329,307	31,796	1
Hastings and Dist.	" 16	985	148	1	61,712	9,928	1
Isle of Thanet	Oct. 13	195	141	1	359	324	1
Lancashire United	Dec. 19	2,324	902	1	120,091	27,593	1
Provincial	Oct. 27	2,335	201	1	9,138	507	1
Yerkes (Wst. Rdng.)	Dec. 23	2,317	687	1	109,057	19,737	1

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.
		£	£		£	£	
Albany Power	Oct. 8	11,518	22,072	12	1,253,083	361,342	12
Anglo-Argentine	Dec. 23	54,902	1,819	1	2,650,628	42,326	1
Auckland Electric	Oct. 20	22,308	880	1	329,307	31,796	1
Brazilian Traction	" 10	18,000,000	7,444,000	10	1,253,083	361,342	10
Brisbane Elec. Inv.	" 10	33,580	820	1	329,307	31,796	1
British Columbia	" 10	9,456	5,038	1	329,307	31,796	1
E. A. Lacroze	Nov. 3	39,079	516	1	329,307	31,796	1
Burmah Electric	Dec. 20	Rs. 27,761	Rs. 937	1	329,307	31,796	1
Calcutta	" 20	Rs. 17,748	Rs. 456	1	329,307	31,796	1
Carthage and	" 20	3,932	1,680	1	329,307	31,796	1
Herrera	" 20	3,932	1,680	1	329,307	31,796	1
Cordoba Light	" 20	3,932	1,680	1	329,307	31,796	1
P. & T.	" 20	3,932	1,680	1	329,307	31,796	1
Hongkong	" 20	12,481	1,052	1	329,307	31,796	1
La Plata	" 20	13,031	336	1	329,307	31,796	1
Lima	" 20	4,069	365	1	329,307	31,796	1
Madras Electric	Dec. 15	Rs. 35,112	Rs. 3,174	1	329,307	31,796	1
Manila Electric	Aug. 8	65,467	4,007	1	329,307	31,796	1
Mexico	Nov. 8	25,256	108,660	1	329,307	31,796	1
Rangoon	" 8	5,358	323	1	329,307	31,796	1
Singapore Electric	Oct. 27	12,357	3,640	1	329,307	31,796	1
Toronto	" 27	444,813	7,190	1	329,307	31,796	1
United of Monte V.	Nov. 3	31,060	2,656	1	329,307	31,796	1
Vera Cruz	Sept. 8	56,400	8	1	329,307	31,796	1
Winnipeg	Oct. 1	91,961	4,282	1	329,307	31,796	1

FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.
		£	£		£	£	
Alcoyand Gandia	Dec. 27	Ps. 7,000	Ps. 6,000	1	Ps. 552,170	Ps. 401,130	1
Antofagasta (Chili)	" 16	52,670	9,000	1	2,442,890	386,458	1
Arauco	Oct. 31	14,500	2,500	1	103,500	17,700	1
Argentine N.E.	Dec. 22	12,000	5,000	1	193,000	27,000	1
Bilbao R. and Cantia	Oct. 31	3,911	1,420	1	35,861	10,440	1
Bolivar	Nov. 15	12,000	4,820	1	55,005	18,001	1
Brazil	Aug. 8	M4,432,000	M5,32,237	1	M3,194,000	M3,987,4	1
Brazil Gr. Southern	Dec. 22	M1,38,300	M2,080	1	M1,325,937	M1,546,7	1
B. Ayres & Pacific	Sept. 24	168,000	18,000	1	1,728,000	384,000	1
Do. Central	" 24	18,317	7,787	1	70,915	4,287	1
Do. Gt. Southern	" 24	145,000	27,000	1	2,297,705	343,549	1
Do. Western	" 23	60,000	12,000	1	984,000	325,000	1
Central Argentine	" 22	134,700	32,800	1	2,123,400	553,200	1
C. Uruguay of Mte V.	" 22	10,786	5,883	1	443,114	123,936	1
Do. East'n Ex.	" 22	5,640	13	1	116,647	8,532	1
Do. North'n Ex.	" 22	3,799	1,124	1	7,109	24,089	1
Do. West'n Ex.	" 22	2,295	319	1	50,011	4,734	1
Cordoba Central	" 22	38,000	10,100	1	728,262	32,225	1
Costa Rica	Nov. 3	3,558	1,190	1	55,865	59,980	1
Cuban Central	Dec. 22	12,558	2,702	1	297,019	68,402	1
Dorada Extension	Nov. 8	8,000	300	1	28,730	7,500	1
Egyptian Delta	" 10	10,912	1,716	1	154,215	26,799	1
Entre Rios	Dec. 22	18,600	7,800	1	319,800	39,100	1
French Saint Fé	Aug. 8	132,000	20,000	1	984,000	325,000	1
Gr. South. of Spain	Dec. 8	Ps. 38,913	Ps. 27,065	1	Ps. 119,610	Ps. 44,319	1
Gr. West. of Brazil	" 22	21,200	2,900	1	718,350	151,730	1
Havana Central	Nov. 17	8,115	4,493	1	146,593	20,988	1
Inter. of C. Amer.	" 27	11,712	5,238	1	240,451	34,242	1
La Guafra and Car.	" 27	6,500	500	1	80,500	4,750	1
Leopoldina	Dec. 22	34,400	6,812	1	1,532,332	250,495	1
Midland Uruguay	Nov. 15	15,745	1,407	1	67,118	7,737	1
Mogiana	Aug. 8	M1,248,000	M5,26,674	1	M1,459,000	M4,007,0	1
N.W. of Uruguay	Nov. 15	30,100	1,356	1	1,120,674	84,600	1
Nitrate	Dec. 15	2,800	410	1	737,800	84,443	1
Paraguay Central	" 15	2,800	410	1	737,800	84,443	1
Paulista	Aug. 8	M4,904,000	M11,27,724	1	M19,99,000	M172,000	1
Peruvian Corp.	Nov. 8	St. 3,034,790	St. 808,070	1	St. 1,997,180	St. 472,539	1
Salvador	Dec. 22	23,500	1,000	1	St. 302,676	St. 80,459	1
State of Bahia S.W.	Nov. 8	M35,000	M45,000	1	M1,000,000	M60,000	1
S. Pau. (Brazilian)	Dec. 23	44,438	2,995	1	1,585,402	109,897	1
Sorocabana	" 23	M2,107,000	M224,208	1	M1,30,885	M173,205	1
Taitai	Nov. 8	29,380	12,142	1	121,328	25,590	1
United of Havana	Dec. 16	49,001	13,727	1	916,678	101,105	1
West'n of Havana	" 15	7,974	2,435	1	167,173	30,238	1
Zafra and Hueiva	Oct. 1	11,790	207	1	113,282	2,870	1

COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.
		£	£		£	£	
Beira	Aug. 8	54,914	12,287	10	706,175	4,297	10
Canadian Northern	Dec. 14	\$253,800	\$138,800	1	\$20,253,400	\$290,800	1
Canadian Pacific	" 14	\$2,008,000	\$1,008,000	1	\$14,567,000	\$1,170,000	1
Gr. Trk. Main Line	" 21	220,350	21,130	1	10,386,811	877,504	1
Gr. Trk. Western	" 21	42,719	13,703	1	1,946,473	93,961	1
Gr. Trk. H. & M.	" 21	15,372	4,235	1	676,733	17,988	1
Gr. Trk. Pacific Se.	" 21	23,318	3,096	1	722,214	169,000	1
Marshalland	Sept. 8	47,670	9,630	1	47,670	9,630	1
Mid. of West'n. Aus.	Oct. 8	7,810	931	1	25,356	1,307	1
New Cape Central	Nov. 10	2,338	704	1	81,303	12,700	1
Rhodesia	Sept. 8	78,617	11,622	12	1,011,764	73,617	12

MONTHLY STATEMENTS.

NAME.	Month.	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
		Amount.	In. or Dec. on last year.	Wks.	Amount.	In. or Dec. on last year.	Wks.
		Dols.	Dols.		Dols.	Dols.	
Atchafalaya T. & S. Fé	Sept.	3,933,000	857,000	9	37,25,000	4,302,000	9
Atlantic Coast Line	"	757,000	131,000	9	8,200,000	1,337,000	9
Baltimore & Ohio	Oct.	788,000	581,000	10	21,82,000	1,210,000	10
Canadian Northern	"	591,000	626,200	4	2,51,000	1,672,000	4
Canadian Pacific	"	5,053,000	1,38,700	10	47,77,000	2,584,000	10
Chesapeake & Ohio	"	1,164,000	218,000	9	1,164,000	1,164,000	9
Chicago & N.W.	"	2,614,000	494,000	9	19,48,000	2,492,000	9
Chicago & Burl. & Q.	Sept.	3,563,000	809,000	9	31,55,000	7,74,000	9
Chicago G.W.	Oct.	1,888,000	172,000	9	1,888,000	1,888,000	9
Chicago Mill & S.P.	"	1,599,000	1,525,000	10	4,475,000	4,475,000	10
Chicago, Rock I. & P.	Sept.	1,664,000	359,000	9	15,457,000	1,977,000	9
Colorado & Southern	"	476,000	47,000	9	9,339,000	1,977,000	9
Cuba	"	75,896	106,949	4	9,381,810	1,977,000	4
Delaware & Hud.	"	673,000	2,000	9	5,002,000	81,000	9
Denver & Rio Gran.	"	742,000	182,000	9	5,741,000	876,000	9
Erie	"	832,000	725,000	9	2,694,000	1,000,000	9
Gr. Tr. Main Line	Oct.	1,157,000	120,000	10	11,821,100	1,000,000	10
Grand Trunk Westn	"	662,750	13,800	10	1,000,000	1,000,000	10
Detroit G. H. & Mil.	"	664,000	4230	10	1,000,000	1,000,000	10
Gt. Northern	Sept.	2,626,000	559,000	9	17,100,000	2,282,000	9
Illinois Central	Oct.	1,852,000	135,000	10	16,073,000	2,999,000	10
Kansas City Southn.	"	351,000	77,000	9	3,455,000	65,000	9
Lehigh Valley	Sept.	854,000	231,000	9	7,875,000	1,560,000	9
Louisville & Nashv.	"	1,472,000	114,000	9	14,070,000	1,560,000	9
Min. S.P. (Soo) & S.	"	911,000	316,000	9	7,054,000	2,700,000	9
Miss. K. & Texas	"	760,000	2,000	9	5,503,000	2,344,000	9
Missouri Pacific	"	1,630,000	9,000	9	15,323,000	1,111,000	9
New York Cent. & H.	Oct.	4,955,000	1,221,000	9	30,447,000	1,157,000	9

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The Investors' review

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